

## AGREEMENT OF OFFICE LEASE

THIS AGREEMENT OF LEASE, made as of May 1, 2012 by and between WBG Financial Investment & Capital, LLC, a Virginia limited liability company hereinafter called "Lessor", and Ethan O'Toole and Geoff Parsons DBA 757 Labs hereinafter called "Lessee".

### WITNESSETH:

WHEREAS, Lessor is the owner of the Wainwright Building, 229 W. Bute Street, Norfolk, Virginia wherein it desires to lease office space, and

WHEREAS, Lessee would like to rent office space in said building:

Suite G-2

NOW, THEREFORE, for and in consideration of the premises, the rents reserved, and the mutual covenants and agreement herein contained, the parties hereto for themselves, their heirs, personal representatives, successors, and assigns, do hereby mutually agree as follows:

1. Premises: Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the following space (hereinafter called "Demised Premises"):

+/-1,000 square feet

TOGETHER with the appurtenances, including, without limitation, the right, in common with others, to use, for the respective purposes for which they are intended, the lobbies, elevators, stairways and other public and service portions of the Building which Lessor's Tenants and invitees are permitted to use (hereinafter collectively called "Common Areas).

2. TERM: The term of this lease shall commence on May 1, 2012 (**the "Commencement Date"**) and end on December 31, 2012 (the "Term").

3. RENT: Lessee covenants to pay to Lessor, in advance on the first day of each month during the term, without demand therefore being made and without offset, rent as follows:

\$1,040.00 Dollars per month

4. PAYMENT OF RENT: Lessee covenants to pay said rent to Lessor at the office of WBG Financial Investment & Capital, LLC, (PO Box 11659, Norfolk, VA 23517, phone number 757-627-9873) or at such other place as Lessor may from time to time designate in writing. Lessee waives his homestead exemption as to this Agreement of Lease.

5. SECURITY DEPOSIT: Lessee does hereby deposit with Lessor the sum of \$          , the receipt of which is hereby acknowledged, as a security deposit to insure that the Demised Premises are returned to the Lessor by Lessee in the same condition as received,

reasonable wear and tear excepted, and to guarantee the faithful performance by Lessee of the terms and conditions of this Lease. If, at any time during the term of this lease, Lessee shall be in default in any of the provisions herein, Lessor shall have the right to use part or all of the aforesaid deposit for payment of any rent or other sum in default or any expense or damage incurred by Lessor resulting from any default by Lessee. Should Lessee comply with all the terms, covenants and conditions herein, the said deposit shall be returned in full to Lessee at the end of the term of this lease.

6. POSSESSION: It is understood between the parties hereto that if Lessor, for any reason other than its own willful act, is unable, ultimately, to deliver possession of the Demised Premises to Lessee, then, upon Lessor's giving Lessee written notice to such effect, this lease shall be terminated and canceled and, upon the return of any deposit made hereunder, no party hereto shall have any liability to any other party hereto. If possession is delivered on a day other than the first day of any month, Lessee shall pay pro-rata rent for the resulting partial month (at the time of delivery of possession).

7. PURPOSE: The Demised Premises shall be used for the purpose of general office use and for no other purpose whatsoever.

8. HOLDING OVER. In the event Tenant remains in possession of the Demised Premises after the expiration of the Term hereof, Tenant shall occupy the Demised Premises as an unapproved squatter and shall be liable for liquidated damages to Lessor in the amount of \$3,000.00 per day that the Tenant holds over, it being acknowledged by Tenant that such liquidated damages are a reasonable estimate of Landlord's damages as a result of such holdover.

9. ASSIGNMENT: Lessee will not, without the prior written consent of Lessor, assign, transfer, or encumber this Lease or sublet all or any part of the Demised Premises. Any consent by Lessor to any act of assignment or subletting shall be held to apply only to the specific transaction thereby authorized, and such consent shall not be construed as a waiver of the duty of Lessee to obtain such consent to any other assignment or subletting. Any violation of any provision of this Lease, whether by act or omission, by any assignee, subtenant or other occupant under Lessee, shall be deemed a violation of such provision by Lessee.

10. DEFAULT: in the event of Lessee default for a period of five (5) days in paying any installment rent due hereunder, additional charge, or in performing any of the terms, covenants, conditions and provisions hereof binding upon Lessee, or in the event Lessee goes into bankruptcy, voluntary or involuntary, or into receivership, or makes a general assignment for the benefit of their creditors, Lessor shall have the right, in addition to all other rights and remedies provided by law, after five (5) days written notice to Lessee, to re-enter the Demised Premises, peaceably or by eviction, and to re-take possession thereof and to terminate this Lease. In the event of such termination, Lessor may relet the Demised Premises, in whole or in part, for the unexpired portion of the term hereof, and Lessee shall be obligated to reimburse Lessor for any difference between the rental payable hereunder and that collected by Lessor through such reletting. Lessee waives the benefit of its homestead exemption as to this Lease. In case suit shall be brought for recovery of rent or any other amount due under the provisions of this lease, or because of the breach of any other covenant herein contained on the part of Lessee to be kept or performed, and a breach shall be established, Lessee shall pay to Lessor all expenses incurred therefore, including a reasonable attorney's fee. Lessee shall pay a "late charge" of \$200.00 on any rent installment or additional

charge when paid more than five (5) days after the due date thereof.

11. ALTERATION: Lessee covenants that it will not make any alterations, additions or improvements to the Demised Premises without Lessor's prior written consent (which designation of consent may likewise designate the contractor or contractors to construct such alterations, additions or improvements), and all such alterations, additions and improvements shall become the property of Lessor and shall be surrendered along with the Demised Premises at the expiration or earlier termination of this lease.

12. LIGHT BULBS: Lessor shall furnish light bulbs in the fixtures installed by it at the time Lessee takes possession of the demised premises and at no time thereafter.

13. LESSOR'S REPAIRS: Lessor shall, at its own cost and expense, make such repairs and alterations to and replacements of the Common Areas and the structure, roof and exterior, of the Building as shall be reasonably necessary for Lessee's occupancy of, and conduct of business in, the Demised Premises and use of the Common Areas, unless the need for such repairs is occasioned by the negligent or willful act of Lessee, its agents, employees or invitees, in which event such repairs shall likewise be made by Lessor but shall be charged to Lessee. Anything in the foregoing to the contrary, Lessor shall have no liability for damage or injury to person or property as a result of its failure to make any such repair or replacement unless, within a reasonable time after being notified by Lessee of the need thereof, Lessor shall have failed to make such repair or replacement and such failure shall not have been due to any cause beyond Lessor's control, including without limitation, strikes, and inability to obtain materials or equipment. Lessor, its agents, employees and contractors, shall have the right, at any time, and from time to time, to enter the Demised Premises for the purpose of inspection or for the purpose of making any of the aforesaid repairs or replacements. Lessee shall not be entitled to any reduction in rent, or any claim for damages, by reason of any inconveniences, annoyance, injury to business or loss or natural light or ventilation arising out of any repairs, alterations, or replacements made by Lessor pursuant to this Paragraph.

14. DAMAGE TO PREMISES: In case of damage to the Demised Premises by fire or other casualty, Lessor, unless it should otherwise elect as hereinafter provided, shall repair the same with reasonable dispatch after being notified by Lessee of such damage. If the damage is such that the Demised Premises are rendered unleaseable, but are nevertheless, repaired by Lessor, the rent shall be equitably abated, according to loss of use, for the period during which the Demised Premises shall have been unleaseable; provided, however, that if such damage is caused by the negligence or improper conduct of Lessee, its agents, employees or invitees, then there shall be no such abatement unless Lessor elects to terminate this Lease, as herein below provided. If Lessor, in its sole discretion, shall decide, within a reasonable time after the occurrence of any such fire or other casualty (even though the Demised Premises may not have been affected by such fire or casualty), to demolish, rebuild or reconstruct the building containing the Demised Premises then, upon written notice given by Lessor to Lessee, this Lease, shall terminate on a date, at least ninety (90) days hence, to be specified in such notice as if said date had been originally fixed as the expiration date of the term hereof, and the rent shall be adjusted as of the time of the occurrence of such fire or casualty. No damages, compensation or claims shall be payable by Lessor for inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the Demised Premises, or of the Building, provided that Lessor shall use its best efforts to effect such repair or restoration of any portion of the Demised Premises, or of the Building, promptly.

15. CONDEMNATION: In the event the Building, including the Demised Premises, is taken in condemnation for public use under the power of eminent domain or sold pursuant to the threat of such taking, this Lease shall fully terminate on the date of such taking. The entire award made for such taking shall belong to Lessor, it being agreed that Lessee shall have no right whatsoever to claim damages or to share in the award made for such taking. Lessee shall have no claim against Lessor for the value of any unexpired term of the Lease or renewal term, but the rent shall be abated as of the date of such termination.

16. LESSOR'S LIABILITY: Lessor or Agent shall not be responsible for any latent defect in, deterioration of, or change in the condition of, the Building or Demised Premises, or for any damage resulting there from, whether to person or property. Lessor shall not be liable for loss to any property of Lessee as a result of theft or misplacement. Lessor shall not be liable for any death, injury, loss or damage to persons or property howsoever caused, whether (without limitation) caused by or resulting from falling plaster, dampness, overflow or leakage upon or into the Building or Demised Premises of water, snow, rain, steam, gas or electricity, or breakage, leakage or obstruction of pipes or other facilities, unless such death, injury, loss of damage shall be caused by the negligence of or willful act of, Lessor. The enumeration, in this paragraph, of causes for which Lessor shall not be liable is in no way to be construed as imposing liability on Lessor in respect of causes not enumerated or as an increase of any Lessor's obligations under this lease.

17. FIRE INSURANCE: Lessor shall maintain fire and extended coverage insurance on the office building. Lessee shall maintain fire and extended coverage insurance on all property in Lessee's possession and located on Demised Premises. Lessee shall, during the entire term hereof, keep in full force and effect a policy of public liability and property damage insurance with respect to the leased premises and the business operated by Lessee and any subtenants of Lessee in the Leased Premises in which the limits of public liability shall not be less than \$100,000 per person and \$300,000 per accident and in which the property damage liability shall be not less than \$25,000. The policy shall name Lessor, any person, firms or corporations designated by Lessor, and Lessee as insured, and shall contain a clause that the insurer will not cancel or change the insurance without first giving the owner ten days prior written notice. A copy of the policy of certificate of insurance shall be furnished to Agent at time of occupancy.

18. PUBLIC LIABILITY INSURANCE: Lessee covenants and agrees to protect and save Lessor harmless from all claims, suits, actions or rights of action at law, arising from or growing out of any damage or injury, or claim for damage or injury to persons or property in and about the Demised Premises during the term of this lease, and to that end, Lessee shall carry, at its own cost, comprehensive public liability insurance, with limits of not less than \$1,000,000 for bodily injury and death, and \$100,000 for property damage, indemnifying and holding harmless both Lessor and Lessee from and against claims for the Demised Premises, and shall, upon demand, furnish Lessor with a certificate showing such insurance to be in effect. Such certificate shall include a provision for ten (10) days advance written notice to Lessor in the event of any pending change or cancellation of such insurance, if Lessee shall fail to maintain such insurance, Lessor may, at its option, procure the same and add the premium cost to the rents next due, which payment by Lessor shall not be deemed to waive or release the default of Lessee in the payment thereof.

19. SERVICES: Lessor will furnish the Demised Premises at its own cost, without additional charge, electrical, water and sewer services.



20. UNLAWFUL USE, ETC.: Lessee covenants that it will comply with all Federal, State or municipal laws, ordinances and regulations relating to the Demised Premises, or the business conducted therein, and that it will not knowingly do or permit to be done any act or thing in the Demised Premises which will invalidate or be in conflict with the terms of the fire insurance policies covering the Building, or which will increase the rate of fire and/or liability insurance.

21. WAIVER: The failure of Lessor, in any one or more instances, to insist upon strict observance of any term, covenant, condition or provision of this Lease, shall not be deemed a waiver of such or any other term, covenant, condition or provision of this lease.

22. MARGINAL HEADINGS: PRONOUNS AND NOUNS: Each marginal heading signifying the content of a Paragraph of this Lease is for convenience only and is in no way to be construed as a part of this Lease or as a limitation of the scope of such Paragraph. Each pronoun used in this Lease, shall be construed as of such number and gender, and the word "Lessee" shall be construed as of such number, as the context may require.

23. SUBORDINATION: This lease is subject and subordinate to all ground or underlying leases and to all mortgages or deeds of trust which may now hereinafter affect such leases, the Building or the land on which the Building is situated, and to all renewals, modifications, replacements and extensions thereof. The foregoing provisions shall be self-operative and no further instrument of subordination shall be required by any mortgagee or other interested party; provided, however that in confirmation of such subordination Lessee shall, upon request of Lessor, execute and deliver, in recordable form, any instrument of subordination requested of Lessor, and Lessee hereby constitutes and appoints Lessor as Lessee's attorney-in-fact to execute any such subordination instrument on behalf of Lessee. Anything in the foregoing to the contrary notwithstanding, in the event of a foreclosure under any such mortgage or deed of trust, the holder of the note secured thereby or the purchaser at such foreclosure sale may require the Lessee to attorn to such purchaser and in such event the Lease shall continue in full force and effect.

24. NOTICES: All notices herein provided for shall be in writing at least 30 days prior to lease termination and shall be deemed given if and when posted in the United States certified mail and, as to Lessor, when addressed to Lessor at 207 Granby Street, 2<sup>nd</sup> Floor, Norfolk, VA 23510 and as to Lessee, when addressed to Tenant at the Demised Premises. Either party may, with like notice, designate a new address to which subsequent notice shall be directed.

25. QUIET ENJOYMENT: Subject to the other terms, provisions and conditions set forth in this Lease, Lessor covenants that Lessee, upon performing all its obligations hereunder, shall have and enjoy quiet and peaceable possession of the Demised Premises during the term hereof.

26. NO PARTNERSHIP: Nothing contained in this lease shall be deemed or construed to create a partnership or joint venture of or between Lessor and Lessee, or to create any other relationship between the parties hereto other than that of Lessor and Lessee.

27. NO REPRESENTATION BY LESSOR: Neither Lessor nor any agent or employee of Lessor has made any representations or promises with respect to the Demised Premises or of the Building, except as herein expressly set forth, and no rights, privileges, easements or licenses are

required by Lessee except as herein expressly set forth.

28. SUCCESSION AND ASSIGNS: This Lease and all the terms, covenants, conditions and provisions herein contained, shall be binding upon and shall inure to the benefit of the parties hereto and their respective personal representative, heirs, successors, and any assigns pursuant to Paragraph Nine.

29. MISCELLANEOUS: This Lease constitutes the entire contract between the parties hereto and no waiver or modification of any of the terms and conditions hereof shall be valid unless written upon or attached to the Lease and signed by authorized representatives of all parties hereto. The parties hereto agree that the law of the Commonwealth of Virginia shall govern all of their rights and duties under this Lease, including, without limitation, the validity of this Lease, the capacity of the parties thereto, the form of the Lease, the interpretation of its language and any questions concerning its performance and discharge.

30. SIGNS: Lessee may erect such sign or signs as are necessary and commensurate with its business or profession but any and all signs must be approved by Lessor before the erection thereof. All signs must conform to those of the other Lessees and shall be at the sole expense of the Lessee.

31. RULES AND REGULATIONS: Lessee covenants that the following rules and regulations, and such other and further rules and regulations, as Lessors may make, being in Lessors' judgment needful for the general well being, safety, care and cleanliness of the demised premises and the building of which they are a part, shall be faithfully kept, observed and performed by Lessee, and by the agents, servants, employees and visitors of Lessee, unless waived, in writing, by Lessors.

#### RULES AND REGULATIONS

In an effort to maintain the property, we ask your cooperation in observing the following rules and regulations. Any expense incurred by the management as a result of violation of these rules will, in so far as feasible, be assessed against the responsible tenant. Promptly notify the management of any needed repairs to any of the equipment or fixtures.

A. The sidewalks, entrances, passages, hallways, elevators and staircases shall not be obstructed or used for any other purpose than ingress and egress.

B. No sign, advertisement or notice shall be inscribed, painted or affixed by Lessee on any part of the outside or inside of the Building except on the entrance to the premises, and such door signs shall be of such size, color and style, as Lessor shall approve.

C. No additional locks shall be placed upon any doors of the premises without prior approval from the Lessor. Lessor shall furnish to Lessee two keys to each lockset in the premises and any additional keys shall be furnished at the cost and expense of Lessee. Upon the expiration or earlier termination of this lease, Lessee shall surrender to Lessor all keys to the premises.

D. Lessee shall not do or permit anything to be done on the premises or in the Building which will in any way increase the rate payable, or violate any provision, in respect to any policy

of fire insurance on the Building or Lessor's property therein; obstruct or interfere with the rights of other tenants, or unreasonable annoy them; encumber or obstruct or deposit rubbish and similar substances in the Common Areas; bring or keep any animals, or inflammable, combustible or explosive substances, to or in the building; involve the cooking of food; violate security procedures established by Lessor, or in anyway create a nuisance.

E. Lessor shall have the right to prescribe the weight, position and manner of support of all safes. Safes, freight, furniture and other bulky matter shall be moved only at such time, by such persons, and in such manner, as shall be established by Lessor's management agent. Lessee shall not place any object upon any floor of the building, which will exceed that floor load capacity.

F. Lessee shall turn off all lights and close and lock all corridor doors when the premises are vacant.

G. Without first obtaining Lessor's written permission, Lessee shall not install, attach or bring into the premises any equipment, instrument, duct, refrigerator, air conditioner or other appliance which will require the use of electrical current or water.

H. At night and during the weekends, when entering or leaving the building, Lessee and its employees shall lock the external doors of the Demised Premises, and keep them locked even for brief periods, for the safety and security of all who work in the Building.

I. All rents are due and payable in advance promptly on or before the first of each month. Please place your suite number on your check.

J. The Lessor's office hours are 9:00 a.m.until 5:00 p.m., Monday through Friday. Please conduct your business with this department during these hours by calling (757) 627-9873.

K. Lessee is cautioned against entering any normally locked space. High voltages and delicate machinery are present in these spaces. The roof of the Building is considered a locked space. Access to it is not permitted.

L. Periodic preventative maintenance inspections will be conducted. Prior notification will be given to the Lessee, however the Lessee's presence is not necessary for the performance of the inspection.

M. Lessee and its employees are encouraged to park as far away from the entrances as possible. This will enable customers and clients to enter and conduct business without undue inconvenience. Visitor spaces will not be utilized for Lessee's or employee's personal vehicle. Any reserved spaces will be used only by authorized persons. Violations by the Lessee or his employees will subject the Lessee to a \$100 penalty for each offense plus towing charges, if any.

N. No antenna will be installed on the exterior of the office building by the tenants or their agents without the written approval of the Lessor. If such antenna is installed, they shall be removed at the Lessee's expense.

These rules and regulations have been adopted to make your occupancy here more enjoyable. Your full cooperation is requested.

The management reserves the right to make changes in these rules from time to time as conditions warrant such changes.

32. Lessor and Lessee hereby waive trial by jury in any action, proceeding or counterclaim brought by either of them against the other on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of Lessor and Lessee created hereby, the Lessee's use or occupancy of the Demised Premises, and/or any claim for injury or damage. In the event Lessor commences any action or proceeding for non-payment of rent, additional rents or other charges due hereunder, Lessee agrees not to interpose any counterclaim of any nature or description in any such action or proceeding. The foregoing, however, shall not be construed as a waiver of Lessee's right to assert such claim in a separate action or proceeding instituted by Lessee.

IN WITNESS WHEREOF, each party hereto has caused this Lease to be executed in its name by its authorized representative.

WBG FINANCIAL INVESTMENT  
& CAPITAL, LLC

By \_\_\_\_\_  
Frank T. Gadams, Member

LESSEE:

\_\_\_\_\_