

original

EXHIBIT 8

## FORBEARANCE AGREEMENT

**THIS FORBEARANCE AGREEMENT** (the "Agreement") is entered into as of this 27th day of February, 2019 (the "Effective Date") by and among the COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WHITEWATER, WISCONSIN ("Lender") and SCANALYTICS, INC., a Wisconsin corporation ("Borrower").

### RECITALS AND STIPULATIONS

**WHEREAS**, Borrower executed and delivered that certain Secured Promissory Note in favor of Lender, dated October 26, 2015 in the principal sum of \$97,500.00 (the "Note");

**WHEREAS**, the Note is secured by a General Business Security Agreement dated October 26, 2015 by Borrower in favor of Lender (the "Security Agreement");

**WHEREAS**, Lender has determined that multiple Events of Default exist under the terms of the Note by Borrower (i) failing to make annual payments of principal and interest to Lender based on net revenues for the four (4) most recent fiscal quarters pursuant to Section 1(b) of the Note; (ii) failing to provide detailed annual financial statements and quarterly balance sheet statements to Lender as required pursuant to Sections 5(a) and 5(b) of the Note; and (iii) ceasing active conduct of business operations at a location that is in the City of Whitewater, Wisconsin, and such cessation of such business has continued for an un-interrupted period of forty-five (45) days pursuant to Section 6(c) of the Note;

**WHEREAS**, on August 9, 2018, pursuant to Section 8(a) of the Note, Lender exercised its option to declare the entire outstanding balance of the Note, together with interest, to be immediately due and payable; and

**WHEREAS**, Borrower has requested that Lender forbear from exercising any of its rights and remedies under the Note and applicable law in respect to the Events of Default described above and, as an accommodation to Borrower, Lender has agreed to temporarily forgo enforcement of its rights arising from Borrower's defaults in accordance with the terms and subject to the conditions set forth in of this Agreement.

**NOW, THEREFORE**, in consideration of the recitals and stipulations set forth above and the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lender and Borrower hereby agree as follows:

### AGREEMENT

1. **General Acknowledgement.** Borrower acknowledges and agrees to the following:

a. Borrower hereby acknowledges the accuracy of the representations set forth in the Recitals and Stipulations of this Agreement;

b. Neither this Agreement nor any other agreement entered in connection herewith or pursuant to the terms hereof shall be deemed or construed to be a compromise, satisfaction, reinstatement, accord and satisfaction, novation or release of the Note or Security Agreement, or any rights or obligations thereunder, or a waiver by Lender of any of its rights under the Note or Security Agreement or at law or in equity; and

c. Neither this Agreement nor any other agreement executed in connection herewith pursuant to the terms hereof, nor any actions taken pursuant to this Agreement or such other agreement shall be deemed to cure any Event of Default which may exist under the Note or Security Agreement, or to be a waiver by Lender of any Event of Default under the Note or Security Agreement, or of any rights or remedies in connection therewith or with respect hereto, evidencing the parties' intention that Borrower's obligations under the Note or Security Agreement shall remain in full force and effect.

2. **Forbearance.** At the specific request of Borrower, and without waiving any Event of Default or any option or remedy it may have, Lender hereby agrees to forbear from exercising any remedy available to Lender as a result of Borrower's default until a "Triggering Event". Provided that Borrower has not defaulted under any of the terms of this Agreement, Lender agrees that it will not increase the interest rate on the Indebtedness (as defined in Section 3, below) to the default rate of 15% under the terms of the Note, and that the interest rate on Indebtedness shall be 4.00% per annum during the term of this Agreement. In the event Borrower defaults under any of the terms of this Agreement, Borrower hereby acknowledges and agrees that the interest rate on the Indebtedness owed to Lender shall increase to 15%, without further notice from Lender, retroactively to August 31, 2018.

3. **Confirmation of Indebtedness.** Borrower confirms and acknowledges that as of the Effective Date it is indebted and obligated to Lender under the Note in the following amounts:

Principal Balance	<u>\$97,500.00</u>
Accrued and Unpaid Interest	12,768.
TOTAL	<u>\$110,268.00</u>

All principal and accrued interest, and all fees, charges, costs and expenses (including attorneys' fees and other professional fees, costs and expenses arising from the current defaults and/or any future default by Borrower hereunder) pertaining to Borrower's obligations to Lender are collectively referred to in this Agreement as the "Indebtedness." Borrower hereby acknowledges and affirms that the Indebtedness owed to Lender is in default as of the date hereof and that, by entering into this Agreement, Lender has not waived any rights or remedies Lender may have arising from said default.

4. **Limitations.** The terms and conditions set forth herein are limited precisely as written Conditions to Effectiveness of this Agreement. The effectiveness and continued effectiveness of this Agreement is dependent upon Borrower's satisfaction and continued

satisfaction of the following conditions, the violation of any of which shall be a "Triggering Event":

- a. The execution of this Agreement by Borrower;
- b. On or before March 15, 2019, Borrower shall pay to Lender \$8,125.27 by check made payable to Community Development Authority of the City of Whitewater for which shall be applied to Borrower's Indebtedness owed to Lender. Said Royalty Payment represents the total Borrower specifically acknowledges that by making payment on the Note, Lender is not waiving Borrower's default;
- c. On or before June 1, 2019, Borrower shall house the company's outbound marketing group at their office located in the Whitewater Innovation Center. Borrower shall facilitate marketing efforts at this location by engaging University of Wisconsin-Whitewater interns/graduates. Borrower's goal is to employ a minimum of two (2) interns/associates each semester (including the summer semester) Borrower's marketing team will be supervised by Borrower's President, Kathy Hust, who shall be in the office on a weekly basis during the University of Wisconsin-Whitewater school year; and
- d. Borrower shall pay to Lender all attorneys' fees and other expenses incurred by Lender with respect to Borrower's default on the Note and related documents including but not limited to Lender's attorneys' fees and expenses in preparing this Agreement.

5. **Acknowledgment of No Claims.** Borrower specifically acknowledges and agrees that Borrower does not have any claim or cause of action against Lender, whether such cause of action is known or unknown, contingent or liquidated. Borrower hereby specifically waives any claim, right, or cause of action which it has or may have against Lender whether such claim or cause of action is known or unknown, contingent or liquidated, arising out of or in any way pertaining to any of the Note, Security Agreement, this Agreement, or any other documents to which reference is made in any of the Note or Security Agreement arising out of or in any way pertaining to any act or failure to act by Lender, its officers, employees, agents, or representatives.

6. **Nonwaiver.** Borrower acknowledges that by entering into this Agreement and in making any payments to Lender as provided in this Agreement, Lender is not waiving the default by Borrower in any of the terms and conditions of the Note or the Security Agreement. By entering into this Agreement, Lender is only agreeing not to immediately exercise its rights to begin collection of the amounts owed by Borrower. Borrower specifically acknowledges that in the event Borrower defaults under any terms of this Agreement, Lender may, without notice or warning to Borrower (all of such notices if required being hereby expressly waived) and without extending to Borrower the opportunity to cure any default, terminate this Agreement, and immediately reinstate the default status of Borrower and pursue any and all remedies Lender may have under and pursuant to the Note or Security Agreement.

7. **Incorporation of Other Documents.** The Note and Security Agreement are expressly reaffirmed and incorporated herein by this reference, and shall remain in full force and effect and continue to govern and control the relationship between the parties hereto except to the extent they are inconsistent with, and amended or superseded by this Agreement. To the extent of any inconsistency, amendment or superseding provision, this Agreement shall govern and control.

8. **Waiver of Jury Trial.** BORROWER HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT. BORROWER ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT FOR BORROWER AND LENDER TO ENTER INTO THIS AGREEMENT, THAT BORROWER AND LENDER HAVE RELIED ON THE WAIVER IN ENTERING INTO AND MAKING THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THE WAIVER IN THEIR RELATED FUTURE DEALINGS. BORROWER FURTHER WARRANTS AND REPRESENTS THAT BORROWER HAS REVIEWED THIS WAIVER WITH, OR HAS BEEN GIVEN THE OPPORTUNITY TO REVIEW THIS WAIVER WITH, ITS LEGAL COUNSEL, AND THAT BORROWER KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS.

9. **Voluntary Action.** Borrower hereby represents, confirms, acknowledges and agrees that Borrower has entered into this Agreement freely and voluntarily without coercion of any kind.

10. **Miscellaneous.** This Agreement shall be governed by the laws of the State of Wisconsin, without regard to the conflict of laws principles thereof. This Agreement (together with the Note, Security Agreement and other documents executed in connection with or pursuant to this Agreement) shall constitute the entire agreement between the parties with regard to the subject matter hereof and, as such, constitutes a complete integration of all prior and contemporaneous discussions, understandings, conversations, negotiations and agreements between Lender and Borrower, whether oral or written. This Agreement shall not be amended, modified or varied in any way unless such is in writing and signed by the Parties. No delay by Lender in the exercise of any of its rights, remedies, powers and privileges shall constitute a waiver thereof. Any provision of this Agreement which is determined to be prohibited or unenforceable shall be ineffective to the extent of such prohibited or unenforceable provision without invalidating the remaining provisions hereof. The rights, powers and remedies of Lender, whether arising under this Agreement or otherwise, are cumulative and not exclusive of any other right, power or remedy to which Lender may be entitled. This Agreement shall be binding upon Borrower and its successors and assigns and shall inure to the benefit of Lender and its successors and assigns.

11. **Legal Representation/Professional Advice.** By execution of this Agreement, Borrower acknowledges, understands and represents that (a) this Agreement has been drafted by Attorney William F. Springer of Brennan Steil S.C. ("Lender's Attorneys") on behalf of Lender, (b) Lender's Attorneys have provided and will continue to provide legal advice to Lender in connection with this Agreement and the transactions contemplated herein, (c) Borrower has been

informed of its right to seek the advice of independent legal counsel, CPA's and other professional advisors (collectively "Professional Advisors") of its choice to represent Borrower's rights and interests in connection with this Agreement and to advise Borrower concerning this Agreement and the transactions contemplated herein, (d) Borrower has had the opportunity to consult with Professional Advisors of its choice prior to signing this Agreement and has consulted with any such Professional Advisors pertaining to this Agreement and the transactions contemplated herein to the extent Borrower deems it necessary or advisable to do so, and (e) Lender's Attorneys have not given any Borrower any legal or other professional advice concerning this Agreement or the transactions contemplated herein.

**12. Counterparts.** This Agreement may be executed in any number of counterparts by different parties on separate counterparts and all of such counterparts shall together constitute one and the same instrument.

**IN WITNESS WHEREOF,** Lender and Borrower, by their duly authorized representatives, have executed this Agreement to become effective on the day and year first above written.

**LENDER:**

Community Development Authority of the  
City of Whitewater, Wisconsin

By: 

Laurence Kachel, Chairman

**BORROWER:**

Scanalytics, Inc., a Wisconsin Corporation

By: 

Joe Scamini, CEO

Attest: 

Dave Carlson, Executive Director