

**CASH COW  
CAPITAL LLC**  
**PURCHASE AND SALE AGREEMENT**

THIS PURCHASE AND SALE AGREEMENT (the "Agreement") is entered into this 15<sup>th</sup> day of May, 2014 between Cash Cow Capital, LLC, a New York limited liability company, having an address at PO Box 456 Lawrence, NY 11559 (the "Purchaser") and Pink Pilates, Inc., dba Wayne Martin Pilates (CC), having an address at 5925 Alameda Houston, TX 77064 (the "Seller") and Wayne Martin having an address at 5921 Alameda Road # 2202 Houston, TX 77064, and having an address at \_\_\_\_\_ (the "Guarantor(s)").

**WITNESSETH**

WHEREAS, the Purchaser is in the business of the purchase of future accounts, receivables and other contract rights, from merchants,

WHEREAS, Seller desires to sell certain accounts to the Purchaser, and the Purchaser desires to purchase certain accounts from the Seller, as set forth herein.

NOW THEREFORE, for good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**1. PURCHASE AND SALE OF FUTURE RECEIVABLES**

Section 1.1 *Purchase and Sale*. Purchaser hereby purchases from the Seller, a percentage, as specified below (the "Purchased Percentage"), of each future account and contract right arising from, or relating to, payment of gross amounts of monies by customers of the Seller, insurance payers or other third payers (the "Future Receivables") until the Purchaser has received the amount specified below (the "Purchased Amount") for the purchase price ("Purchase

"Price") set forth below. Seller hereby authorizes Purchaser to ACH the Specified Daily Amount (as set forth below) from Seller's accounts on a daily basis. Purchaser will debit the Specified Daily Amount each business day and upon receipt of the Seller's monthly bank statements will reconcile the Seller's account by either crediting or debiting the difference from or back to the Seller's bank account so that the amount debited per month equals the Purchased Percentage.

Purchase Price:	\$4,000.00
Purchased Percentage:	14%
Purchased Amount:	\$5,680.00
Specified Daily Amount:	\$71.00

**2. ACH PAYMENTS**

Section 2.1 If Purchaser agrees to purchase receipts of Seller pursuant to Purchaser's "ACH Program", Seller authorizes Purchaser and its agents to initiate electronic check or ACH payments equal to the Specified Daily Amount until the Purchaser has received an amount equal to the Purchased Amount. Purchaser will debit the Specified Daily Amount each business day and upon receipt of the Seller's monthly bank statements will reconcile the Seller's account by either crediting or debiting the difference from or back to the Seller's bank account so that the amount debited per month equals the Purchased Percentage. Seller understands that it is responsible for ensuring that the Specified Daily Amount to be debited by Purchaser remains in the account and will be held responsible for any fees incurred by Purchaser resulting from a rejected ACH attempt or an event of default. Purchaser is not responsible

for any overdrafts or rejected transactions that may result from Purchaser ACH debiting the specified amounts under the terms of this Agreement.

Section 2.2 *Liability*. The Purchaser is not responsible and shall not be liable for any claims, losses or other damages under any agreement of Seller with any third party, and the Seller hereby agrees to hold the Purchaser harmless from any and all such liabilities.

**3. STATEMENTS AND REPORTS**

Section 3.1 *Credit Report*. The Seller acknowledges and agrees that in connection with the execution of this Agreement an investigative or consumer report may be made. Accordingly, the Seller and each Guarantor authorizes the Purchaser and its agents and representatives and any credit reporting agency employed by the Purchaser to investigate any references given or any other statements of data obtained from or about the Seller, any Guarantor or any of Seller's other principals for the purpose of this Agreement and to order, receive and review credit reports at any time now or in the future on the Seller, Guarantor(s) and principals.

Section 3.2 *Monthly Statements*. Upon request, the Purchaser shall provide Seller with a statement reflecting the delivery of the Purchased Percentage.

**4. REPRESENTATIONS, WARRANTIES AND COVENANTS**

Seller and the Guarantor(s) hereby represent, warrant and covenant that as of this date and during the term of this Agreement:

Section 4.1 *Seller's Conduct*. Seller shall: (i) not change the account name, password or other access or log-in information relating to accounts from which ACH or electronic check payments are to be made without giving Purchaser at least ten (10) business days prior written notice of such change; (ii) not sell, dispose, convey or otherwise transfer its business or all or any substantial portion of its assets, in each case, without the express prior written consent of the Purchaser and the purchaser or assignee's assumption of all of the Seller's obligations under this Agreement pursuant to the documentation reasonably satisfactory to the Purchaser; (iii) not sell, dispose, convey or otherwise transfer any of its Future Receivables; (iv) deliver to the Purchaser its monthly bank statements within seven (7) days after the end of the applicable month; (v) not grant any security interest or lien upon its accounts receivable or other assets; (vi) not incur any debt on the business without the express prior written consent of the Purchaser; (vii) not commit fraud or misapplication of funds.

Section 4.2 *Business Information*. The information (financial and other) provided by or on behalf of the Seller to the Purchaser in connection with the execution of or pursuant to this Agreement is and shall be true and correct in all material respects, and since the dates therein, there has been no material adverse change in the business or its prospects or in the financial condition, results of operations, or cash flows of Seller and its affiliates. The Seller shall furnish the Purchaser with such other information as the Purchaser may request from time to time, including, if applicable, all information necessary to permit Purchaser and its agents to determine the amount to be paid to Seller and its affiliates.

X \_\_\_\_\_  
Initial Here

under Purchaser's "ACH Program" and initiate such electronic check or ACH payments. To the extent there is a material change in any of the information provided by the Seller to the Purchaser, Seller shall immediately notify Purchaser of such change.

**Section 4.3 Reliance on Information.** The Seller acknowledges that the information (financial and other) provided by the Seller has been relied upon by the Purchaser in connection with its decision to purchase the Future Receivables of the Seller.

**Section 4.4 Governmental Approvals.** The Seller possesses and is in compliance with all permits, licenses, approvals, consents and other authorizations necessary to conduct its business. The Seller is in compliance with any and all applicable federal, state and local laws and regulations. The Seller possesses all requisite permits, authorizations and licenses to own, operate and lease its properties and to conduct the business in which it is presently engaged.

**Section 4.5 Authorization.** The Seller, and the person(s) signing this Agreement on behalf of Seller, have fully power and authority to enter into and perform the obligations under this Agreement, all of which have been duly authorized by all necessary and proper action.

**Section 4.6 Legality Binding.** This Agreement has been duly executed and delivered by Seller and constitutes a legal, valid and binding obligation of Seller enforceable against Seller in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and by general principles of equity.

**Section 4.7 No Violation.** Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated by this Agreement will: (i) violate any federal, state, local or foreign laws, statutes, rules, regulations, ordinances, permits, certificates or requirements applicable to the Seller or its business; or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any agreement, contract, lease, license, instrument, or other arrangement to which Seller is a party or by which it is bound or to which any of its assets are subject (or result in the imposition of any security interest or lien of any kind upon any of its assets, other than as granted to the Purchaser hereunder). Seller does not need to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any third party or any governmental agency, authority, court, department or other instrumentality thereof, in order for the parties to consummate the transactions contemplated by this Agreement.

**Section 4.8 Insurance.** The Seller shall maintain insurance in such amounts and against such risks as are consistent with past practice and shall show proof of such insurance upon the reasonable request of the Purchaser.

**Section 4.9 Change of Name, Location, Etc.** The Seller will not conduct its businesses under any name other than as disclosed to the Purchaser or change any of its places of business. In addition, Seller will not change its legal name, entity type or state of formation, unless it has provided the Purchaser with not less than thirty (30) days prior written notice thereof and any documents, agreements and information reasonably requested by the Purchaser with respect thereto.

**Section 4.10 Conduct of Business.** Seller shall continue to conduct its business consistent with past practice. Seller has no present intention of closing its business or ceasing to operate its business, either permanently or temporarily.

**Section 4.11 Seller Not Indebted to Purchaser.** The Seller is not a debtor of the Purchaser as of the date of this Agreement.

**Section 4.12 Solvency.** As of the date hereof, Seller is solvent, and is not contemplating bankruptcy or insolvency proceedings.

## 5. ADDITIONAL TERMS

**Section 5.1 Sale of Receivables.** The Seller, Guarantor and the Purchaser acknowledge and agree that the Purchase Price paid by the Purchaser in exchange for the Purchased Amount of Future Receivables is a purchase of the Purchased Amount, is absolute and irrevocable and is not intended to be, nor shall it be construed as, a loan from the Purchaser to the Seller. Each Future Receivable purchased by the Purchaser hereunder represents a bona fide sale by the Seller to customer or vendor. Each Future Receivable purchased by the Purchaser which becomes an actual receivable hereunder shall be owned by the Seller free and clear of all encumbrances. Seller, Purchaser and Guarantor hereby acknowledge and agree that neither party is a "consumer" with respect to this Agreement and underlying transaction nor neither this Agreement nor any guarantee thereof shall be construed as a consumer transaction. In the event any amounts paid to Purchaser under the Purchased Amount is the subject of a chargeback for any reason, the then outstanding balance of the Purchased Amount shall be increased by the amount of such chargeback and shall be paid to Purchaser from Future Receivables.

**Section 5.2 Collection of Receivables.** As provided herein, the Purchased Percentage of each Future Receivable due to the Seller shall be collected by Purchaser from electronic check or ACH payments initiated by Purchaser or its agents. Seller hereby grants permission to Purchaser to pay any amount owing to it hereunder by ACH from the account into which its receivables are deposited and pursuant to the ACH authorization form attached hereto.

**Section 5.3 Term of Agreement.** This Agreement shall be in full force and effect until Purchaser has received the full amount of the Purchased Amount.

**Section 5.4 Remedies.** In the event of (a) any breach or inaccuracy of any representation or warranty made by Seller in this Agreement or in any certificate or other document delivered by or on behalf of Seller pursuant hereto, or (b) any breach or default in the performance by Seller of any covenant or agreement contained in this Agreement or in any certificate or other document delivered by or on behalf of Seller pursuant hereto (any of the foregoing, a "Breach"), the Purchaser shall be entitled to all remedies available at law. In such a case, without limitation, Purchaser may recover, as damages from Seller, an amount equivalent to the Purchased Amount less the amount received by Purchaser from the Purchased Percentage. Seller hereby authorizes Purchaser to ACH from the Seller's bank account all or any portion of the Purchase Price payable at any time hereunder. In addition Purchaser shall have all rights and remedies provided under the UCC.

**Section 5.5 No Right to Repurchase.** The Seller acknowledges that it has no right to repurchase the Purchased Amount of Future Receivables from the Purchaser.

**Section 5.6 Due Diligence.** Seller authorizes Purchaser to conduct background, onsite and financial examinations of Seller, which may include without limitation, address verifications for up to ten (10) years; verification of the status of the licenses, permits, authorizations and/or governmental filings of Seller; verification of insurance coverage; verification of good business practices through the appropriate agencies; and a search for bankruptcies, liens or judgments in all jurisdictions where business functions have been conducted. Any onsite examination may include, without limitation, verifications that business is conducted as represented by Seller at all sites where it conducts business. This examination shall be conducted upon reasonable prior notice to the Seller and only during reasonable business hours. The financial examination may include, without limitation, a review of Seller's current financial statements, it's most recent annual reports, tax returns for the previous three (3) years and

  
Initial Here

all documentation supporting employee bonds and insurance policies of Seller. If Seller is not publicly held, Purchaser, or its agents, may conduct background and financial examinations of all principals owning ten percent (10%) or more of Seller. Such examinations may include, without limitation, a review of information regarding criminal history for all jurisdictions where the principal has resided and been employed, address verifications for all residences, and employment verifications. The examination may also include, without limitation a review of the credit standing of the principal, and a search for bankruptcies and judgments in all jurisdictions where the principal has resided or been employed. The review may also include a review of up to three (3) years of personal tax returns.

**Section 5.7 Grant of Security Interest.** To secure the performance of Seller's obligations hereunder Seller grants to Purchaser a continuing security interest in (i) all of Seller's Accounts, Chattel Paper, Goods, Inventory, Equipment, Instruments, Reserves, Accounts, Investment Property, Documents, General Intangibles, as such terms are defined in the Uniform Commercial Code as in effect in the State of New York (the "UCC"), (ii) all Future Receivables, as herein defined, (iii) all other assets and personal property of the Seller, and (iv) all products and proceeds thereof. Purchaser shall have all rights and be entitled to all benefits afforded to a secured creditor under the UCC or otherwise at law. Seller authorizes Purchaser to file and/or record such further instruments, agreements or undertakings, and such certificates of title, financing and continuation statements and other instruments, as the Secured Party may deem necessary or desirable to perfect, protect and preserve the security interests hereby granted in the Purchased Percentage. Nothing contained in this Section 5.7 shall be construed to change the parties' intent under this Agreement to effect a final sale of the Purchased Percentage as opposed to a secured loan or any other type of transaction.

**Section 5.8 Sale of Additional Pools of Future Receivables; Schedules; Right of First Refusal.** In the event that Seller wishes to sell and Purchaser agrees to purchase an additional pool (or additional pools) of Future Receivables, this Agreement shall serve as a "Master Agreement" which sets forth all of the terms and conditions governing any such sale. In such an event, the parties shall execute additional schedules setting forth the Purchase Price, Purchased Percentage and Purchased Amount applicable to that additional pool of Future Receivables. The terms listed on each schedule shall take effect upon Purchaser's receipt of the complete Purchased Amount herein or upon a date agreed to by the parties in writing, with the terms and conditions of this Agreement otherwise fully applicable, *mutatis mutandis*. Nothing herein shall obligate either party to sell or purchase additional pools of receivables; however, Seller grants Purchaser the option of first refusal to purchase any such additional pool of future receivables that Seller may wish to sell.

**Section 5.9 Collection of Future Receivables; ACH Authorization;** Purchaser will daily collect the cash attributable to the Purchased Percentage of the Future Receivables based on the total Daily Batch Amount furnished to Purchaser. As per the terms of the attached ACH authorization Seller irrevocably authorizes Purchaser, or its designated successor or assigns to withdraw the Future Receivables and any other amounts now due, hereinafter imposed, or otherwise owed in conjunction with this Agreement by initiating via the Automatic Clearing House (ACH) system debit entries to Seller's account at the bank listed above or such other bank or financial institution that Seller may provide Purchaser with from time to time ("Bank Account"). In the event that Purchaser withdraws erroneously from the Bank Account, Seller authorizes Purchaser to credit the Bank Account for the amount erroneously withdrawn via ACH. Purchaser shall not be required to credit the Bank Account for amounts withdrawn related to transactions which are subsequently reversed for any reason. Purchaser, in its sole discretion, may elect to offset any such amount from collections from Future Receivables. Seller represents that the Bank Account is established for business purposes only and not for personal, family, or household purposes. Seller understands that the foregoing ACH authorization is a fundamental condition to induce Purchaser to enter into this Agreement.

## 6. MISCELLANEOUS

**Section 6.1 Modifications/Amendments.** No modification, amendment, or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by both parties.

**Section 6.2 Successors and Assigns.** All covenants and agreements by or on behalf of Seller contained in this Agreement or any documents or agreement delivered in connection herewith shall bind Seller's successors and assigns and shall inure to the benefit of Purchaser and its successors and assigns. Seller shall not, however, have the right to assign Seller's rights under this Agreement or any interest therein, without the prior written consent of Purchaser.

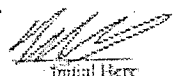
**Section 6.3 Waiver; Remedies.** No failure on the part of the Purchaser to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise of any other right. The remedies provided hereunder are cumulative and not exclusive of any remedies provided by law or equity. Seller consents to the waiver of notice prior to Purchaser exercising any and all rights provided for in this Agreement.

**Section 6.4 Binding Effect.** This Agreement shall be binding upon and inure to the benefit of Seller, the Purchaser and their respective successors and assigns, except that Seller shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Purchaser, which consent may be withheld in the Purchaser's sole discretion. The Purchaser reserves the right to assign this Agreement with or without prior notice to Seller.

**Section 6.5 Notices.** All notices, requests, demands, claims, and other communications hereunder shall be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given (a) when delivered personally to the recipient, (ii) one (1) business day after being sent to the recipient by recognized overnight courier service, or (iii) three (3) business days after being mailed to the recipient by certified, return receipt requested and postage prepaid, and addressed to the intended recipient as set forth in the preamble to this Agreement.

**Section 6.6 Consent to Participation.** Seller agrees and consents to Purchaser's sale or transfer, whether now or later, of one or more participation interests in the Purchased Amount to one or more purchasers, whether related or unrelated to Purchaser. Purchaser may provide, without any limitation whatsoever, to anyone or more purchasers, or potential purchasers, any information or knowledge Purchaser may have about Seller or about any other matter relating to the Purchased Amount, and Seller hereby waives any rights to privacy Seller may have with respect to such matters. Seller additionally waives any and all notices of sale of participation interests, as well as all notices of any repurchase of such participation interests. Seller also agrees that the purchasers of any such participation interests will be considered as the absolute owners of such interests in the Purchase Amount and will have all the rights granted under the participation agreement or agreements governing the sale of such participation interests. Seller further waives all rights of offset or counterclaims that it may have now or later against Purchaser or against any purchaser of such a participation interest and unconditionally agrees that either Purchaser or such purchaser may enforce Seller's obligation under this Agreement irrespective of the failure or insolvency of any holder of any interest in the Purchased Amount. Seller further agrees that the purchaser of any such participation interests may enforce its interests irrespective of any personal claims or defenses that Seller may have against Purchaser.

**Section 6.7 UCC Financing Statement; Further Assurances.** Seller hereby authorizes Purchaser to file one or more financing statements evidencing the sale of the Purchased Amount of Future Receivables

X   
Initial Here

hereunder, and any continuation statements or amendments thereto, and certifies the filing of any financing statement filed by Purchaser prior to the effectiveness hereof. The UCC financing statement shall state that the sale of the receivables of the Seller is intended to be a sale and not an assignment for security and shall state that the Seller is prohibited from incurring any debt, transferring future receivables to any other person, or granting any security interests in its accounts receivable or other assets until Purchaser has received all amounts due under this Agreement. In addition, Seller agrees that it shall, from time to time, promptly execute and deliver all instruments and documents, and take all further action, that may be necessary or appropriate, or that Purchaser may request, in order to perfect against Seller and all third parties the sale of the Purchased Amount of Future Receivables hereunder or to enable Purchaser to exercise and enforce its rights and remedies hereunder. Purchaser reserves the right to obtain reimbursement from Seller all costs associated with the filing of any UCC financing statements, including a \$100 charge for each UCC financing statement filed.

**Section 6.8 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York. Seller consents to the jurisdiction of the federal and state courts located in the State of New York and County of Kings and agrees that such courts shall be the exclusive forum for all actions, proceedings or litigation arising out of or relating to this Agreement or subject matter thereof, notwithstanding that other courts may have jurisdiction over the parties and the subject matter thereof. Service of process by certified mail to Seller's address listed on the face of this Agreement or such other address that Seller may provide Purchaser in writing from time to time will be sufficient for jurisdictional purposes.

**Section 6.9 Indemnified Amounts.** In the event of a Breach, Seller and Guarantor shall assume liability for and do hereby agree to indemnify, protect, save and keep harmless Purchaser and its agents and servants, from and against any and all liabilities, claims, losses, obligations, damages, penalties, actions, and suits of whatsoever kind and nature imposed on, incurred by or asserted against Purchaser or its agents and servants, in any way relating to or growing out of such Breach (collectively, "Indemnified Amounts"), including, without limitation, the payment of all costs and expenses of every kind for the enforcement of Purchaser's rights and remedies hereunder, including attorneys' fees and costs in any trial court or appellate court proceeding, any administrative proceeding, any arbitration or mediation, or any negotiations or consultations in connection with any Breach. Such Indemnified Amounts shall bear interest at the highest rate of interest allowed by applicable law until paid.

**Section 6.10 Costs and Expenses.** Purchaser shall be entitled to recover from the Seller all reasonable costs and attorneys' fees associated with and/or resulting from the enforcement of its rights and remedies under this Agreement or at law. Any payments under an indemnity claim pursuant to this Section 6.9 shall include all the foregoing costs and expenses, as well as interest on the same at the rate of 1.5% per month from the date the obligation is due to the Purchaser.

**Section 6.11 Survival of Representations, etc.** All representations, warranties and covenants herein shall survive the execution and delivery of this Agreement and shall continue in full force and effect until all obligations under this Agreement shall have been satisfied in full and this Agreement shall have terminated.

**Section 6.12 Entire Agreement.** This Agreement, together with any addenda or riders hereto, contains the entire agreement and understanding between Seller and the Purchaser and supercedes all prior agreements and understandings relating to the subject matter hereof unless otherwise specifically reaffirmed or retained herein.

**Section 6.13 Jury Trial Waiver.** THE PARTIES HERETO WAIVE TRIAL BY JURY IN ANY COURT IN ANY SUIT, ACTION OR PROCEEDING ON ANY MATTER ARISING OUT OF OR IN CONNECTION WITH OR IN ANY WAY RELATED TO THE TRANSACTIONS OF WHICH THIS AGREEMENT IS A PART OF THE ENFORCEMENT HEREOF, EXCEPT WHERE SUCH WAIVER IS PROHIBITED BY LAW OR DEEMED BY A COURT OF LAW TO BE AGAINST PUBLIC POLICY. THE PARTIES HERETO ACKNOWLEDGE THAT EACH MAKES THIS WAIVER KNOWINGLY, WILLINGLY AND VOLUNTARILY AND WITHOUT DURESS, AND ONLY AFTER EXTENSIVE CONSIDERATION OF THE RAMIFICATIONS OF THIS WAIVER WITH THEIR ATTORNEY.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date set forth above.

CASH COW CAPITAL, LLC

By: \_\_\_\_\_  
(authorized signature)

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

SELLER:

Merchant: Pink Pilates, Inc. dba Wayne Martin Fitness

By:   
Wayne Martin

GUARANTOR 1:  
By:   
Wayne Martin

Title: \_\_\_\_\_

GUARANTOR 2:

By: \_\_\_\_\_

Title: \_\_\_\_\_

  
Initial Here

## AFFIRMATIONS AND GUARANTEE

All capitalized terms not defined in this Guaranty, shall have the meaning ascribed to such term in that certain Purchase and Sale Agreement (the "Agreement"), dated on or about the date hereof, between Cash Cow Capital, LLC, a New York limited liability company (the "Purchaser") and Pink Pilates, Inc. dba Wayne Martin Fitness (CK) (the "Seller") and Wayne Martin and (the "Guarantor(s)").

In order to induce Purchaser to enter into the Agreement, the undersigned principal(s) of Seller hereby personally represents, warrant and covenant to Purchaser that: (i) all information provided by Seller to Purchaser in connection with the transaction contemplated by this agreement is true, correct and complete, and (ii) Seller shall not breach, or do any of the acts prohibited by, section 4.1 of the Agreement. By signing below Guarantors agree to this Guarantee and each representation, warranty and covenant set forth in Sections 4 and 5.1 of the Agreement, which representations, warranties and covenants shall survive the termination of the Agreement as provided in Section 6.9 of the Agreement.

Guarantor further guarantees the payment of and agrees to pay all Indemnified Amounts. This guarantee shall be the continuing, irrevocable, unconditional and joint and several obligations of the Guarantors, and the Guarantors hereby waive demand of payment, notice of payment, and any and all requirements of notice, defenses, offsets and counterclaims and any other act or omission of Purchaser which changes the scope of the Guarantors' risk, and Guarantors further agree that Purchaser may proceed directly against the Guarantors without first proceeding against Seller.

This Affirmation and Guarantee shall be governed and construed according to the laws of the State of New York. All actions, proceedings or litigation relating to or arising from this guarantee or underlying agreement shall be instituted and prosecuted exclusively in the federal or state courts located in the state of New York and county of Kings notwithstanding that other courts may have jurisdiction over the parties and the subject matter, and Guarantors freely consent to the jurisdiction of the federal or state courts located in the state of New York and county of Kings. Service of process by certified mail to Guarantors' addresses listed below or such other address that Guarantors may provide Purchaser in writing from time to time will be sufficient for jurisdictional purposes. Guarantors freely waive, insofar as permitted by law, trial by jury in any action, proceeding or litigation arising from or in any way relating to this guarantee. Guarantors waive, to the extent permitted by applicable law, any right to pursue a claim against buyer or its assigns as part of a class action, private attorney general action or other representative action.

Guarantors grant continued authority to Purchaser and its agents and representatives and any credit reporting agency employed by Purchaser to obtain Guarantors' credit report and/or other investigative reports, and to investigate any references given or any other statements or data obtained from or about Guarantors or Seller or any of Seller's principals for the purpose of this guarantee, the Agreement or renewal thereof.

Guarantors also waive any and all rights or defenses based on surety ship or impairment of collateral including, but not limited to, any rights or defenses arising by reason of (A) any "one action" or "anti-deficiency" law or any other law which may prevent Purchaser from bringing any action, including a claim for deficiency, against Guarantors, before or after any action, either judicially or by exercise of a power of sale, (B) any election of remedies by Purchaser which destroys or otherwise adversely affects Guarantor's subrogation rights or Guarantor's rights to proceed against Seller for reimbursement, including without limitation, any loss of rights Guarantor may suffer by reason of any law limiting,

qualifying, or discharging any payment required hereunder; (C) any disability or other defense of Seller, of any other guarantor, or of any other person, or by reason of the cessation of Seller's liability from any cause whatsoever, other than payment in full in legal tender, of the Indemnified Amount; (D) any right to claim discharge of the Indemnified Amount on the basis of unjustified impairment of any collateral therefore; (E) any statute of limitations, if at any time any action or suit brought by Buyer against Guarantor is commenced, there is outstanding amounts which is not barred by any applicable statute of limitations; or (F) any defenses given to guarantors at law or in equity other than actual payment of the Indemnified Amount. If payment is made by Seller, whether voluntarily or otherwise, or by any third party, on the Indemnified Amount and thereafter Buyer is forced to remit the amount of that payment to Seller's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, the Indemnified Amount shall be considered unpaid for the purpose of the enforcement of this Guaranty.

This Guarantee shall remain in full force and effect notwithstanding any modification renewal of the Agreement of any terms or conditions contained therein.

IN WITNESS WHEREOF, the undersigned has executed this Affirmation and Guaranty as of 15<sup>th</sup> day of May 2014

### SELLER:

Merchant: Pink Pilates, Inc. dba Wayne Martin Fitness

By

  
Wayne Martin

Address: 5925 Alameda Houston, TX 77064

Phone: 281-902-7264

Fax:

Email: wmartin@waynemartinfitness.com

### GUARANTOR 1:

By

  
Wayne Martin

Title:

### GUARANTOR 2:

By

Title:

  
Initial Here

**Seller ACH Authorization Form**

Seller Name: Pink Pilates, Inc., DBA Wayne Martin Fitness (CC)  
Seller Address: 5925 Alameda  
City, State, and Zip: Houston, TX 77004

The Merchant identified above ("Seller") has sold certain of its accounts and receivables to Cash Cow Capital, LLC ("Purchaser") pursuant to a Purchase and Sale of Future Receivables Agreement, dated May 15<sup>th</sup>, 2014 (the "Agreement").

Purchaser is requesting the flexibility to receive payments from and make credits to the Seller pursuant to the Agreement through the Automated Clearing House (ACH) Network and/or Federal Reserve Wire System. Seller hereby agrees to grant such flexibility.

Therefore, Seller hereby (1) authorizes Purchaser to take payment for services contemplated by the Agreement by ACH and to initiate, if necessary, credits or debits to the account of the Seller as per the Agreement, (2) certifies that it has selected the following financial institution to permit such debits or credits on its behalf, and (3) directs that all such electronic funds transfers be made as provided below:

**Receiving Financial Institution:**

Name Chase

Address

City

State, Zip

Routing and Transit Number

Seller Account Name Pink Pilates Inc DBA Wayne Martin Fitness

Seller Account Number 000000870991684

Seller Account qualifier (please circle one):

☐ Direct deposit

☐ (OR)

☐ Savings

Seller will give thirty (30) days advance, written notice to Purchaser of changes in financial institution or other payment instructions. This authorization will remain in full force and effect in respect of the above account and any account into which Seller receives or otherwise funds until Purchaser has received written notification from Seller.

Name of Seller: Pink Pilates, Inc., DBA Wayne Martin Fitness (CC)

By:

Printed Name: Wayne Martin

Title: Owner

Date: May 15<sup>th</sup>, 2014

  
Initial Here

This authorization shall remain in effect until the sooner of (a) such time that CCC has received a total of \$5,680.00 under the Purchase Agreement, or (b) CCC has delivered to the authorized Party written revocation of this authorization. The individual signing this authorization on behalf of Merchant certifies to CCC that he or she is a duly authorized check signer on the financial institution account identified below, that he or she is authorized to enter into this authorization on behalf of the Merchant, and that Merchant will be bound by all of the terms of this authorization. Merchant further agrees that a breach of this authorization will constitute a "Breach" of the Purchase agreement.

Routing Number:

Account Number: 000000870991684

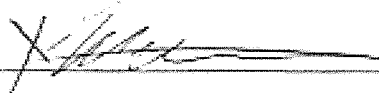
Account Name: Pink Pilates, Inc DBA Wayne Martin Fitness

Bank Name: Chase

Type of Account:                                      Checking ☒    Savings ☐

Merchants Legal Name: Pink Pilates, Inc

Signature



Printed Name: Wayne Martin

Date: May 15<sup>th</sup>, 2014

\*\*\*Please Provide the Business Voided Check\*\*\*



#### AUTHORIZATION AGREEMENT FOR ELECTRONIC CHECK PAYMENTS

This authorization agreement is entered into pursuant to the Purchase and Sale Agreement (the "Purchase Agreement") dated May 15<sup>th</sup>, 2014 between the undersigned Merchant and Cash Cow Capital, LLC. (Herein, "CCC"). Terms used and not defined herein will have the meanings assigned to such terms in the Purchase Agreement.

The undersigned Merchant hereby authorizes CCC to initiate recurring (debit or credit) entries to demand deposit account at the bank named below. Merchant acknowledges that the origination of ACH or Electronic Check transactions to its account must comply with the provisions of applicable law. Furthermore, if any such ACH or Electronic Check transactions should be returned for insufficient funds (NSF), Merchant authorizes CCC to reattempt to collect such amounts by ACH or Electronic Check, and if CCC is not able to do so, Merchant authorizes CCC to collect such amounts by electronic debit and, in any such case, collect a fee of \$40.00 per returned item by electronic debit from Merchant's account identified below.

CCC will debit 14% of each future account and/or the specified daily amount of \$71.00 and contract right arising from, or relating to, payment of gross amounts of monies by customers of the Seller, insurance payers or other third payers (the "Future Receivables") until the Purchaser has received the amount specified in the Agreement. The Authorized Party is specifically authorized to provide CCC (1) any and all information and data relating to Merchant's account and transactions processed by any of its merchant credit card processors, including, but not limited to, all information relating to such accounts and transactions that any of its merchant credit card processors, including, but not limited to all information relating to such accounts and transactions that any of its merchant credit card processors make available to Merchant; (2) access to all internet/web information, reporting and bank account information, including, but not limited to, all transactions and all such other information that would be available to Merchant as may be requested by CCC; (3) all information relating to Merchant and its operations, including, but not limited to, its ownership, control, change and reduction or expansion of its business or credit card processing activities; and (4) Merchant agrees that it will not change the account name, password or other access information for its accounts with Chase (bank) and Authorized Party without giving CCC at least ten business days prior written notice of such change.