

## FORBEARANCE AGREEMENT

THIS FORBEARANCE AGREEMENT (this "Forbearance Agreement") is entered into as of 12/5/2017 between [REDACTED] LLC ("FUNDER") and [REDACTED] Tech, Inc. ("Merchant Debtor") and [REDACTED] ("Guarantor"), collectively, with "Merchant Debtor", "Debtors"), with reference to the following Recitals:

### RECITALS

- A. On or about 8/24/2017 Debtors entered into a merchant agreement with FUNDER wherein FUNDER purchased future receivables of [REDACTED] Tech, Inc. (the "Merchant Agreement").
- B. The Merchant Agreement contained a Personal Guaranty of Performance by Joseph [REDACTED]
- C. [REDACTED] Tech, Inc. defaulted (the "Default") under the Merchant Agreement and judgment was entered in ONTARIO County, New York bearing Index No.: [REDACTED] in the amount of \$93,515.00 captioned [REDACTED], LLC v. [REDACTED] Tech, Inc. and [REDACTED] (the "Judgment").
- D. As a result of the default, FUNDER is entitled to various legal and equitable remedies against Debtors.
- E. Debtors have represented to FUNDER that they wish to settle the dispute and Debtors and FUNDER have come to an arrangement (as described herein) pursuant to which FUNDER is willing to forbear from pursuing or exercising the rights and remedies to which it is entitled as a result of the Default in order to give Debtors an opportunity to pay amounts owed, but only if, and only for so long as Debtors shall agree to and abide by each of the covenants and undertakings as set forth in this Forbearance Agreement.

### AGREEMENT

1. Incorporation of Recitals. Debtors acknowledge that each of the foregoing Recitals is true and accurate, and each is incorporated herein by this reference as though fully set forth in the body of this Forbearance Agreement. The Recitals set forth in "Recitals" are, by this reference, incorporated and deemed a part of this Forbearance Agreement.
2. Forbearance. Subject to Debtors' timely compliance with each and every obligation set forth in this Forbearance Agreement, FUNDER agrees to forbear from pursuing its remedies with respect to the Default. If Debtors fail to meet any of the payment obligations set forth in this Forbearance Agreement (an "Event of Default"), FUNDER's obligation hereunder to forbear shall terminate. Such termination shall occur after FUNDER sends a written notice ("Default Notice") of the Event of Default via e-mail to msharpe@cdaemail.com; the Event of Default remains uncured for Five (5) business days after the Default Notice is sent. Upon Debtor's breach of this Forbearance Agreement, FUNDER, at its sole option, may take any and all additional remedies at law or in

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equity.

3. **Obligations of The Parties.** F U N D E R a n d t h e Debtors have agreed to the following terms to resolve this dispute:

- (a) On or about 12/12/2017, Debtors have agreed to pay \$27,000.00 from either the funds at Bluebird or via wire to Funder.
- (b) Debtors have agreed to pay \$5,600.00 on the 20<sup>th</sup> day of each month via Ach debit by Fundrock, LLC or via wire commencing December 20, 2017. These daily payments will continue until the total amount of \$55,000.00 (“Settlement Amount”) is paid.
- (c) While Debtors are in full compliance with the terms of this Forbearance Agreement, FUNDER will forbear from enforcing any of its rights under this Merchant Agreement and judgment, including any UCC Liens it may have.
- (d) Upon Debtors payment of the Settlement Amount, FUNDER shall (i) file a Satisfaction of Judgment with the Clerk of the Court of the Supreme Court of New York, County of ONTARIO and; (iii) if applicable, file a UCC-3 Termination of any UCC-1 Financing Statement in favor of FUNDER.

4. **Representations and Warranties of Debtors.** Debtors represent and warrant as follows:

(a) **Duly Authorized.** Machine Tech, Inc. is a corporation duly organized, validly existing and in good standing under the laws of GA and the execution, delivery and performance of this Forbearance Agreement has been duly authorized by [REDACTED] who is authorized to bind Debtors in this Forbearance Agreement.

(b) **Legal and Binding.** This Forbearance Agreement is a legally valid and binding obligation, enforceable in accordance with its terms, except to the extent limited by or subject to bankruptcy, insolvency, reorganization, arrangement, moratorium or other similar laws affecting the rights of creditors generally.

(c) **No Default.** The execution, delivery and performance of this Forbearance Agreement, and any agreement executed in connection therewith, do not contravene, or constitute a default under, any provision of applicable law, the articles of incorporation, or operating agreement of Debtors or any agreement, judgment, injunction, order, decree, or other instrument binding upon Debtors or result in the creation of any lien or other encumbrance on any asset of Debtors.

(d) **Receipt of Notice.** Debtors are in default under the terms of the Merchant Agreement as set forth in the Recitals to this Forbearance Agreement, and have received notice of the default of the Merchant Agreement, even though such notice was not required to be given.

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(e) No Defenses. Debtors have no defenses or affirmative defenses, of any nature whatsoever in connection with the Default or the assertion by FUNDER that Debtors are in default under the Merchant Agreement. Debtors have no claims or counterclaims against FUNDER or which could be asserted against it by reason of any act, conduct or omission of FUNDER or any of its past or present officers, directors, employees and agents.

5. Continuing Default. Debtors and FUNDER agree that FUNDER has not, by any action, inaction, or by this Forbearance Agreement, waived Debtors' obligation to cure the Default and perform all of Debtors' obligations under the Merchant Agreement and Judgment, except as set forth herein. Accordingly, FUNDER shall have the discretion to enforce fully any or all of its rights under the Merchant Agreement upon the termination of this Forbearance Agreement as set forth in paragraph 2 above.

6. Bargain for Absolute Performance. Debtors acknowledge that FUNDER has entered into this Forbearance Agreement based upon FUNDER's reliance that the Merchant Agreement and each and every term thereof, are fully enforceable so as to assure that FUNDER is able to recover the Settlement Amount. Debtors also acknowledge that FUNDER has bargained for Debtors' performance under the Merchant Agreement, that Debtors have an absolute obligation to perform the terms of the Merchant Agreement and that no provision of the Merchant Agreement shall be deemed to have been waived by any action, inaction, representation or course of conduct by FUNDER unless clearly expressed by it in a writing signed by FUNDER.

7. No Modification. Debtors agree that this Forbearance Agreement is not intended to modify or amend the Merchant Agreement but instead merely sets forth the terms and conditions pursuant to which FUNDER will forbear from enforcing its rights thereunder.

8. Miscellaneous.

(a) Time of Essence. Time is of the essence in the performance of all terms and conditions and other obligations under this Forbearance Agreement.

(b) Counterparts. This Forbearance Agreement may be executed in one or more counterparts in facsimile or PDF format, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(c) Final Agreement/ Amendments to the Agreement. This Forbearance Agreement is intended by the parties as a final, complete and exclusive statement of their agreement concerning the subject matter hereof, and may not be contradicted by evidence of any prior agreement or a contemporaneous oral agreement. No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by all Parties.

(d) Additional Documents. The parties hereto shall execute such other documents as may be necessary or as may be required, in the opinion of FUNDER or its counsel, to effect the transactions contemplated hereby.

(e)

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**GENERAL RELEASE**

TO ALL TO WHOM THESE PRESENTS SHALL COME OR MAY CONCERN, KNOW  
THAT

██████████, Inc. and ██████████  
as “RELEASORS”, good and valuable consideration received from ██████████, LLC  
 (“RELEASEES”), receipt whereof is hereby acknowledged, covenants not to sue and release and  
 discharge RELEASEES, and each of their respective present and former employees, owners,  
 shareholders, officers, directors, members, agents, subsidiaries, affiliates, divisions,  
 predecessors, heirs, executors, administrators, attorneys and assigns from all actions, causes of  
 action, suits, debts, liens, dues, sums of money, accounts, reckonings, bonds, bills, specialties,  
 covenants, contracts, controversies, agreements, promises, variances, trespasses, damages,  
 judgments, extents, executions, claims and demands whatsoever in law, admiralty or equity,  
 which the RELEASORS and their present and former owners, shareholders, employees, officers,  
 directors, members, agents, subsidiaries, affiliates, divisions, predecessors, heirs, executors,  
 administrators, successors, attorneys and assigns had, now has or hereafter can, shall or may  
 have from the beginning of the world to the date of this General Release, including but not  
 limited to, any claim, lien, counterclaim, defense or cause of action arising out of the business  
 relationship and/or dealings between RELEASORS, on the one hand, and RELEASEES, on the  
 other hand, and any claim, lien, counterclaim, third-party claim, cross-claim or cause of action  
 asserted, or which was or could have been asserted in, or which arise from any of the facts or  
 transactions that form the basis for any claim, lien, counterclaim, third-party claim, cross-claim  
 or appeal, relating, but not limited to, the actual or potential claims, counterclaims and liens  
 related to, in connection with, or arising out of: the merchant agreement (“Merchant  
 Agreement”) entered into on or about 8/24/2017 by F ██████████, LLC and Machine Tech, Inc. and  
 ██████████ including the Security Agreement, Personal Guarantee of Performance, and  
 all other instruments, authorizations and agreements executed in connection therewith.

[SIGNATURES ON THE FOLLOWING PAGE]

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