

**LEASE NO. DCRA 2014-13**

LESSOR: DANE COUNTY, WISCONSIN

LESSEE: New Zoom, Inc. d/b/a ZoomSystems

Dane County Regional Airport  
Madison, Wisconsin

**Lease No. DCRA 2014-\_\_**

This Lease is made and entered into by and between Dane County, Wisconsin (hereinafter, "County"), a Wisconsin quasi-municipal corporation, and New Zoom, Inc. d/b/a ZoomSystems (hereinafter, "Company"), a business entity organized under the laws of the State of California and shall be effective upon County's delivery to Company of a fully executed original of this Lease.

**WITNESSETH:**

WHEREAS County is the owner of certain properties located in the City of Madison, Wisconsin, known as the Dane County Regional Airport (hereinafter, the "Airport"); and

WHEREAS Company desires to lease premises in the Airport passenger terminal building at 4000 International Lane, Madison, Wisconsin (hereinafter, the "Airport Terminal") for purposes related to Company's robotic retail service (hereinafter, "RRS") business; and

WHEREAS County deems it advantageous to County and users of the Airport to grant Company the right to install and maintain an RRS machine in the Airport Terminal upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the above premises and the covenants hereinafter set forth, the sufficiency of which is hereby acknowledged by each party, County and Company do agree as follows:

1. Leased Premises. County hereby leases to Company premises of approximately 36 square feet in area located on the west side of the second floor concourse level of the Airport Terminal, between Gates 6 and 7 (hereinafter, the "Leased Premises"), as shown on Exhibit A attached hereto.
2. Term. The term of this Lease shall be one year, commencing December 1, 2014 at 12:01 a.m. and terminating on November 30, 2015 at 11:59 p.m.

3. Use. Company shall install and maintain in the Leased Premises one RRS machine having the specifications, dimensions and appearance described and depicted on Exhibit B, attached hereto. Company's use of the Leased Premises shall at all times be in compliance with federal, state, and local laws and regulations, as well as directives of the Airport Director, and shall be strictly limited to the placement and maintenance of an RRS machine in the Airport Terminal as authorized hereunder.
4. Rent. In consideration for the non-exclusive rights granted hereunder, Company shall, by the twentieth day of each calendar month during the term of this Lease, commencing as of January 20, 2015, and by the twentieth day of the calendar month following the expiration or termination of this Lease, pay to County a sum of money equal to seven percent of the gross sales (as defined below) made during the preceding calendar month from the RRS machine located in the Airport as authorized under this lease. Payment of rent shall be by check made payable to County of Dane, Wisconsin, and shall be paid at the Office of the Airport Director, 4000 International Lane, Madison, Wisconsin, 53704, such that it is received by the close of business on the date due. Overdue rent shall incur interest at the rate of one and one-half percent per month from the due date until paid in full.
5. Definition of Gross Sales. The term "Gross Sales" shall include all revenues derived from the sale of merchandise, services and promotions from the RRS on the leased premises, regardless of payment method or delivery location. The only exclusion from Gross Sales shall be federal, state, county and municipal sales taxes or other taxes separately stated and collected from customers.
6. Authorized Products. Only products listed in Exhibit C may be dispensed from the RRS machine located at the Airport. The County acknowledges that the product offerings may be adjusted from time to time and upon Company's request, the Airport Director may approve other products that may be dispensed from the RRS machine. All products, packaging, equipment and other items dispensed or otherwise used by Company in the conduct of Company's activities as authorized herein must be attractive in appearance and compatible with the

Airport's public image, design and operations, as determined at the sole discretion of the Airport Director.

7. Electrical Service and Electric Service Fee. County shall provide one 120 volt electrical outlet at the location of the RRS machine maintained by Company as authorized herein. The installation or extension of additional utility services, equipment, lines, wires, cables, and the like by or for Company is permitted only upon prior written approval of the Airport Director. Company shall pay to County an Electric Service Fee in the amount of \$25 per month, due and payable with the rent for the applicable month of electric service use.
8. Right of Ingress and Egress. Company shall have the right to access the Leased Premises through the Airport in accordance with all applicable laws, regulations and rules, including directives of the Airport Director and Airport regulations, policies and security programs.
9. Untenantable Premises. If the Leased Premises are partially damaged by fire or other casualty, but not rendered untenantable, Company shall not be relieved of obligations hereunder and County shall repair same at its cost and expense, provided that, if the damage is caused by the negligent or wrongful act or omission of Company, Company's agents, or employees or a malfunction of equipment or machines used by Company, Company shall be responsible for all damages resulting from such malfunction or negligent or wrongful act or omission. If the Leased Premises are damaged so as to render the Leased Premises untenantable, but capable of being repaired within 30 days, the same shall be repaired by County at its cost and expense, and rent payable by Company hereunder shall be proportionately adjusted until such time as the Leased Premises shall be fully restored, provided that, if said damage is caused by the negligent or wrongful act or omission of Company, Company's agents or employees or a malfunction of equipment or machines used by Company, the rent shall not abate and Company shall be responsible for all damages resulting from such malfunction or negligent or wrongful act or omission. In the event the Leased Premises are completely destroyed by fire or other casualty or so damaged that the Leased Premises will remain untenantable for more than 30

days Company may terminate this Lease effective as of the date the Leased Premises become untenable, provided that, if said destruction is caused by the negligent or wrongful act or omission of Company, Company's agents or employees or a malfunction of equipment or machines used by Company, the Lease shall not so terminate and Company shall be responsible for all damages resulting from such malfunction or negligent or wrongful act or omission.

10. Modification, Terms of Agreement. Enforcement, modification, amendment, termination, permissive authorizations and any other matters affecting or arising from the terms of this Lease shall be subject to the authorization and written approval of the Airport Director on behalf of County.
11. Ownership of Equipment. Ownership of the equipment placed by Company on the Leased Premises shall be retained by Company.
12. Airport Improvement. County shall have the right to develop or improve the Airport and surrounding County owned land as it sees fit, regardless of the desires or views of Company, and without interference or hindrance by or from Company.
13. Military Provision. During time of war or national emergency as determined by Congress or the President, County shall have the right to lease any part of the Airport to the United States or the State of Wisconsin, and any agencies thereof, for military or governmental use and, if any such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the lease to the federal or state government, shall be suspended and Company shall be without recourse therefor against County.
14. Subordination. This Lease shall be subordinate to Federal Aviation Administration (hereinafter, "FAA") regulations and the provisions of any agreement between County and the United States or State of Wisconsin relative to the operation or maintenance of the Airport, the execution of which agreement has been or may be required as a condition precedent to the availability or expenditure of federal or state funds for the development of the Airport. Should

the effect of such regulation or agreement be to substantially destroy the value of property or rights granted under this Lease, Company shall have the right to terminate this Lease, but shall have no other recourse against County.

15. Airport Protection Clause. County hereby reserves for the use and benefit of the public the right to pursue all operations of the Airport, including the right of aircraft to fly in the airspace overlying the Leased Premises, together with the right of said aircraft to cause such noise and vibration as may be inherent in the operation of aircraft on or in the vicinity of the Airport. Company shall not use or permit the use of the Leased Premises in such a manner as to create interference with communication between the Airport and aircraft or to in any other manner interfere with or create a hazard to aviation or operations of the Airport or its tenants.
16. Use Restrictions. County reserves the right to remove or prevent Company from placing, erecting, or permitting to be placed or erected, any structure, device, equipment, material or other item on or about the Leased Premises which County determines would limit the usefulness of the Airport, constitute a hazard to aviation, violate a FAA directive or regulation, or present a danger or inconvenience to Airport users.
17. Conditions of Premises. Company accepts the Leased Premises in the condition thereof on the effective date of this Lease.
18. Maintenance. Company shall at all times maintain the RRS machine placed by Company on the Leased Premises in clean and orderly condition and good repair, to the reasonable satisfaction of the Airport Director. In the event Company fails to comply with the requirements set forth in this section, County shall have the right to immediately remove Company's property from the Leased Premises and terminate this Lease.
19. Additions and Alterations. Company shall not make alterations or attach fixtures to the Leased Premises.

20. Signs. Company shall not place, install or erect in or about the Airport or Leased Premises signage, notices, banners, posters or displays of any kind without the advance written approval of the Airport Director.
21. Nondiscrimination and Accessibility. Company does hereby covenant and agree that (1) no person on the grounds of age, race, ethnicity, religion, color, gender, disability, marital status, sexual orientation, national origin, cultural differences, ancestry, physical appearance, arrest or conviction record, political beliefs, military participation, or membership in the national guard, state defense force or any reserve component of the military forces of the United States shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination with respect to the furnishing of services on or from the Leased Premises and the conduct of activities authorized or required under this Lease; (2) that Company shall conduct all activities authorized or required under this Lease in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, and 14 CFR Part 152, Subpart E, as said regulations may be amended; and (3) that Company shall comply with all accessibility requirements of the Americans with Disabilities Act and all other applicable federal, state and local laws, rules, regulations and ordinances.
22. Company to Pay Fines or Forfeitures. Company shall pay any forfeitures or fines levied upon County or the Airport through enforcement of any applicable federal, state or local law, regulation, rule or policy based on the acts or omissions of Company, Company's employees, agents, contractors or suppliers.
23. Indemnification and Hold Harmless. Company is and shall be deemed to be an independent contractor and operator exclusively responsible for Company's own acts or omissions. Company shall indemnify, hold harmless and defend County, and its officers, agents and employees from and against all claims for losses, costs, attorney fees, expenses and damages arising out of, resulting from or relating to any loss of or damage to any property or business or any injury to or death of any person, where such loss, damage, injury, or death actually or allegedly arises, whether directly or indirectly, wholly or in part, from (a) any action or omission of Company, Company's employees, agents, contractors or

suppliers while on Airport property; or (b) the exercise of the rights granted herein by Company, Company's employees, agents, contractors or suppliers. Company's obligation of indemnification, as set forth herein, shall not apply to damages or liability resulting from the acts or omissions of County.

24. Insurance Requirements. Company shall, by the effective date of this lease, obtain Comprehensive General Liability Insurance for bodily injuries or death arising out of any one accident or from other cause, in a minimum sum of \$1,000,000 per occurrence for bodily injury and, in addition, shall obtain Comprehensive Property Damage Liability Insurance in a minimum sum of \$1,000,000 for property damage arising from any one accident or other cause. Insurance so provided shall be deemed Primary. Company shall maintain said insurance with insurance companies authorized to do business in the State of Wisconsin and approved by County. All policies shall name County, its officers, agents and employees as additional insured. Company shall within 10 days of the effective date of this Lease provide the County with a certificate or certificates of insurance evidencing the insurance coverage required under this Lease. Each insurance policy obtained hereunder shall contain a provision that Company's insurer shall send to County written notice of cancellation or any material change in said policy at least 10 days in advance of the effective date thereof. Company shall maintain all insurance coverage required hereunder for the duration of this Lease and for one year following the termination or expiration hereof.
25. Assignment and Subleasing. Company shall not at any time assign this Lease or sublet the Leased Premises without prior written approval of the Airport Director.
26. Taxes, Fee, Permits and Licenses. Company shall obtain all permits, certifications and licenses required to conduct Company's activities at the Airport as authorized hereunder. Company shall pay as they become due any and all taxes, fees, assessments or other governmental charges, however denominated, imposed or based upon Company's property, equipment or activities at the Airport.
27. Notice of Violation. Company shall give prompt notice to County of any notice or warning Company receives regarding the violation of any law, regulation,



requirement or order of any public authority with respect to the Leased Premises or Company's activities at the Airport.

28. Termination of Lease. This Lease is terminable at will by either party upon 30 days advanced written notice to the other party. Upon expiration or earlier termination of this lease Company shall immediately remove the RRS machine from the Airport and return the Leased Premises to its condition on the effective date of this Lease, normal wear and tear excepted.
29. Receipts If an RRS transaction using the RRS machine at the Airport is completed or otherwise terminated after a customer has swiped his or her credit or debit card, the RRS Machine shall immediately dispense to the customer a receipt upon which is clearly printed any charge made against the customer's card, a toll free customer service telephone number, and Company's return and refund policy.
30. Waiver. No acceptance by County of rents, fees, charges or other payments or waiver by County of any default on the part of Company in performance of any of the terms, covenants or conditions of this Lease shall be or be construed to be a waiver by County of any other or subsequent default in performance of said terms, covenants and conditions, or of any right on the part of County to terminate this Lease. The rights of termination set forth in this Lease shall be in addition to any rights and remedies that County has at law or equity consequent upon breach of this Lease.
31. Entire Agreement and Invalid Provisions. All terms and conditions with respect to this Lease are expressly contained herein, and each of the parties hereto agrees and specifically acknowledges by execution of this Lease that there has been no reliance on any verbal promise, representation or warranty made by the other party, or the party's employees or agents with respect to this Lease or any of the matters and rights addressed herein. In the event any covenant, condition, or provision herein contained is held to be invalid by any court of competent jurisdiction, such invalidity shall in no way affect any other covenant, condition or provision herein contained.

32. Time is of the Essence. With respect to performance of all terms and conditions of this Lease by each of the parties hereto, time is of the essence. The covenants and conditions set forth in this Lease are intended to be binding upon the parties and are not to be construed as mere recitals.
33. Notices. Notices and communications hereunder shall be sufficient and effective as of the date of postmark if sent by regular mail, postage prepaid, addressed to:

LESSOR:      Airport Director  
                 Dane County Regional Airport  
                 4000 International Lane  
                 Madison, WI 53704

LESSEE:      Jack Lawrence  
                 President and CEO  
                 New Zoom, Inc. dba ZoomSystems  
                 22 Fourth Street, Floor 16  
                 San Francisco, CA 94103

Or to such other address as either party may provide to the other in writing.

34. Execution in Counterparts, Copies. The parties may evidence their agreement to be bound by the terms of this Lease upon one or several counterparts of this instrument, which together shall constitute a single instrument. A photocopy, facsimile, or electronic copy of this Lease shall have the same effect for all purposes as an original.

Signatures on Following Page

**IN WITNESS OF THE FOREGOING** and with the intent to be bound thereby, County and Company have caused this Lease to be executed on the dates indicated below.

**FOR LESSEE:**

\_\_\_\_\_  
Jack Lawrence  
President and CEO

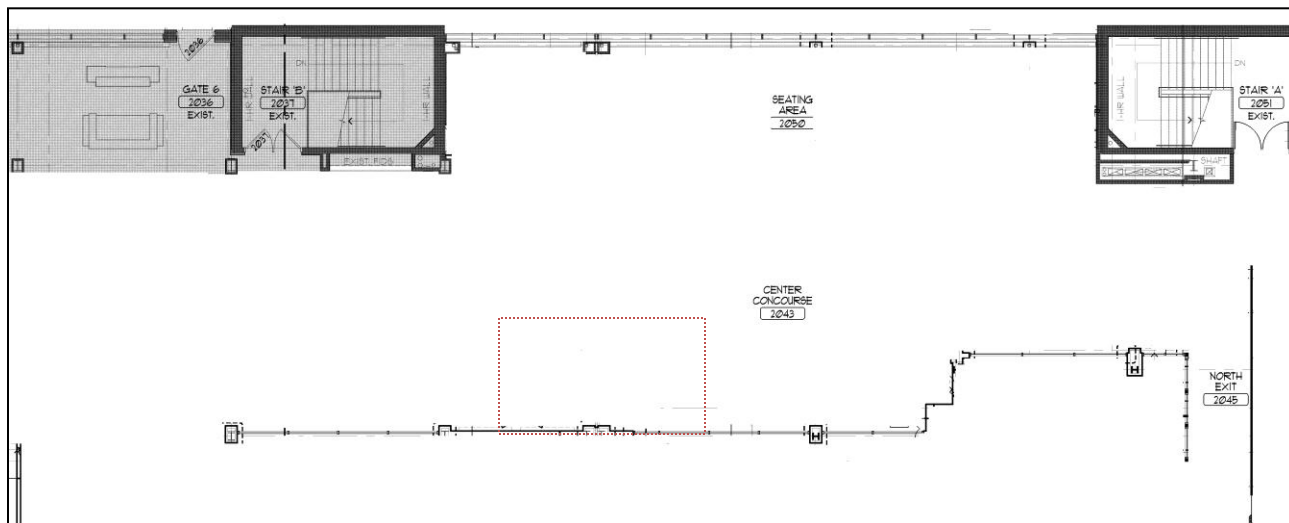
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**FOR LESSOR DANE COUNTY:**

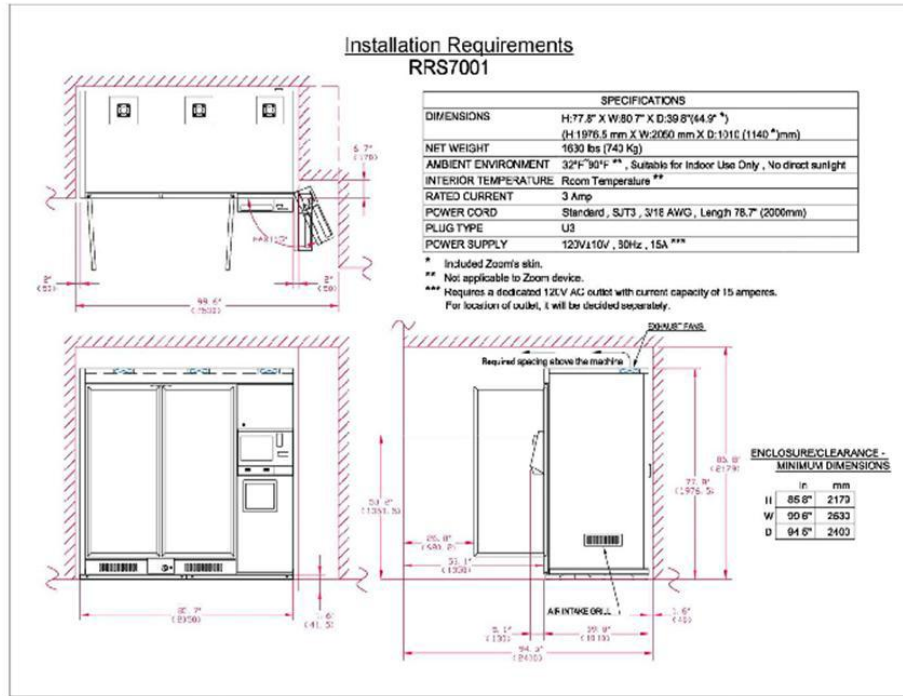
\_\_\_\_\_  
Bradley S. Livingston  
Airport Director

Date: \_\_\_\_\_

# EXHIBIT A



## EXHIBIT B



ZoomShop Dimensions	ZoomShop Sq. Ft.
W = 8' D = 4'6"	36



## EXHIBIT C

Product	Price	Product	Price
Apple EarPods w/ Remote and Mic	\$ 29.99	JBL Flip Speaker	\$ 99.99
Apple iPad Mini	\$ 329.99	JVC HAEBX85-Z Sport Clip Earphones Black	\$ 19.99
Apple iPod Nano 16GB Blue 7th Gen	\$ 149.99	JVC HAFX34-B Marshmallow w Mic Black	\$ 20.99
Apple iPod Nano 16GB Space Gray 7th Gen	\$ 149.99	Mophie black mini	\$ 59.99
Apple iPod Touch 16 GB Silver 5th Gen	\$ 229.99	Mophie Juice Pack Air iPhone 5 - Red	\$ 99.99
Apple iPod Touch 32 GB Silver 5th Gen	\$ 299.99	Mophie Juice Pack Air Plus iPhone 5 - Black	\$ 119.99
Beats Executive Over-the-Ear Headphones - Black	\$ 299.99	MyCharge Hub 6000	\$ 99.99
Beats Solo Over-the-Ear Headphones - White	\$ 199.99	Oloclip 4-in-1 Photo Lense for Apple iPhone 5	\$ 69.99
Beats Studio - Blue	\$ 299.99	Pebble	\$ 149.99
Beats Tour 2.0 - Black	\$ 149.99	Prepango Mobile Phone Kit w sim	\$ 44.99
Belkin Dual Wall/Car Lightning - Black	\$ 49.99	Rocketfish Lightning Charge/Sync Cable	\$ 14.99
Belkin Micro AC/DC Power Kit for iPhone/iPod	\$ 39.99	Rocketfish Wall Charger for Micro USB	\$ 29.99
Belkin Rockstar Headphone Splitter	\$ 16.99	Samsung Galaxy Tab 3 - White	\$ 199.99
Bose IE2 Audio Headphones	\$ 99.99	SanDisk 16GB Cruzer Glide	\$ 27.99
Bose MIE2i Mobile Headset	\$ 129.99	SanDisk 16GB Micro SD Ultra	\$ 39.99
Bose QC20i	\$ 299.99	Skullcandy Fix In-Ear with Mic White	\$ 49.99
Bose QuietComfort 3 Acoustic Noise Cancelling Headphones Silver	\$ 349.99	Skullcandy Ink'd - Black	\$ 19.99
Bose SIE2i Green	\$ 149.99	Skullcandy Skullcrusher	\$ 99.99
Bose - QuietComfort® 15 Acoustic Noise Cancelling® Headphones	\$ 299.99	Skullcandy Titan Stereo Earbud Black/Red w mic	\$ 39.99
Canon SX510	\$ 249.99	Sol Jax - White	\$ 39.99
Dynex Converter Adapter Set	\$ 39.99	Sony MDR-NC13 Noise Cancelling Earbuds	\$ 69.99
FitBit force	\$ 129.99	Sony MDR-NC8 Noise Canceling Headphones Black	\$ 49.99
GoPro - Black	\$ 399.99	Targus laptop charger	\$ 59.99
HDSD Sandisk	\$ 24.99	Urbeats in-ear	\$ 99.99
Jam Wireless PLUS Bluetooth Speaker - Grey	\$ 59.99		