

PERFORMANCE AGREEMENT

This Performance Agreement (this "Agreement") is entered into by and between Pflugerville Community Development Corporation (the "PCDC"), a Section 4B corporation incorporated under the Development Corporation Act of 1979 (the "Act"), and LifeLast, Inc., a Washington Corporation ("LIFELAST").

RECITALS

PCDC has determined that it is in the best interests of PCDC and the City of Pflugerville, a Texas Home Rule City in Travis County, Texas (the "City"), to facilitate LIFELAST in relocating its Research and Development, corporate headquarters and manufacturing facility to wit: LifeLast will relocate within the City of Pflugerville as generally described on Exhibit "A" attached hereto (the "Relocation"). PCDC has determined that the addition of the research and development, corporate headquarters and manufacturing facility within the City will provide significant economic benefits and will further economic development in the City. The economic benefits of the Relocation to the City will include, without limitation, the proceeds received by the City from the ad valorem taxes levied upon the premises and equipment of LIFELAST, and the maintenance of and growth of jobs in the City.

PCDC and LIFELAST have agreed to enter into this Agreement in connection with LIFELAST's Relocation to provide for certain incentives to LIFELAST and to further define certain obligations of the parties with respect to the Relocation and such incentives. This Agreement is required pursuant to Section 40 of the Act.

AGREEMENT

I.

Performance Agreement

1. This Agreement serves as a performance agreement by the parties hereto.
2. LIFELAST hereby agrees that within three months of the execution of this agreement LIFELAST shall relocate to the corporate city limits of Pflugerville, Texas.
3. LIFELAST hereby agrees to maintain its operations in the City of Pflugerville for at least 5 years beginning on January 1, 2015.
4. LIFELAST agrees to relocate and/or employ a minimum of 15 full time Employees at its facility located within the corporate city limits of Pflugerville, Texas within three years of the date that it begins its operations ("Operating Date"). As used herein, the term

“Employees” means full-time employees who perform a regular work schedule of at least thirty-five (35) hours per week.

5. LifeLast agrees to maintain at least 15 Employees for a period of 5 years from the date in which it has hired all 15 Employees with an average salary of \$70,000 per year (“Full Employment Date”).

II.

Benefit

In consideration for LIFELAST’s agreement to satisfy the above mentioned performance agreement, PCDC hereby agrees to grant LIFELAST the following benefits (collectively the “Benefits”) for at most 15 Employees:

1. PCDC shall pay LifeLast \$3,500 per employee with an average salary of \$70,000 per year.
2. PCDC shall pay the first 6 months of rent at the 130 Commerce Center L.L.C. on 24,000 square feet of space at a rate \$6.56 per foot exclusive of (NNN) maintenance, insurance and taxes provided LifeLast executes a lease agreement of at least 5 years.
3. PCDC shall grant LifeLast \$25,000 for relocation expenses.
4. The total benefit under this agreement shall not exceed \$155,720.

The above Benefits shall be paid quarterly following the receipt of a certificate of occupancy and an Employment Certification for a period of five (5) years after the Full Employment Date. LifeLast agrees that as a condition to payment of the Benefits, LifeLast will submit to the City an Employment Certification substantially in the form attached hereto as Exhibit A.

III.

PENALTY

In the event that (i) LIFELAST fails to obtain a certificate of occupancy;, or ((ii) LIFELAST otherwise fails to comply with its obligations pursuant to this Agreement other than its employment obligations discussed in Sections I(4)-(5), and such failure is not cured within 30 days of written notice thereof from PCDC

to LIFELAST, then in any such event, LIFELAST shall no longer be eligible to receive the Benefits and shall immediately refund to PCDC the full amount of the Benefits it has received to date.

In the event that LIFELAST fails to hire or relocate at least 15 Employees pursuant to Section I(4) above within three years of the Operating Date; the Benefits will be reduced by the percentage in which LIFELAST does not satisfy its employment obligations.

IV. MICELLANEOUS

Representations and Warranties. This Agreement is being entered into pursuant to Section 40 of the Act. PCDC hereby represents and warrants to LIFELAST that this Agreement is within its authority and that PCDC has been duly authorized and empowered to enter into this Agreement. LIFELAST hereby represents and warrants to PCDC that this Agreement is within its authority and that LIFELAST has been duly authorized and empowered to enter into this Agreement. LIFELAST acknowledges that the Agreement may be terminated and payment may be withheld if this certification is inaccurate.

Mutual Assistance. PCDC and LIFELAST will each do all things reasonably necessary and appropriate to carry out the terms and provisions of this Agreement.

Successor and Assigns. This Agreement shall be binding upon and inure to the benefit of the respective legal representatives, successors, assigns, heirs, and devisees of the parties. Neither party hereto may assign this Agreement without the prior written consent of the other party hereto.

Payment of Debt or Delinquency to the Local or State Government. LIFELAST agrees that any payments owing to LIFELAST under an agreement with the City of Pflugerville may be applied directly toward any debt or delinquency that LIFELAST owes the State of Texas, Travis County, Williamson County the City of Pflugerville or any other political subdivision of the State of Texas regardless of when it arises, until such debt or delinquency is paid in full.

Severability. If any portion of this Agreement is held invalid or inoperative, then so far as is reasonable and possible, the remainder of this Agreement shall be given the intent manifested by the portion held invalid or inoperative. The failure by either party to enforce against the other any term or provision of this Agreement shall be deemed not to be a waiver of such party's right to enforce against the other party the same or any other such term or provision.

Governing Law. This Agreement shall be governed, construed, applied, and enforced in accordance with the laws of the State of Texas, and shall be performable with venue in Travis County, Texas.

Third Party Beneficiaries. This Agreement is not intended to give or confer any benefits, rights, privileges, claims, actions or remedies to any person or entity as a third party beneficiary.

Amendments. This Agreement may be amended or supplemented only by an instrument in writing executed by the party against whom enforcement is sought.

Time. Time is of the essence in the performance of this Agreement.

Attorney's Fees. Should any party employ attorneys to enforce any of the provisions hereof, the party losing in any final judgment agrees to pay the prevailing party all reasonable costs, charges and expenses, including reasonable attorneys' fees, expended or incurred in connection therewith.

Notice and Payments. All notices hereunder must be in writing and shall be deemed delivered on the day personally delivered on the third day from the day sent by registered mail or certified mail, return receipt requested with the U.S. Postal Service, or on the day after the day sent by national overnight courier, to the parties at the following addresses, or at such other addresses as shall be specified by notice.

If notice to the PCDC:
Pflugerville Community Development Corporation
Attention: Executive Director
203 West Main Street, Suite C
P.O. BOX 1160
Pflugerville, Texas 78691

If notice to LIFELAST:
Jeffrey Burratto
President
LifeLast Inc.

with copy to:

All payments to the PCDC required under this agreement shall be made to:

Pflugerville Community Development Corporation
Attention: Executive Director
203 West Main Street, Suite C
P.O. BOX 1160
Pflugerville, Texas 78691

Construction. The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

Counterpart Execution. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all such counterparts shall constitute one Agreement.

Performance. Performance by PCDC under the Agreement is dependent upon the approval of the City Council of the City of Pflugerville (Council). If the Council fails to approve this Agreement, then PCDC shall issue written notice to LIFELAST and PCDC may terminate the Agreement without further duty or obligation hereunder. LIFELAST acknowledges that the approval of this document is beyond the control of PCDC.

Undocumented Workers. Pursuant to Chapter 2264 of the Texas Government Code, LIFELAST certifies that it will not knowingly employ any undocumented workers. LIFELAST further agrees that if the business, or a branch, division, or department of the business, is convicted of a violation under 8 U.S.C. Section 1324a(f), LIFELAST shall repay the amount of the public subsidy with interest, at the rate of ten percent (10%) per annum from the date this agreement is entered into, not later than the 120th day after the date the public agency, state or local taxing jurisdiction, or economic development corporation notifies the business of the violation.

DATED this _____ day of _____, 2014.

Jeffrey Burratto
A Washington Corporation

By: _____
Name: _____
Title: _____

PFLUGERVILLE COMMUNITY DEVELOPMENT CORPORATION
A Texas Economic Development Corporation

By: _____
Name: Omar Pena
Title: President

STATE OF TEXAS,

COUNTY OF TRAVIS.

BEFORE ME, the undersigned authority, on this day personally appeared _____ of LIFELAST, a Washington Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and sworn and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated and as the act and deed of the corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 2014.

Notary Public in and for
The State of Texas

STATE OF TEXAS,
COUNTY OF TRAVIS.

BEFORE ME, the undersigned authority, on this day personally appeared Omar Pena, President of the Pflugerville Community Development Corporation, a Section 4B corporation incorporated under the Development Corporation Act of 1979, known to me to be the person whose name is subscribed to the foregoing instrument, and swore and acknowledged to me that he executed the same for the purpose and consideration therein expressed, and in the capacity therein stated and as the act and deed of the Pflugerville Community Development Corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 2014.

Notary Public in and for
The State of Texas

EXHIBIT A

FORM OF EMPLOYMENT CERTIFICATION

Pflugerville Community Development Corporation
Attention: Executive Director
203 West Main Street, Suite C
P.O. Box 1160
Pflugerville, Texas 78691

Re: PERFORMANCE AGREEMENT BETWEEN THE CITY OF PFLUGERVILLE AND LIFE LAST ; EMPLOYMENT CERTIFICATION

This Employment Certification is being delivered by LifeLast (the "Company") in connection with the Performance Agreement between the City of Pflugerville and the Company effective _____, 2014 (the "Agreement"). All terms used herein have the meanings ascribed to them in the Agreement unless otherwise defined herein.

The undersigned authorized officer of the Company hereby certifies to the City that as of the date below, the Company has created and retained 15 full-time employees. As provided in the Agreement, the term "Employees" means full-time employees who perform a regular work schedule of at least thirty-five (35) hours per week and receive medical benefits.

The undersigned hereby certifies that I am a duly authorized representative of the Company and am duly authorized to execute this Employment Certification

LIFELAST

By: _____
Jeffrey Burratto , President

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2014, by _____ as President of LifeLast.

Notary Public