

April 9, 2025

**VIA EMAIL**  
**AND CERTIFIED MAIL**Scanalytics, Inc.  
Attn: Joseph Scanlin  
10700 W. Research Dr., Suite 350  
Wauwatosa, WI 53226

RE: Notice of Default

Mr. Scanlin,

This office represents the Community Development Authority of the City of Whitewater, Wisconsin in connection with obligations owed by Scanalytics, Inc., a Wisconsin corporation (the “**Borrower**” or “**You**”), to the Community Development Authority of the City of Whitewater, Wisconsin (the “**Lender**”) pursuant to that certain Secured Promissory Note dated October 26, 2015 in the principal sum of \$97,500.00 (the “**Note**”). A true and correct copy of the Note is attached hereto as **Exhibit A**. To secure the obligations under the Note, You granted the Lender security interest in all assets of the Borrower pursuant to that certain General Business Security Agreement dated August October 26, 2015 (the “**Security Agreement**”). A true and correct copy of the Security Agreement is attached hereto as **Exhibit B**. A UCC Financing Statement was subsequently filed with the Wisconsin Department of Financial Institutions to perfect the Lender’s security interest in all assets of the Borrower pursuant to the Security Agreement. A true and correct copy of the UCC Financing Statement is attached hereto as **Exhibit C**. You previously defaulted on the Note by failing to pay all sums due and owing to the Lender under the Note by the applicable maturity date. As a result of such default, You executed that certain Forbearance Agreement dated February 27, 2019, under which the Lender agreed to temporarily forgo the enforcement of its rights arising from Borrower’s default under the Note. A true and correct copy of the Forbearance Agreement is attached hereto as **Exhibit D**.

You are in default under the terms of the Note and Forbearance Agreement. Specifically, among other defaults, You failed to make payments in full of all accrued interest and principal payments due under the Note and Forbearance Agreement by the applicable maturity date. The total amount of accrued, unpaid principal and interest on the

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April 9, 2025

Page 2

Note and Forbearance Agreement currently due is \$197,415.34 (the “**Outstanding Balance**”). This constitutes a default under Section 6(a) of the Note.

Lender demands full payment of the Outstanding Balance in the amount of \$197,415.34 by April 30, 2025. Payment must be made by certified funds, cashier's check or money order payable to the Community Development Authority of the City of Whitewater, Wisconsin and delivered to:

Community Development Authority of the City of Whitewater, Wisconsin  
312 W. Whitewater St.  
P.O. Box 178  
Whitewater, WI 53190

If payment in full is not received by April 30, 2025, we will have no choice but to pursue all remedies available to use under the terms of the Note, Security Agreement, Forbearance Agreement and applicable law, including but not limited to a legal action to collect the sums due. You will also be liable for additional costs and attorneys' fees incurred in pursuing these remedies.

If you wish to dispute the amounts stated or have any questions regarding this demand, please contact us immediately at 608-259-2639 or [IVladimirova@staffordlaw.com](mailto:IVladimirova@staffordlaw.com). This letter is an attempt to collect a debt and any information obtained will be used for that purpose.

Best regards,

STAFFORD ROSENBAUM LLP



Iana A. Vladimirova

IAV:nkb

Enclosures

cc: Community Development Authority of the City of Whitewater, Wisconsin  
(via email – [tzeinert@whitewater-wi.gov](mailto:tzeinert@whitewater-wi.gov))

# EXHIBIT A

## SECURED PROMISSORY NOTE

\$97,500.00

Whitewater, Wisconsin  
October 26, 2015

FOR VALUE RECEIVED, SCANALYTICS, INC., a Wisconsin corporation (the "Maker"), hereby promises to pay to the order of COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WHITEWATER, WISCONSIN (together with its successors and assigns, the "Lender"), the principal sum of NINETY-SEVEN THOUSAND FIVE HUNDRED AND 00/100 DOLLARS (\$97,500.00) plus closing costs, together with all accrued and unpaid interest on the principal amount outstanding from the date hereof until paid in full, at such location as the Lender shall specify to the Maker.

1. Interest Rate and Payments. The term of this Secured Promissory Note (this "Note") shall be five (5) years, with all unpaid principal and interest due and payable on October 26, 2020 (the "Maturity Date"). All payments of principal and accrued interest shall be made in lawful currency of the United States of America as follows:

(a) The unpaid principal amount of this Note shall bear interest at a fixed rate per annum equal to four percent (4.00%). All interest due under this Note shall be computed for the actual number of days outstanding on the basis of a 365-day year. If at any time and for any reason whatsoever, the interest rate payable hereunder shall exceed the maximum rate of interest permitted to be charged by the Lender to the Maker under applicable law, such interest rate shall be reduced automatically to the maximum rate of interest permitted to be charged under applicable law, with any excess interest collected being applied against principal.

(b) On each annual anniversary date of the date of this Note (or if such anniversary date is not on a business day, the next succeeding business day), the Maker shall make a payment of principal and interest in an amount equal to the applicable percentage (the "Applicable Percentage") of the Maker's net revenues for the four fiscal quarters most recently ended ("Revenues"), as more fully described on Schedule 1 to this Note, with a final payment of all outstanding principal, accrued and unpaid interest, and all other amounts due and owing hereunder, if any, due on the Maturity Date.

(c) Notwithstanding the foregoing, the Maker shall pay to the Lender all outstanding principal, accrued interest, and all other amounts owed hereunder upon the earliest to occur of the following: (i) the Maturity Date, or (ii) the acceleration of the amounts owing under this Note due to an Event of Default (as defined below). All payments hereunder will be applied first to accrued and unpaid interest and the balance, if any, to principal.

2. Prepayment. The Maker may make prepayments, in whole or in part, at any time prior to the Maturity Date without penalty. Prior to any such prepayment, the Maker shall provide the holder of this Note with at least ten (10) business days' prior written notice, and the holder shall have the opportunity to convert this Note in accordance with the terms hereof (if this Note is then convertible) in lieu of such prepayment.

3. Security. This Note is secured by the assets of the Maker as provided in that certain General Business Security Agreement of even date herewith by the Maker in favor of the Lender (the "Security Agreement").

4. Conditions Precedent. The obligation of the Lender to make the Loan is subject to the satisfaction on or before the date of this Note of each of the following express conditions precedent:

(a) The Lender shall have received each of the following (each to be properly executed, dated, and completed), in form and substance satisfactory to the Lender:

(i) this Note duly executed by the Maker;

(ii) the Security Agreement duly executed by the Maker;

(iii) a certificate of the secretary of the Maker, dated as of the date of this Note, as to (A) the incumbency and signature of the officer who has signed this Note, the Security Agreement, and any other documents or materials to be delivered by the Maker to the Lender pursuant to this Note or the Security Agreement; (B) the adoption and continued effect of resolutions of the board of directors of the Maker authorizing the execution, delivery, and performance of this Note and the Security Agreement, together with copies of those resolutions; and (C) the accuracy and completeness of copies of the organizational documents of the Maker, as amended to date, attached thereto;

(iv) a copy of the articles of incorporation of the Maker, certified by the Wisconsin Department of Financial Institutions as of a recent date; and

(v) copies of Uniform Commercial Code search reports dated as of a recent date, listing all effective financing statements that name the Maker as a debtor.

(b) The Lender shall have received such other agreements, instruments, documents, certificates, and opinions as the Lender or its counsel may reasonably request.

5. Covenants. From and after the date of this Note and until the entire amount of principal of and interest due on the Loan, and all other amounts of fees and payments due under this Note and the Security Agreement, are paid in full:

(a) as soon as available, and in any event within one hundred twenty (120) days after the close of each fiscal year, a copy of the detailed annual financial statements of the Maker prepared in reasonable detail and in accordance with generally accepted accounting principles;

(b) as soon as available, and in any event within thirty (30) days after the end of each fiscal quarter, (i) a company-prepared balance sheet of the Maker as of the end of each such fiscal quarter and of the prior four fiscal quarters; and (ii) statements of income of the Maker for each such fiscal quarter and for the prior four fiscal quarters, all in reasonable detail and certified as true and correct, subject to audit and normal year-end adjustments, by the manager of the Maker; and

(c) such other financial information relating to the Maker and its business as may be requested by the Lender.

6. Events of Default. As used in this Note, "Event of Default" shall mean any one of the following:

(a) the Maker shall fail to pay any sum due or perform any covenant, agreement, or obligation hereunder or under the Security Agreement, or an event of default shall occur under the Security Agreement;

(b) a default or an event of default shall occur under any other agreement evidencing indebtedness of the Maker and such default (i) consists of the failure to pay such indebtedness when due, whether by acceleration or otherwise, or (ii) accelerates the maturity of such indebtedness or permits the holder or holders thereof, or any trustee or agent for such holder or holders, to cause such indebtedness to become due and payable (or require the Maker to purchase, defease, or redeem such indebtedness or post cash collateral in respect thereof) prior to the expressed maturity of such indebtedness;

(c) the Maker shall cease active conduct of business operations at a location that is in the City of Whitewater, Wisconsin (as such City boundaries are modified from time to time, the "Territory") (failure of the Maker to employ at least one (1) employee in its operations in the Territory shall, without limitation, be deemed to be the cessation of the active conduct of the Maker's business operations), and such cessation continues for an uninterrupted period in excess of forty-five (45) days or exists for periods that total in excess of sixty (60) days within any twelve (12)-month period; notwithstanding the foregoing, in the event that such cessation is due to fire or other casualty, such cessation shall not be considered an Event of Default if the Maker sends written notice of the casualty to the Lender within forty-five (45) days of the date of such casualty and the Maker resumes active conduct of business operations in the Territory within a time period reasonably acceptable to the Lender;

(d) the Maker makes an assignment for the benefit of creditors, fails to pay, or admits in writing its inability to pay its debts as they mature, or if a trustee of any substantial part of the assets of the Maker is applied for or appointed; or

(e) any proceeding involving the Maker is commenced by or against the Maker under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, or liquidation law or statute of the federal government or any state government.

7. Remedies.

(a) Upon the occurrence of an Event of Default under Section 6(a), Section 6(b), or Section 6(c), the Lender may, upon notice and demand to the Maker, declare the entire amount of unpaid principal and accrued and unpaid interest under this Note immediately due and payable. Upon the occurrence of an Event of Default under Section 6(d) or Section 6(e), the entire amount of unpaid principal and accrued and unpaid interest under this Note automatically shall become immediately due and payable.



(b) Upon the occurrence of an Event of Default, the Maker hereby agrees to pay all reasonable fees and expenses incurred by the Lender, including reasonable attorneys' fees of counsel, in connection with the protection and enforcement of the rights of the Lender under this Note, including without limitation the collection of any amounts due under this Note and the protection and enforcement of such rights in any bankruptcy, reorganization, or insolvency proceeding involving the Maker.

(c) While any Event of Default exists, at the option of the Lender, the principal amount outstanding under this Note shall bear interest at a rate equal to fifteen percent (15%) per annum, subject to the limitation set forth in Section 1(a).

(d) No remedy herein conferred upon the Lender is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Note or now or hereafter existing by law. No failure or delay on the part of the Lender in exercising any right or remedy hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right hereunder preclude other or further exercise.

8. Waiver. The Maker and all endorsers hereof hereby waive presentment, demand for payment, notice of dishonor, notice of nonpayment, protest and notice of protest, and all other notices and demands in connection with the delivery, acceptance, performance, default or enforcement of this Note, and agree that the liability of the Maker shall be unconditional without regard to the liability of any other party and shall not be affected by any indulgence, extension of time, waiver, release of any party or of any of the Collateral (as defined in the Security Agreement), or other modification granted or consented to by the Maker or holder hereof.

9. Future Convertibility. For the avoidance of doubt, prior to the occurrence of either (i) or (ii) in the following sentence, this Note shall not be convertible. Upon the occurrence of either (i) any assignment by Lender of this Note, any such assignment which shall be exempt from the registration requirements of the Securities Act of 1933, as amended, and shall not cause the offering pursuant to which Lender originally acquired the Note to be ineligible for an exemption from such registration requirements as a condition thereto, or (ii) the date on which the original Lender becomes legally permitted to hold equity securities, this Note shall have the conversion rights as follows.

(a) All of the outstanding principal balance and accrued but unpaid interest under this Note shall be convertible, at the option of the holder thereof, without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares (the "Shares") of the Maker's Series AA Preferred Stock, \$0.001 par value per share (the "Preferred Stock"), as is determined by dividing the amount of all outstanding principal balance and accrued but unpaid interest due at the time of conversion by the "Series AA Original Issue Price" (as such term is defined in the Maker's Amended and Restated Articles of Incorporation (the "Articles")), and as such Series AA Original Issue Price is adjusted from time to time pursuant to the terms of the Articles, subject to adjustment as provided in Section 9(c) below.

(b) Any such holder shall effect conversions by providing the Maker with a notice of conversion specifying the amount of this Note to be converted and the date on which such

conversion is to be effected (such date, the “Conversion Date”). If no Conversion Date is specified in a notice of conversion, the Conversion Date shall be the date that such notice of conversion to the Maker is deemed delivered hereunder. The Maker’s obligation to issue and deliver the Shares acquired by such holder upon delivery to Maker of a notice of conversion in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by a holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by such holder or any other person of any obligation to the Maker.

(c) The following shall apply if and to the extent that such event or events would not have the effect of already automatically adjusting the Series AA Original Issue Price pursuant to the terms of the Articles:

(i) If the Maker, at any time while this Note is outstanding: (A) pays a stock dividend or otherwise makes a distribution or distributions payable in shares of Preferred Stock or any other Stock Equivalents (defined below); or (B) subdivides outstanding shares of Preferred Stock into a larger number of shares of Preferred Stock or consolidates outstanding shares of Preferred Stock into a smaller number of shares of Preferred Stock; then the number of Shares issuable hereunder shall be multiplied by a fraction of which the numerator shall be the number of shares of Preferred Stock outstanding immediately after such event and of which the denominator shall be the number of shares of Preferred Stock (excluding any treasury stock of the Maker) outstanding immediately before such event. For purposes of this Note, “Stock Equivalents” means any securities of the Maker or its subsidiaries which would entitle the holder thereof to acquire at any time shares of Preferred Stock, including, without limitation, any debt, equity security other than Preferred Stock, rights, options, warrants or other instrument that is at any time convertible into or exchangeable for, or otherwise entitles the holder thereof to receive, shares of Preferred Stock.

(ii) The Maker shall not, at any time while this Note is outstanding, distribute to all holders of Preferred Stock (and not to the holder of this Note) evidences of its indebtedness or assets (including cash or cash dividends).

(iii) If, at any time while this Note is outstanding, (i) the Maker effects any merger or consolidation of the Maker with or into another person, (ii) the Maker effects any sale of all or substantially all of its assets in one transaction or a series of related transactions, (iii) any tender offer or exchange offer (whether by the Maker or another person) is completed pursuant to which holders of Preferred Stock are permitted to tender or exchange their shares for other securities, cash or property, or (iv) the Maker effects any reclassification of Preferred Stock or any compulsory share exchange pursuant to which shares of Preferred Stock are effectively converted into or exchanged for other securities, cash or property (in any such case, a “Fundamental Transaction”), then, upon any subsequent conversion of this Note, the holder hereof shall have the right to receive, for each Share that would have been issuable upon such conversion immediately prior to the occurrence of such Fundamental Transaction, the same kind and amount of securities, cash or property as it would have been entitled to receive upon the occurrence of such Fundamental Transaction if it had been, immediately prior to such Fundamental Transaction, the holder of one share of Preferred Stock (the “Alternate”).



Consideration”). For purposes of any such conversion, the number of Shares issuable upon conversion hereof shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Preferred Stock in such Fundamental Transaction. If holders of Shares are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the holder hereof shall be given the same choice as to the Alternate Consideration it receives upon any conversion of this Note following such Fundamental Transaction. To the extent necessary to effectuate the foregoing provisions, any successor to the Maker or surviving entity in such Fundamental Transaction shall issue to the holder hereof new secured convertible notes consistent with the foregoing provisions and evidencing such holder’s right to convert such note into Alternate Consideration. The terms of any agreement pursuant to which a Fundamental Transaction is effected shall include terms requiring any such successor or surviving entity to comply with the provisions of this Section 9(c)(iv) and ensuring that this Note (or any such replacement security) will be similarly adjusted upon any subsequent transaction analogous to a Fundamental Transaction.

(iv) If any event occurs of the type contemplated by the provisions of this Section 9(c) but not expressly provided for by such provisions (including, without limitation, the granting of stock appreciation rights, phantom stock rights or other rights with equity features), then the Maker’s Board of Directors in good faith will make an appropriate adjustment in the number of Shares issuable upon conversion of this Note so as to be equitable under the circumstances and otherwise protect the rights of the holder of this Note; provided that no such adjustment will decrease the number of Shares issuable upon conversion of this Note as otherwise determined pursuant to this Section 9(c).

10. Successors and Assigns. The Maker may not assign this Note without the consent of the Lender or the holder of this Note. All the provisions hereof shall extend to and inure to the benefit of the Lender and any and all person(s) hereunder from time to time owning or holding this Note, and their respective heirs, legal representatives, successors, and assigns.

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

12. Governing Law; Venue. This Note shall be governed by, and shall be construed and enforced in accordance with, the internal laws of the State of Wisconsin, without regard to conflicts of laws principles. Any action arising from or relating in any way to this Note shall be tried only in the state or federal courts situated in the Eastern District of Wisconsin. The Maker

consents to jurisdiction and venue in those courts to the greatest extent allowed by law. The party that substantially prevails in any action to enforce any provision of this Note shall recover all costs and attorneys' fees incurred in connection with the action.

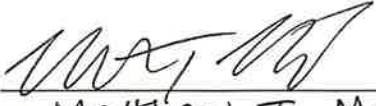
13. Miscellaneous. If any provision of this Note is held to be invalid or unenforceable by a court of competent jurisdiction, the other provisions of this Note shall remain in full force and effect and shall be liberally construed in favor of the Lender in order to effect the provisions of this Note. The Lender shall not be deemed, by any act of omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Lender, and then only to the extent specifically set forth in the waiver. A waiver on one event shall not be construed as continuing or as a bar to or waiver of any right or remedy to a subsequent event. This Note may not be changed or terminated orally, but only by an agreement in writing signed by the party against whom enforcement of such change or termination is sought.

14. Further Assurance. From and after the date of this Note, each party agrees that it shall execute and deliver such document and take such action as may be reasonably requested by the other party to carry out the purposes and the transactions contemplated hereby.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Maker, intending to be legally bound hereby, has executed these presents the day and year first written above.

SCANALYTICS, INC.

By:   
Name: Matthew T Mcloy  
Title: COO

## SCHEDULE 1

Level	Revenues	Applicable Percentage	Payment Amount
1	\$1 to \$500,000	0.50%	Level 1
2	\$500,001 to \$1,000,000	1.00%	Sum of Levels 1 and 2
3	\$1,000,001 to \$1,500,000	1.50%	Sum of Levels 1 though 3
4	\$1,500,001 to \$2,000,000	2.00%	Sum of Levels 1 though 4
5	\$2,000,001 to \$2,500,000	2.50%	Sum of Levels 1 though 5
6	\$2,500,001 to \$3,000,000	3.00%	Sum of Levels 1 though 6
7	\$3,000,001 to \$3,500,000	3.50%	Sum of Levels 1 though 7
8	\$3,500,001 to \$4,000,000	4.00%	Sum of Levels 1 though 8
9	Greater than or equal to \$4,000,001	4.50%	Sum of Levels 1 though 9

As an example for illustrative purposes only, if the Maker's Revenues are \$1,250,000, the payment amount would be as follows: the sum of (a) \$500,000 multiplied by 0.50% (total \$2,500), plus (b) \$500,000 multiplied by 1.00% (total \$5,000), plus (c) \$250,000 multiplied by 1.50% (total \$3,750) = \$11,250.

# **EXHIBIT B**



## GENERAL BUSINESS SECURITY AGREEMENT

Dated October 26, 2015

## 1. SECURITY INTEREST

In consideration of any financial accommodation at any time granted by COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WHITEWATER, WISCONSIN ("Lender") to SCANALYTICS, INC. ("Borrower"), each of the undersigned ("Debtor," whether one or more) grants Lender a security interest in all equipment, fixtures, inventory, documents, general intangibles, accounts, deposit accounts (unless a security interest would render a nontaxable account taxable), contract rights, chattel paper, patents, trademarks and copyrights (and the good will associated with and registrations and licenses of any of them), instruments, letter of credit rights and investment property, now owned or hereafter acquired by Debtor (or by Debtor with spouse), and all additions and accessions to, all spare and repair parts, special tools, equipment and replacements for, software used in, all returned or repossessed goods the sale of which gave rise to and all proceeds, supporting obligations and products of the foregoing ("Collateral"), wherever located, to secure all debts, obligations and liabilities to Lender arising out of credit previously granted, credit contemporaneously granted and credit granted in the future by Lender to any Debtor, or any Borrower, to any of them and another, or to another guaranteed or endorsed by any of them ("Obligations").

## 2. DEBTOR'S WARRANTIES

Debtor warrants and agrees that while any of the Obligations are unpaid:

(a) **Ownership and use.** Debtor owns (or with spouse owns) the Collateral free of all encumbrances and security interests (except Lender's security interest). Chattel paper constituting Collateral evidences a perfected security interest in the goods (including software used in the goods) covered by it, free from all other encumbrances and security interests, and no financing statement is on file or control agreement in existence (other than Lender's) covering the Collateral or any of it. Debtor, acting alone, may grant a security interest in the Collateral and agree to the terms of this Agreement. The Collateral is used or bought for use primarily for business purposes.

(b) **Sale of goods or services rendered.** Each account and chattel paper constituting Collateral as of this date arose from the performance of services by Debtor or from a bona fide sale or lease of goods, which have been delivered or shipped to the account debtor and for which Debtor has genuine invoices, shipping documents or receipts.

(c) **Enforceability.** Each account, contract right and chattel paper constituting Collateral as of this date is genuine and enforceable against the account debtor according to its terms. It and the transaction out of which it arose comply with all applicable laws and regulations. The amount represented by Debtor to Lender as owing by each account debtor is the amount actually owing and is not subject to setoff, credit, allowance or adjustment, except discount for prompt payment, nor has any account debtor returned the goods or disputed liability.

(d) **Due date.** There has been no default as of this date according to the terms of any chattel paper or account constituting Collateral and no step has been taken to foreclose the security interest it evidences or otherwise enforce its payment.

(e) **Financial condition of account debtor.** As of this date Debtor has no notice or knowledge of anything which might impair the credit standing of any account debtor and Debtor will advise Lender upon receipt of any such notice or knowledge affecting Collateral.

(f) **Valid organization.** If a corporation, limited liability company or general or limited partnership, Debtor is duly organized, validly existing and in good standing under the laws of the state of organization and is authorized to do business in Wisconsin.

(g) **Other agreements.** Debtor is not in default under any agreement for the payment of money.

(h) **Authority to contract.** The execution and delivery of this Agreement and any instruments evidencing Obligations will not violate or constitute a breach of Debtor's articles of incorporation or organization, by-laws, partnership agreement, operating agreement or any other agreement or restriction to which Debtor is a party or is subject.

(i) **Accuracy of information.** All information, certificates or statements given to Lender pursuant to this Agreement shall be true and complete when given.

(j) **Name and address.** Debtor's exact legal name is as set forth below Section 12. If Debtor is an individual, Debtor separately provided to Lender the name of Debtor as it is indicated on Debtor's current unexpired driver's license or, if applicable for UCC financing statements, identification card issued by Debtor's state of principal residence, and the address of Debtor's principal residence is as set forth below Section 12. If Debtor is an organization that has only one place of business, the address of Debtor's place of business, or if Debtor has more than one place of business, then the address of Debtor's chief executive office, is as set forth below Section 12.

(k) **Location.** The address where the Collateral will be kept, if different from that appearing below Section 12, is

Such location shall not be changed without prior written consent of Lender, but the parties intend that the Collateral, wherever located, is covered by this Agreement.

(l) **Organization.** If Debtor is an organization, the type of organization and the state under whose law it is organized are as set forth below Section 12.

(m) **Environmental laws.** (i) No substance has been, is or will be present, used, stored, deposited, treated, recycled or disposed of on, under, in or about any real estate now or at any time owned or occupied by Debtor ("Property") during the period of Debtor's ownership or use of the Property in a form, quantity or manner which if known to be present on, under, in or about the Property would require clean-up, removal or some other remedial action ("Hazardous Substance") under any federal, state or local laws, regulations, ordinances, codes or rules ("Environmental Laws"), (ii) Debtor has no knowledge, after due inquiry, of any prior use or existence of any Hazardous Substance on the Property by any prior owner of or person using the Property, (iii) without limiting the generality of the foregoing, Debtor has no knowledge, after due inquiry, that the Property contains asbestos, polychlorinated biphenyl components (PCBs) or underground storage tanks, (iv) there are no conditions existing currently or likely to exist during the term of this Agreement which would subject Debtor to any damages, penalties, injunctive relief or clean-up costs in any governmental or regulatory action or third-party claim relating to any Hazardous Substance, (v) Debtor is not subject to any court or administrative proceeding, judgment, decree, order or citation relating to any Hazardous Substance, and (vi) Debtor in the past has been, at the present is, and in the future will remain in compliance with all Environmental Laws. Debtor shall indemnify and hold harmless Lender, its directors, officers, employees and agents from all loss, cost (including reasonable attorneys' fees and legal expenses), liability and damage whatsoever directly or indirectly resulting from, arising out of, or based upon (1) the presence, use, storage, deposit, treatment, recycling or disposal, at any time, of any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from the Property, (2) the violation or alleged violation of any Environmental Law, permit, judgment or license relating to the presence, use, storage, deposit, treatment, recycling or disposal of any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from Property, or (3) the imposition of any governmental lien for the recovery of environmental clean-up costs expended under any Environmental Law. Debtor shall immediately notify Lender in writing of any governmental or regulatory action or third-party claim instituted or threatened in connection with any Hazardous Substance described above on, in, under or about the Property.

(n) **Employees.** There are no unpaid wages due employees of Debtor and there are no outstanding liens against assets of Debtor for unpaid wages due employees of Debtor.

(o) **Fixtures.** If any of the Collateral is affixed to real estate, the legal description of the real estate set forth in each UCC Financing Statement signed or authorized by Debtor is true and correct.

## 3. SHIPPERS

Shippers authorized to draw drafts on Lender under section 6(c) are:

## 4. SALE AND COLLECTIONS

(a) **Sale of inventory.** So long as no default exists under any of the Obligations or this Agreement, Debtor may (a) sell inventory in the ordinary course of Debtor's business for cash or on terms customary in the trade, at prices not less than any minimum sale price shown on instruments evidencing Obligations and describing inventory, or (b) lease or license inventory on terms customary in the trade.

(b) **Verification and notification.** Lender may verify Collateral in any manner, and Debtor shall assist Lender in so doing. Upon default Lender may at any time and Debtor shall, upon request of Lender, notify the account debtors or other persons obligated on the Collateral to make payment directly to Lender and Lender may enforce collection of, settle, compromise, extend or renew the indebtedness of such account debtors or other persons obligated on the Collateral. Until account debtors or other persons obligated on the Collateral are so notified, Debtor, as agent of Lender, shall make collections and receive payments on the Collateral.

(c) **Deposit with Lender.** At any time Lender may require that all proceeds of Collateral received by Debtor shall be held by Debtor upon an express trust for Lender, shall not be commingled with any other funds or property of Debtor and shall be turned over to Lender in precisely the form received (but endorsed by Debtor if necessary for collection) not later than the business day following the day of their receipt. Except as provided in Section 4(d) below, all proceeds of Collateral received by Lender directly or from Debtor shall be applied against the Obligations in such order and at such times as Lender shall determine.

(d) **Accounting.** If the extent to which Lender's security interest in the Collateral is a purchase money security interest depends on the application of a payment to a particular obligation of Debtor, the payment shall first be applied to obligations of Debtor for which Debtor did not create a security interest in the order in which those obligations were incurred and then to obligations of Debtor for which Debtor did create a security interest, including the Obligations secured by the Collateral, in the order in which those obligations were incurred; provided, however, that Lender shall retain its security interest in all Collateral regardless of the allocation of payments.



## ADDITIONAL PROVISIONS

### 5. DEBTOR'S COVENANTS

(a) **Maintenance of Collateral.** Debtor shall: maintain the Collateral in good condition and repair and not permit its value to be impaired; keep it free from all liens, encumbrances and security interests (other than Lender's security interest); defend it against all claims and legal proceedings by persons other than Lender; pay and discharge when due all taxes, license fees, levies and other charges upon it; not sell, lease, license or otherwise transfer or dispose of it or permit it to become a fixture or an accession to other goods, except for sales, leases or licenses of inventory as provided in this Agreement; not permit it to be used in violation of any applicable law, regulation or policy of insurance; and, as to Collateral consisting of instruments, chattel paper and letter of credit rights, preserve rights in it against prior parties. Loss of or damage to the Collateral shall not affect the liabilities of any Debtor or Borrower under this Agreement, the Obligations or other rights of Lender with respect to the Collateral.

(b) **Insurance.** Debtor shall keep the Collateral and Lender's interest in it insured under policies with such provisions, for such amounts and by such insurers as shall be satisfactory to Lender from time to time, and shall furnish evidence of such insurance satisfactory to Lender. Subject to Lender's satisfaction, Debtor is free to select the insurance agent or insurer through which the insurance is obtained. Debtor assigns (and directs any insurer to pay) to Lender the proceeds of all such insurance and any premium refund, and authorizes Lender to endorse in the name of Debtor any instruments for such proceeds or refunds and, at the option of Lender, to apply such proceeds and refunds to any unpaid balance of the Obligations, whether or not due, and/or to restoration of the Collateral, returning any excess to Debtor. Each insurance policy shall contain a standard lender's loss payable endorsement in favor of Lender, and shall provide that the policy shall not be cancelled, and the coverage shall not be reduced, without at least 10 days' prior written notice by the insurer to Lender. Lender is authorized, in the name of Debtor or otherwise, to make, adjust and/or settle claims under any credit insurance financed by Lender or any insurance on the Collateral, or cancel the same after the occurrence of an event of default. If Debtor fails to keep any required insurance on the Collateral, Lender may purchase such insurance for Debtor, such insurance may be acquired by Lender solely to protect the interest of Lender (and will not cover Debtor's equity in the Collateral), and Debtor's obligation to repay Lender shall be in accordance with Section 6(a).

(c) **Maintenance of security interest.** Debtor shall pay all expenses and upon request, take any action reasonably deemed advisable by Lender to preserve the Collateral or to establish, evidence, determine and maintain priority of, perfect, continue perfected, terminate and/or enforce Lender's interest in it or rights under this Agreement. Debtor authorizes Lender to file Uniform Commercial Code financing statements describing the Collateral (including describing the Collateral as "all assets" or with words of similar effect) and amendments and correction statements to such financing statements and ratifies any such financing statement or amendment filed prior to the date of this Agreement. Debtor will obtain for and provide to Lender control of Collateral or other security for the Obligations for which control may be required or requested to perfect Lender's security interest under applicable law, including, without limitation, the execution of control agreements by and between Debtor, Lender and any necessary third party. If the Collateral is in possession of a third party, Debtor will also join with Lender at its request in notifying the third party of Lender's security interest and obtaining an acknowledgment from the third party that it is holding the Collateral for the benefit of Lender.

(d) **Taxes and other charges.** Debtor shall pay and discharge all lawful taxes, assessments and government charges upon Debtor or against its properties prior to the date on which penalties attach, unless and to the extent only that such taxes, assessments and charges are contested in good faith and by appropriate proceedings by Debtor.

(e) **Employees.** Debtor shall pay all wages when due to employees of Debtor and shall not permit any lien to exist against the assets of Debtor for unpaid wages due employees of Debtor.

(f) **Records and statements.** Debtor shall furnish to Lender financial statements at least annually and such other financial information respecting Debtor at such times and in such form as Lender may request. Debtor shall keep accurate and complete records respecting the Collateral in such form as Lender may approve. At such times as Lender may require, Debtor shall furnish to Lender a statement certified by Debtor and in such form and containing such information as may be prescribed by Lender, showing the current status and value of the Collateral. Debtor shall furnish to Lender such reports regarding the payment of wages to employees of Debtor and the number of employees of Debtor as Lender may from time to time request, and without request shall furnish to Lender a written report immediately upon any material increase in the number of employees of Debtor, the failure of Debtor to pay any wages when due to employees of Debtor or the imposition of any lien against the assets of Debtor for unpaid wages due employees of Debtor.

(g) **Inspection of Collateral.** At reasonable times Lender may examine the Collateral and Debtor's records pertaining to it, wherever located, and make copies of records, and Debtor shall assist Lender in so doing.

(h) **Service charge.** In addition to the required payments under the Obligations and this Agreement, Debtor shall pay Lender's then current service charges for servicing and auditing in connection with this Agreement.

(i) **Chattel paper.** Lender may require that chattel paper constituting Collateral shall be on forms approved by Lender. Unless it consists of electronic chattel paper, Debtor shall promptly mark all chattel paper constituting Collateral, and all copies, to indicate conspicuously Lender's interest and, upon request, deliver them to Lender. If it consists of electronic chattel paper, Debtor shall promptly notify Lender of the existence of the electronic chattel paper and, at the request of Lender, shall take such actions as Lender may reasonably request to vest in Lender control of such electronic chattel paper under applicable law.

(j) **United States contracts.** If any Collateral arose out of contracts with the United States or any of its departments, agencies or instrumentalities, Debtor will notify Lender and execute writings required by Lender in order that all money due or to become due under such contracts shall be assigned to Lender and proper notice of the assignment given under the Federal Assignment of Claims Act.

(k) **Modifications.** Without the prior written consent of Lender, Debtor shall not alter, modify, extend, renew or cancel any accounts, letter of credit rights or chattel paper constituting Collateral or any Collateral constituting part of the Debtor's borrowing base.

(l) **Returns and repossessions.** Debtor shall promptly notify Lender of the return to or repossession by Debtor of goods underlying any Collateral and Debtor shall hold and dispose of them only as Lender directs.

(m) **Promissory Notes, Chattel Paper and Investment Property.** If Debtor shall at any time hold or acquire Collateral consisting of promissory notes, chattel paper or certificated securities, Debtor shall endorse, assign and deliver the same to Lender accompanied by such instruments of transfer or assignment duly executed in blank as Lender may from time to time request.

(n) **Change of name, address or organization.** Debtor shall not change (i) Debtor's legal name, (ii) if Debtor is an individual Debtor's name as it is indicated on Debtor's current unexpired driver's license or, if applicable for UCC financing statements, identification card issued by Debtor's state of principal residence, or (iii) Debtor's address, in each case without providing at least 30 days' prior written notice of the change to Lender. If Debtor is an individual, Debtor shall provide to Lender at least 30 days' written notice of any expiration of Debtor's driver's license or, if applicable for UCC financing statements, identification card issued by Debtor's state of principal residence. If Debtor is an organization it shall not change its type of organization or state under whose law it is organized and shall preserve its organizational existence, and Debtor whether or not Debtor is an organization shall not, in one transaction or in a series of related transactions, merge into or consolidate with any other organization, change Debtor's legal structure or sell or transfer all or substantially all of Debtor's assets.

### 6. RIGHTS OF LENDER

(a) **Authority to perform for Debtor.** Upon the occurrence of an event of default or if Debtor fails to perform any of Debtor's duties set forth in this Agreement or in any evidence of or document relating to the Obligations, Lender is authorized, in Debtor's name or otherwise, to take any such action including without limitation signing Debtor's name or paying any amount so required, and the cost shall be one of the Obligations secured by this Agreement and shall be payable by Debtor upon demand with interest from the date of payment by Lender at the highest rate stated in any evidence of any Obligation but not in excess of the maximum rate permitted by law.

(b) **Charging Debtor's credit balance.** Unless a lien would be prohibited by law or would render a nontaxable account taxable, Debtor grants Lender, as further security for the Obligations, a security interest and lien in any deposit account Debtor may at any time have with Lender and other money now or hereafter owed Debtor by Lender, and agrees that Lender may, at any time after the occurrence of an event of default, without prior notice or demand, set-off all or any part of the unpaid balance of the Obligations against any deposit balances or other money now or hereafter owed Debtor by Lender.

(c) **Power of attorney.** Debtor irrevocably appoints any officer of Lender as Debtor's attorney, with power after an event of default to receive, open and dispose of all mail addressed to Debtor (and Lender shall not be required as a condition to the exercise of this power to prove the occurrence of an event of default to the Post Office); to notify the Post Office authorities to change the address for delivery of all mail addressed to Debtor to such address as Lender may designate; to endorse the name of Debtor upon any instruments which may come into Lender's possession; and to sign and make drafts under any letter of credit constituting Collateral on Debtor's behalf. Debtor agrees that Obligations may be created by drafts drawn on Lender by shippers of inventory named in Section 3. Debtor authorizes Lender to honor any such draft accompanied by invoices aggregating the amount of the draft and describing inventory to be shipped to Debtor and to pay any such invoices not accompanied by drafts. Debtor appoints any employee of Lender as Debtor's attorney, with full power to sign Debtor's name on any instrument evidencing an Obligation, or any renewals or extensions, for the amount of such drafts honored by Lender and such instruments may be payable at fixed times or on demand, shall bear interest at the rate from time to time fixed by Lender and Debtor agrees, upon request of Lender, to execute any such instruments. This power of attorney to execute instruments may be revoked by Debtor only by written notice to Lender and no such revocation shall affect any instruments executed prior to the receipt by Lender of such notice. All acts of such attorney are ratified and approved and such attorney is not liable for any act or omission or for any error of judgment or mistake of fact or law. This power is a power coupled with an interest and is given as security for the Obligations, and the authority conferred by this power is and shall be irrevocable and shall remain in full force and effect until renounced by Lender except as otherwise expressly provided in this Section 6(c).

(d) **Non-liability of Lender.** Lender has no duty to determine the validity of any invoice, the authority of any shipper named in section 3 to ship goods to Debtor or compliance with any order of Debtor. Lender has no duty to protect, insure, collect or realize upon the Collateral or preserve rights in it against prior parties. Debtor releases Lender from any liability for any act or omission relating to the Obligations, the Collateral or this Agreement, except Lender's willful misconduct.



7. DEFAULT

Upon the occurrence of one or more of the following events of default:

- (a) **Nonperformance.** Any of the Obligations are not paid when due, or Borrower or Debtor, as applicable, fails to perform, or rectify breach of, any warranty or covenant or other undertaking in this Agreement or in any evidence of or document relating to the Obligations or an event of default occurs under any evidence of or document relating to any other obligation secured by the Collateral;
- (b) **Inability to Perform.** Borrower, Borrower's spouse, Debtor or a guarantor or surety of any of the Obligations dies, ceases to exist, becomes insolvent or the subject of bankruptcy or insolvency proceedings or any guaranty of the Obligations is revoked or becomes unenforceable for any reason;
- (c) **Misrepresentation.** Any warranty or representation made to induce Lender to extend credit to Debtor or Borrower, under this Agreement or otherwise, is false in any material respect when made; or
- (d) **Insecurity.** At any time Lender believes in good faith that the prospect of payment or performance of any of the Obligations or performance under any agreement securing the Obligations is impaired;

all of the Obligations shall, at the option of Lender and without notice or demand, become immediately payable; and Lender shall have all rights and remedies for default provided by the Wisconsin Uniform Commercial Code and this Agreement, as well as any other applicable law, and under any evidence of or document relating to any Obligation, and all such rights and remedies are cumulative and may be exercised from time to time together, separately, and in any order. With respect to such rights and remedies:

- (e) **Repossession.** Lender may take possession of Collateral without notice or hearing, which Debtor waives;
- (f) **Assembling collateral.** Lender may require Debtor to assemble the Collateral and to make it available to Lender at any place reasonably designated by Lender;
- (g) **Notice of disposition.** Written notice, when required by law, sent to any address of Debtor in this Agreement at least 10 calendar days (counting the day of sending) before the date of a proposed disposition of the Collateral is reasonable notice;
- (h) **Expenses and application of proceeds.** Debtor shall reimburse Lender for any expense incurred by Lender in protecting or enforcing its rights under this Agreement, before and after judgment, including, without limitation, reasonable attorneys' fees and legal expenses (including those incurred in successful defense or settlement of any counterclaim brought by Debtor or incident to any action or proceeding involving Debtor brought pursuant to the United States Bankruptcy Code) and all expenses of taking possession, holding, preparing for disposition and disposing of Collateral (provided, however, Lender has no obligation to clean-up or otherwise prepare the Collateral for sale). After deduction of such expenses, Lender shall apply the proceeds of disposition to the extent actually received in cash to the Obligations in such order and amounts as it elects or as otherwise required by this Agreement. If Lender sells any Collateral on credit, Debtor will be credited only with payments that the purchaser actually makes and that Lender actually receives and applies to the unpaid balance of the purchase price of the Collateral; and
- (i) **Waiver.** Lender may permit Debtor or Borrower to remedy any default without waiving the default so remedied, and Lender may waive any default without waiving any other subsequent or prior default by Borrower or Debtor. Lender shall continue to have all of its rights and remedies under this Agreement even if it does not fully and properly exercise them on all occasions.

8. WAIVER AND CONSENT

Each Debtor who is not also a Borrower expressly consents to and waives notice of the following by Lender without affecting the liability of any such Debtor: (a) the creation of any present or future Obligation, default under any Obligation, proceedings to collect from any Borrower or anyone else, (b) any surrender, release, impairment, sale or other disposition of any security or collateral for the Obligations, (c) any release or agreement not to sue any guarantor or surety of the Obligations, (d) any failure to perfect a security interest in or realize upon any security or collateral for the Obligations, (e) any failure to realize upon any of the Obligations or to proceed against any Borrower or any guarantor or surety, (f) any renewal or extension of the time of payment, (g) any allocation and application of payments and credits and acceptance of partial payments, (h) any application of the proceeds of disposition of any collateral for the Obligations to any obligation of any Debtor or Borrower secured by such collateral in such order and amounts as it elects, (i) any determination of what, if anything, may at any time be done with reference to any security or collateral, and (j) any settlement or compromise of the amount due or owing or claimed to be due or owing from any Borrower, guarantor or surety.

9. INTERPRETATION

The validity, construction and enforcement of this Agreement are governed by the internal laws of Wisconsin except to the extent such laws are preempted by federal law. All terms not otherwise defined have the meanings assigned to them by the Wisconsin Uniform Commercial Code, as amended from time to time, provided, however, that the term "instrument" shall be such term as defined in the Wisconsin Uniform Commercial Code-Secured Transactions Chapter 409. All references in this Agreement to sections of the Wisconsin Statutes are to those sections as they may be renumbered from time to time. Invalidity of any provision of this Agreement shall not affect the validity of any other provision.

10. PERSONS BOUND

Each person signing this Agreement is a Debtor. All Debtors are jointly and severally liable under this Agreement. This Agreement benefits Lender, its successors and assigns, and binds Debtor(s) and their respective heirs, personal representatives, successors and assigns and shall bind all persons and entities who become bound as a debtor to this Agreement. ☐ If checked here, this Agreement amends and replaces in their entirety the provisions of all existing General Business Security Agreements between Debtor and Lender; provided, however, that all security interests granted to Lender under those existing security agreements shall remain in full force and effect, subject to the provisions of this Agreement. Debtor acknowledges receipt of a completed copy of this Agreement.

11. ENTIRE AGREEMENT

THIS AGREEMENT IS INTENDED BY LENDER AND DEBTOR AS A FINAL EXPRESSION OF THIS AGREEMENT AND AS A COMPLETE AND EXCLUSIVE STATEMENT OF ITS TERMS, THERE BEING NO CONDITIONS TO THE ENFORCEABILITY OF THIS AGREEMENT, AND THIS AGREEMENT MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES TO THIS AGREEMENT. THERE ARE NO ORAL AGREEMENTS AMONG THE PARTIES TO THIS AGREEMENT. THIS AGREEMENT MAY NOT BE SUPPLEMENTED OR MODIFIED EXCEPT IN WRITING SIGNED BY LENDER AND DEBTOR.

12. OTHER PROVISIONS

(If none stated below, there are no other provisions.)

SCANALYTICS, INC. (SEAL)  
DEBTOR

(SEAL)  
DEBTOR

Address: 260 E. HIGHLAND AVENUE  
SEE SECTION 2(j) and (k)

MILWAUKEE, WISCONSIN 53202

(CORPORATION)  
TYPE OF ORGANIZATION

(WISCONSIN)  
STATE OF ORGANIZATION

By:   
( COO )

TITLE  
Matthew T McCoy

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

( \_\_\_\_\_ )  
TITLE

\*

\*Type or print name signed above.

# EXHIBIT C

**Filing Number: 150013462521**

Filing Date and Time: 10/26/2015 02:20 PM

Total Number of Pages: 2

(This document was filed electronically.)

## UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) <b>Laura L Lightholder</b> <b>Quarles &amp; Brady LLP</b> <b>(414)277-5387</b>
B. E-MAIL CONTACT AT FILER (optional) <b><a href="mailto:laura.lightholder@quarles.com">laura.lightholder@quarles.com</a></b>
C. SEND ACKNOWLEDGEMENT TO: (Name and Address)  <b>Laura L Lightholder</b> <b>Quarles &amp; Brady LLP</b> <b><a href="mailto:laura.lightholder@quarles.com">laura.lightholder@quarles.com</a></b>

**THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY**

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

OR	1a. ORGANIZATION'S NAME <b>SCANALYTICS, INC.</b>			
	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS <b>260 E. HIGHLAND AVENUE</b>		CITY <b>MILWAUKEE</b>	STATE <b>WI</b>	POSTAL CODE <b>53202</b>
Type Of Organization		Jurisdiction of Organization	Organizational ID#, if any	

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

OR	2a. ORGANIZATION'S NAME			
	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
Type Of Organization		Jurisdiction of Organization	Organizational ID#, if any	

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

OR	3a. ORGANIZATION'S NAME <b>COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WHITEWATER, WISCONSIN</b>			
	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS <b>312 W. WHITEWATER ST.</b>		CITY <b>WHITEWATER</b>	STATE <b>WI</b>	POSTAL CODE <b>53190</b>
				COUNTRY <b>USA</b>

4. COLLATERAL: This financing statement covers the following collateral:

**ALL ASSETS OF DEBTOR.**



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5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and Instructions) ☐ being administered by a Decedent's Personal Representative  
Debtor is ☐ Decedent's Estate ☐ Trustee acting with respect to property held in trust ☐ Trust

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6a. Check only if applicable and check only one box:

☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:

☐ Agricultural Lien ☐ Non-UCC Filing

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7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licensor

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8. OPTIONAL FILER REFERENCE DATA:

**WI DFI**

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**FILING OFFICE COPY** — UCC FINANCING STATEMENT (Form UCC1) (Rev. 04/20/11)

**Filing Number:** 20201012000219-6

Filing Date and Time: 10/12/2020 11:52 AM

Total Number of Pages: 1

(This document was filed electronically)

## UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

<b>A. NAME &amp; PHONE OF CONTACT AT FILER (optional)</b> <b>Community Development Authority of the City of Whitewater, Wisconsin</b>				
<b>B. E-MAIL CONTACT AT FILER (optional)</b> <b>bmiller@whitewater-wi.gov</b>				
<b>C. SEND ACKNOWLEDGEMENT TO: (Name and Address)</b> <b>Community Development Authority of the City of Whitewater, Wisconsin</b> <b>312 W. Whitewater St.</b> <b>P.O. Box 178</b> <b>Whitewater, WI 53190-0178 USA</b>				
<b>THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY</b>				

<b>1a. INITIAL FINANCING STATEMENT FILE NUMBER</b> <b>150013462521</b>	<b>1b. <input type="checkbox"/> This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS</b> Filer: <u>attach</u> Amendment Addendum (Form UCC3Ad) <u>and</u> provide Debtor's name in item 13
---	--

**2. ☐ TERMINATION:** Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

**3. ☐ ASSIGNMENT** (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9  
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8

**4. ☒ CONTINUATION:** Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

**5. ☐ PARTY INFORMATION CHANGE:**  
Check one of these two boxes: AND Check one of these three boxes to:  
☐ CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c  
☐ ADD name: Complete item 7a or 7b, and item 7c  
☐ DELETE name: Give record name to be deleted in item 6a or 6b  
This Change affects ☐ Debtor or ☐ Party of record

**6. CURRENT RECORD INFORMATION:** Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME			
OR 6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

**7. CHANGED OR ADDED INFORMATION:** Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME			
OR 7b. INDIVIDUAL'S SURNAME	INDIVIDUAL'S FIRST PERSONAL NAME	INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
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**8. ☐ COLLATERAL CHANGE:** Also check one of these four boxes: ☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN collateral  
Indicate collateral:

**9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT:** Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)  
If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME <b>Community Development Authority of the City of Whitewater, Wisconsin</b>			
OR 9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

**10. OPTIONAL FILER REFERENCE DATA:**

# EXHIBIT D

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