

IN THE CIRCUIT COURT FOR HOWARD COUNTY, MARYLAND
THE STILL POINT WELLNESS CENTERS,
LLC, ET AL. :

Plaintiffs :
v. : CASE NO.: 13C17110850
COLUMBIA ASSOCIATION, INC. :
Defendants :

**AFFIDAVIT OF TORI PAIDE IN SUPPORT OF PLAINTIFFS' MOTION FOR
TEMPORARY RESTRAINING ORDER AND PRELIMINARY INJUNCTION**

I, TORI PAIDE HEREBY DECLARE, under oath and the penalties of perjury, that the following statements are true and correct based upon my personal knowledge:

1. I am over the age of eighteen (18) years and am capable of testifying under oath as to the following statements.
2. I am the co-owner with Marla Peoples of The Still Point Wellness Centers, LLC ("The Still Point") and TSP at Haven on the Lake, LLC ("TSP"). Along with Ms. Peoples, I manage all aspects of both companies in the ordinary course of business, including electronic and hard-copy communications by and between The Still Point, TSP, and Columbia Association, Inc.
3. The Still Point is a small, independent business that prior to and during its partnership with Columbia Association, Inc. ("CA") related to the spa at "Haven on the Lake" as detailed in this Affidavit, owned and operated a spa and wellness center

located in Clarksville, Maryland. I also own The Still Point, LLC, a spa and wellness center that has been operating in Takoma Park, Maryland since 2007.

4. At all relevant times, upon information and belief, CA was and is a tenant to the premises known as "Haven on the Lake", located at 10275 Little Patuxent Parkway, Columbia, Maryland 21044 (the "Premises").

5. On or about April 23, 2013, CA issued a Request for Proposal ("RFP") seeking an "experienced, high quality strategic partner to deliver integrative health programs and services to the patrons" of a contemplated spa retreat in the Premises.

6. After discussion with CA regarding the RFP, Ms. Peoples and I submitted a proposal in response to the RFP, highlighting our extensive experience and expertise in operating spa and wellness centers in Maryland.

7. After submission of the proposal, during a meeting concerning the proposal, Patrick O'Malley, a Director of Purchasing for CA, proposed to Ms. Peoples and I that, instead of The Still Point serving as a "strategic partner" managing the future spa, The Still Point and CA form a partnership.

8. According to Mr. O'Malley, under the proposed partnership, The Still Point and CA would allocate between themselves as partners the profits and losses from The Still Point's operation of the spa at the planned mind/body wellness retreat.

9. Subsequently, on July 26, 2013, Mr. O'Malley emailed Ms. Peoples and I, and cc'd a number of CA executive team members, "[a]s a follow-up to our meeting this week we are attaching a proposed financial model for a partnership between CA and a [sic] integrative health/spa services provider at the new mind/body wellness retreat." A true and correct copy of the July 26, 2013 email with the CA Partnership Outline (hereinafter defined) is attached hereto as Exhibit A.

10. The attached partnership outline proposes a 50/50 allocation of the net profits, losses, salaries, wages, and burden, cost of sales, operating supplies, repairs and maintenance, and rent under CA's lease as a tenant (the "CA Partnership Outline").

11. Over the following month, The Still Point and CA negotiated and discussed the terms of the proposed partnership, and frequently referred to the proposed relationship as a "proposed partnership."

12. During the negotiations and discussions, on or about August 6, 2013, The Still Point provided CA with a projection of profits and losses under the partnership for the first five years of business (the "The Still Point Projection").

13. The Still Point also sent CA a partnership outline containing the same terms of the CA Partnership Outline plus a proposed term of \$50,000.00 to be paid to The Still Point in consideration of The Still Point's experience and expertise in

operating spas and wellness centers (the "The Still Point Partnership Outline"). A true and correct copy of the August 6, 2013 email transmittal with The Still Point Projection and The Still Point Partnership Outline is attached hereto as Exhibit B.

14. Pursuant to The Still Point's negotiations and discussions with CA, on or about August 28, 2013, Ms. Peoples and I, on behalf of The Still Point, met with CA representatives and orally agreed with CA to form an unincorporated association between CA and The Still Point to carry on as co-owners for profit a spa in the Premises for a period of no less than five years consistent with The Still Point Projection and The Still Point Partnership Outline (the "Partnership Agreement"). Thereafter, during the meeting, CA informed The Still Point that CA would draft a partnership agreement that would incorporate terms of their oral agreement.

15. During this meeting, The Still Point and CA never discussed or agreed to a lease agreement, nor did The Still Point and CA suggest or agree that the Partnership Agreement would be subject to laws generally applicable to a landlord-tenant relationship.

16. The Still Point and CA continuously conducted business activities to effectuate the opening and operation of a spa at the Premises, pursuant to the terms of the Partnership Agreement. For instance, The Still Point assisted CA with arranging yoga class schedules at the spa, discussed pricing membership, sales and marketing,

and naming of the spa with a consulting firm, and collaborating with an architect to design the spa.

17. While The Still Point and CA carried on with the partnership, in September of 2013, CA informed The Still Point that CA's ability to place terms of the partnership into a formal written partnership agreement may be affected by CA's non-profit status. The Still Point asked CA whether the partnership would continue. CA responded CA could address the impact of a profit and loss distribution to CA by placing the terms of the projected partnership allocations in a document to be titled "lease."

18. On October 1, 2013, CA emailed to The Still Point a draft agreement by which the parties would allocate the profits and losses pursuant to the terms of the Partnership Agreement (the "draft allocation agreement") and a projection (the "CA Projection") that demonstrated a projection of net profits and losses over a ten-year period of operating the spa. A true and correct copy of the October 1, 2013 email is attached hereto as Exhibit C.

19. The CA Projection provides calculations couched as "rent" – specifically, a monthly flat "rent" amount and monthly percentage of profit as "rent" - but, in actuality, are merely CA's projected share of the profits and losses projected for Year Two through Year Ten, portioned into monthly installments. The draft allocation

agreement confirms the profit-loss allocation terms of the Partnership Agreement by incorporating the monthly “rent” amounts in the CA Projection. Moreover, the draft allocation agreement incorporates CA’s proposal to The Still Point, via the CA Projection, that the duration of the partnership will last no less than ten years; specifically, the draft allocation agreement provides for an initial term of two years, and three renewal terms of three years each that The Still Point may elect to enter into, which add up to no less than ten years.

20. The Still Point and CA understood that the draft allocation agreement, which on its face purports to be a draft “Lease Agreement”, was merely a vehicle by which profits and losses would be equally distributed pursuant to the Partnership Agreement terms, as the CA Projection clearly indicated. The Still Point and CA continued to carry on with the planning of the spa’s opening, marketing, pricing, and operation, and referred to their association as a “partnership” on multiple occasions.

21. In an October 15, 2013 reply email to a CA email negotiating an additional stipend to The Still Point for their role in “the partnership” and as a portion of The Still Point’s share of the projected loss for Year One, Ms. Peoples states, in relevant part, that the proposal needed to be included in the draft allocation agreement as “[t]he agreement really isn’t a lease...” A true and correct copy of the October 15, 2013 email exchange is attached hereto as Exhibit D.

22. On November 13, 2013, Ms. Peoples asked Rob Goldman, the Chief Operating Officer and Vice President of CA, how profits and losses would be allocated for years in which the projections in the CA Projection were not met. By email, Mr. Goldman responded: “Marla – regarding the projections vs. actuals discussion – although projections are used to calculate the percentage rent in the agreement, *actuals will be used to do the ongoing calculations.* At the end of each term of the lease, we can adjust percentages based on the actual performance in the past term. I hope this addresses the issue and brings you some comfort.” (Emphasis added). A true and correct copy of the November 13, 2013 email is attached hereto as Exhibit E.

23. On December 5, 2013, The Still Point and CA executed the draft allocation agreement (the “allocation agreement”). The terms pertaining to allocations under the guise of rent, training, and marketing are the same as in the Partnership Agreement, except that CA will pay a \$50,000.00 allocation, consisting of a \$30,000.00 allocation for projected losses during year one and a \$20,000.00 stipend for The Still Point’s expertise in operating spa and wellness centers, to The Still Point in two installments instead of one. A true and correct copy of the allocation agreement is attached hereto as Exhibit F.

24. After entering into the allocation agreement, The Still Point and CA continued to engage in development efforts of marketing materials, spa layout and

design, construction, and other aspects of development of the business, just as the partners did prior to entering into the allocation agreement.

25. Ms. Peoples assisted in the recruitment of a general manager of Haven on the Lake, who would be a CA employee but directly oversee the Spa Manager, by assisting in forming a job description, screening candidates, and interviewing candidates.

26. In September of 2014, Ms. Peoples and I formed TSP as the corporate entity to participate in its share of the operation of the spa.

27. From the outset of the partnership, The Still Point and CA understood that the spa would be advertised as partnership between the two entities. Thereafter, on August 22, 2014, Claudia Lafuse, then Design Director of CA, proposed that The Still Point and CA include the following text in their respective printed advertisements, as well the entrance of the spa within Haven at the Lake: "A partnership between Columbia Association and The Still Point." CA and The Still Point confirmed their agreement, and CA placed The Still Point's logo and the foregoing text on advertising material, presentations, and the front entrance of the spa, thereby informing the public that The Still Point and CA were operating the spa as a partnership. In multiple publications and press interviews, CA staff advertised the partnership and remarked

about it. A true and correct copy of the August 21, 2014 – September 6, 2014 email exchanges are collectively attached hereto as Exhibit G.

28. In an email exchange with The Still Point in which The Still Point requested fees for providing customer servicing training to CA staff that fall outside the scope of the Partnership Agreement, Milton Matthews, the president of CA, responded “I am working with CA’s Chief Financial Officer and General Counsel to develop an agreement that *clearly separates the consulting services from The Still Point’s partnership with CA*” (emphasis added). A true and correct copy of the February 24, 2015 email is attached hereto as Exhibit H.

29. After CA delayed the opening of the spa from September 2014 to December 2014, the spa opened on December 6, 2014.

30. On or about January 15, 2015, Ms. Peoples and I met with Paul Papagjika, Robert Goldman, and other representatives of CA to discuss, among other things, general operational strategies related to the spa including how The Still Point, on one hand, and CA, on the other hand, would account to each other for actual profits and losses realized through operation of the spa.

31. In his summary of the January 15, 2015 meeting distributed to those in attendance at the meeting, Paul Papagjika writes, among other things:

Still Points preliminary income statement showed a profit of approximately \$5,700. Based on a quick calculation, they will be recording additional income of \$2,300 for a total of \$8,000. Therefore, they would owe CA \$4,000 which is currently greater than the Still Point liability account at CA. The team decided that we had some time to work through the details of the reconciliation since the number [sic] are relatively close between what each entity owes the other.

A true and correct copy of the January 15, 2015, meeting summary is attached hereto as Exhibit I.

32. A follow-up meeting occurred on January 29, 2015. In his summary of the January 29, 2015 meeting, Paul Papagiika writes, among other things:

5. Still Point will write CA a check for 50% of the monthly profit based on month-end financials.

A true and correct copy of the January 29, 2015, meeting summary is attached hereto as Exhibit J.

33. CA instructed The Still Point, as they had from the inception of the allocation agreement, to invoice CA for "training services" under the allocation agreement in an amount equal to fifty percent (50%) of the loss, if any, reflected on the monthly profit and loss statement regarding TSP's operation of the spa.

34. CA also informed The Still Point that CA would invoice The Still Point for "marketing services" under the allocation agreement in an amount equal to fifty percent (50%) of the profit, if any, reflected any such monthly and profit loss statement.

35. The foregoing contradicts provisions in the allocation agreement which require The Still Point to pay CA Five Hundred and 00/100 Dollars (\$500.00) per hour for each hour in excess of the eight (8) hours per calendar month of marketing support CA agreed to provide The Still Point, and require CA to pay The Still Point Five Hundred and 00/100 (\$500.00) per hour for each hour in excess of the eight (8) hours per calendar month of training The Still Point agreed to provide to CA to the payment of profits and losses realized through operation of the spa.

36. Throughout the operation of the spa, CA did not charge the so-called "percentage rent" under the allocation agreement. Rather, CA would obtain a profit and loss statement from The Still Point each month. If the spa sustained a net loss for the month, CA divided fifty percent (50%) of the net loss by the rate The Still Point charged for training services under the allocation agreement, and then "paid" The Still Point for the so-called "hourly billing", regardless of the number of hours of training The Still Point actually provided. Likewise, if the spa obtained a net profit for a given month, CA would divide fifty (50%) of the net profit by the rate CA charges for marketing services under the allocation agreement, and would then "bill" The Still Point the supposed marketing services provided.

37. For example, in a March 26, 2015 email exchange amongst CA staff members Paul Papagjika, Rob Goldman, Susan Krabbe, and Kelly Thimmesch, subsequently forwarded to Ms. Peoples and I, Mr. Papagjika writes:

Per our discussion, Still Point had the following bottom lines for December (\$8,281) and January (\$6,183). We will need to bill them 14.5 hours of marketing at \$500 per hour. We will have Pam bill this and it will be coded to the Haven (other income). Additionally, we will need to schedule a meeting to talk about the \$25K. Please reply to this e-mail authorizing the 14.5 hours of marketing bill.

A true and correct copy of the March 26, 2015 email is attached hereto as Exhibit K.

38. On March 26, 2015, CA demanded that The Still Point "repay the \$25K CA advanced TSP against the expected \$50K first year loss..." *See Exhibit K.* CA subsequently invoiced The Still Point for the \$25,000.00 sum, characterizing the billing as fees for "marketing." Fearful of CA disrupting the partnership and the business, TSP paid the invoice. A true and correct copy of the December 1, 2015 invoice is attached hereto as Exhibit L.

39. On August 24, 2015, as the last quarter of the first year of spa operations approached, Ms. Peoples transmitted an email to Milton Matthews, Susan Krabbe, Paul Papagjika, and Robert Goldman, with a copy to me, requesting a meeting to discuss operational concerns related to the spa noting "the agreement [between The Still Point and CA] does not cover the fine details of our partnership since it presents more like a

lease." Ms. Peoples continued to write "[w]e want to get all the details in writing...includ[ing] 1. Membership reports and payments[;] 2. Payouts to CA and TSP[; and] 3. How partnership is paid for membership." A true and correct copy of the August 24, 2015 email is attached hereto as Exhibit M.

40. In reply to Ms. Peoples' email of August 24, 2015, by email dated August 25, 2015, Paul Papagjika requested Ms. Peoples to provide "TSP financial information for the second quarter (April – June)" continuing "this would be helpful in reconcile the balance between TSP and CA." *See Exhibit M.*

41. In reply to Ms. Peoples' email of August 24, 2015, by email dated August 25, 2015, Susan Krabbe stated: "We would be glad to meet to work out these details." *See Exhibit M.*

42. On September 15, 2015, Ms. Peoples and I, together with Susan Krabbe, Paul Papagjika, among others, met to discuss operational concerns related to the spa, including, the agenda items Ms. Peoples provided in her August 24, 2015 email.

43. During the September 15, 2015 meeting, Ms. Peoples requested the operational process for payouts to CA and TSP in furtherance of the CA-The Still Point partnership be reduced to writing, to which Susan Krabbe responded: "You will never get that in writing."

44. The Still Point and TSP continued to account to CA for actual profits and losses realized through operation of the spa at Haven on the Lake.

45. The allocation agreement provides that, beginning in year two, CA would charge The Still Point a monthly amount of \$2,916.66, which the allocation agreement terms as "rent" consistent with the guise of a "lease", that would increase on a yearly basis, in accordance with the CA Projection. The payment of "rent," however, was never part of our partnership agreement with CA. Instead, CA agreed to provide space within the Premises in which the spa would be located and receive fifty percent (50%) of the net profits (and pay fifty percent (50%) of the net losses) from operation of the spa in exchange for providing space to the spa. The monthly projections reflected in the allocation agreement were meant only to serve as a placeholder for the actual profits and losses.

46. During year two of spa operations, The Still Point and TSP advanced profits to CA in the monthly amount of \$2,916.66 believing CA would account for the monthly advances in its "marketing services" invoices to The Still Point. However, CA invoiced The Still Point monthly for 50% of net profits without accounting for the monthly advance, thereby obtaining a monthly allocation in excess of the 50% allocation and in violation of the Partnership Agreement. This continued throughout year two of the spa's operations.

47. As another example, after The Still Point submitted profit and loss statements for the months of May and June 2016 reflecting a total net income of approximately \$30,000.00 for the two months, CA informed The Still Point that “[b]ased on the profit for May and June will we [sic] invoice you for 30 hours of marketing for a total of \$15,000”, and proceeded to do as such. CA invoiced The Still Point for the foresaid allocation without accounting for the monthly advance of \$2,916.66 received for the months of May and June 2016, thereby obtaining an allocation in excess of 50% of the net profit for each of the foresaid months. A true and correct copy of the July 25, 2016 - August 4, 2016 email exchange is attached hereto as Exhibit N.

48. Throughout the duration of the partnership, The Still Point and TSP invested a substantial amount of time and resources into operating the spa and generating a profit for the partnership, whereas CA failed to provide the same level of commitment.

49. TSP and The Still Point assisted with hiring events and training for *all* staff at Haven on the Lake, no just staff at the spa, at CA’s request in order to maintain the partnership on good terms. CA, however, has failed to provide marketing services as stated in the allocation agreement, but nonetheless continues to bill for marketing services for the allocation of actual profits and losses.

50. As a further measure of commitment to the partnership, Ms. Peoples and I merged The Still Point's Clarksville, Maryland location into The Still Point at Haven on the Lake and transferred approximately 80% of the business from said location to the spa at Haven on the Lake, thereby ensuring greater profits to the CA-The Still Point partnership.

51. Ms. Peoples assisted CA in recruiting a GM to run Haven on the Lake as a whole, not just the spa, by directly overseeing the spa manager. Due in large part to Ms. Peoples' efforts, CA hired a GM named Emily Talbot on March 4, 2014. However, upon CA's request, The Still Point paid part of Ms. Talbot's compensation through an annual bonus, even though Ms. Talbot was not an employee or contractor of The Still Point.

52. Ms. Talbot made decisions regarding the spa without The Still Point's approval. For instance, CA, through Ms. Talbot, decided during the construction period to reduce the size of the spa from thirteen treatment rooms, as the parties had agreed to, to only eight treatment rooms, thereby reducing or increasing the projected profits and losses, as the case may be.

53. In November of 2014, CA fired Ms. Talbot as the GM, thus leaving Haven on the Lake and the spa without a GM. As a result, upon the opening of the spa, Ms. Peoples and I had to manage the day-to-day operations of the spa, whereas CA failed

to take responsibility for managing the spa and Haven at the Lake. This action by CA is contrary to the Partnership Agreement, as CA would be allocated fifty percent of net profits and losses, but contributed little to no labor or resources in operating the spa. In fact, CA did not hire another GM for Haven at the Lake and the spa until approximately July 31, 2015, when it hired Arielle Feinberg through Ms. Peoples' recruitment efforts, screening, and recommendation.

54. In addition to reducing the size of the spa from thirteen to eight treatment rooms, CA used one space intended to be used for spa services as CA's retreat meditation room, which was not a service provided by the spa.

55. CA failed to offer spa services in providing CA membership pre-sales, thereby causing a loss of profit to the partnership and the spa in that projections were for the spa to open generating Ten Thousand Six Hundred Eighty and 00/100 (\$10,680.00) per month from CA membership pre-sales; instead, the spa actually opened generating Two Thousand Forty-Seven and 00/100 Dollars (\$2,047.00) per month from CA membership pre-sales.

56. CA failed to adequately staff and train the staff at the Haven at the Lake, leading to numerous issues of poor performance.

57. In furtherance of The Still Point's obligation under the Partnership Agreement, on or about October 6, 2015, TSP, at its sole cost and expense, obtained a

loan in the principal sum of One Hundred Thousand and 00/100 Dollars (\$100,000.00) from the Howard County Economic Development Authority (the "HCEDA Loan") to, among other things, enhance the esthetics of the spa at Haven on the Lake and pay for additional furnishings, fixtures, and equipment for the spa. The HCEDA Loan is for a term of four (4) years with a maturity date of October 1, 2019. A true and correct copy of the TSP Promissory Note is attached hereto as Exhibit O.

58. Despite CA's failure to perform under the Partnership Agreement, the spa was able to realize profit that greatly surpassed the CA Projections for the first two years of operations, largely due to The Still Point and TSP's operation, staffing, training, marketing efforts, and financial commitment to the spa. As a result, the spa realized combined profits in years one and two of approximately \$102,000.00, exceeding the CA projected profit for the same period of approximately \$70,000.00.

59. In early 2016, in part due to CA's very poor spa membership sales, Ms. Peoples and I discussed cash flow concerns with CA and requested CA agree to set aside a percentage of profit as cash reserves for future operational costs. After months of waiting for a response, CA did not agree to set aside a percentage of profit as cash reserves, informed Ms. Peoples and I that CA did not have additional cash to inject into the partnership, and suggested Ms. Peoples and I secure a line of credit.

60. In or about August, 2016, CA demanded The Still Point and TSP pay CA Thirty Seven Thousand and 00/100 Dollars (\$37,000.00) for "recent upgrades to [the] Women's Waiting Room." The Still Point and TSP are not obligated to pay CA any sum of money to CA for upgrades to the Women's Waiting Room. A true and correct copy of the August 10, 2016 email is attached hereto as Exhibit P.

61. In or about August, 2016, CA demanded The Still Point and TSP "provide an accounting of gross revenues as defined by the terms of the lease for the current lease term." The Still Point and TSP are not obligated to "provide an accounting of gross revenues as defined by the terms of the lease" as CA demanded. *Id.*

62. In or about August, 2016, CA insinuated to Ms. Peoples and I that CA looked to terminate the partnership under the pretext of false allegations going to the viability of the spa, and my integrity and business acumen and that of Ms. Peoples. A true and correct copy of the August 23, 2016 email is attached hereto as Exhibit Q.

63. In an effort to mitigate damages from any unlawful termination of the partnership between The Still Point and CA, The Still Point has attempted to find suitable lease space to which to relocate and perform the services it currently provides at The Still Point at Haven on the Lake, a Partnership between Columbia Association and The Still Point. However, when The Still Point located such lease space, it was

precluded from pursuing the space because of an alleged exclusivity relationship between CA and The Howard Hughes Corporation for the provision of spa services.

64. Accounting through February, 2017, The Still Point and TSP continued to pay CA the monthly sum of \$2,916.66 as an advance towards any profit. Accounting through February, 2017, CA continued to accept the monthly sum of \$2,916.66.

65. On or about January 10, 2017, CA, through counsel, issued The Still Point a letter titled "Notice of Holdover," claiming the "lease expired on January 4, 2017, that The Still Point was required to pay "double rent" as well as "damages incurred by CA", and that The Still Point was required to vacate by January 31, 2017 or face eviction proceedings. A true and correct copy of the January 10, 2017 letter is attached hereto as Exhibit R.

66. On February 13, 2017, CA, through counsel, issued a letter to The Still Point stating CA would "terminate this Lease and commence an action to recover the Premises" if the so-called outstanding rent is not paid by March 15, 2017. A true and correct copy of the February 13, 2017 letter is attached hereto as Exhibit S.

67. Neither The Still Point nor TSP owe CA "rent."

68. CA has removed the designation of "partnership" and/or The Still Point's name from promotional and marketing materials for the spa, but is still promoting and marketing a "wellness spa", in further violation of the Partnership Agreement. CA

began removal of such designations *prior to* March 15, 2017. A true and correct copy of the before and after marketing material are attached hereto as Exhibit T-1 and Exhibit T-2, respectively.

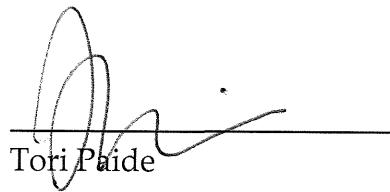
69. In March, 2017, The Still Point received two (2) invoices from CA claiming \$5,916.67 in rent is due for January 2017, and \$5,916.67 in rent is due for February 2017. No such rent is due. On March 21, 2017, The Still Point received a returned check for \$2,916.00 from CA, which The Still Point issued as a portion of its monthly allocation of profit pursuant to the allocation agreement. A true and correct copy of the invoices are attached hereto as Exhibit U-1 and U-2, respectively.

70. The threat of imminent removal from Haven on the Lake and termination of the partnership hangs over The Still Point and TSP every day. Should this happen, The Still Point and TSP will lose tens of thousands of dollars of lost profits during the upcoming months, employees will lose their jobs, and the spa at Haven on the Lake close. The Still Point and TSP face the dire prospect of losing their business entirely.

71. A temporary restraining order is necessary to prevent the immediate, substantial, and irreparable harm to The Still Point and TSP.

72. The Still Point and TSP are willing, ready, and capable of continuing the partnership in accordance with the terms of the Partnership Agreement.

I AFFIRM UNDER OATH AND THE PENALTIES OF PERJURY THAT THE FOREGOING STATEMENTS ARE TRUE AND CORRECT BASED UPON MY PERSONAL KNOWLEDGE.



Tori Paide

Date

4/6/17

KELLY|DORSEY, P.C.

10320 Little Patuxent Pkwy, Suite 608
Columbia, Maryland 21044
Tel: (410) 740-8750 • Fax: (443) 542-0069
www.kellydorseylaw.com

EXHIBIT A



Tori Paide <tori@thestillpointspa.com>

[FWD: Re: Thank you]

Tori Paide <tori@stillpointmindandbody.com>
To: Andrew and <andy@stillpointmindandbody.com>

Fri, Jul 26, 2013 at 4:36 PM

interesting.

Owner
The Still Point

----- Original Message -----

Subject: Re: Thank you
From: "Patrick O'Malley" <patrick.omalley@columbiaassociation.org>
Date: Fri, July 26, 2013 3:37 pm
To: Marla Peoples <marla@stillpointmindandbody.com>
Cc: Susan Krabbe <susan.krabbe@columbiaassociation.org>, Bob Bellamy <bob.bellamy@columbiaassociation.org>, Pam Geary <pam.geary@columbiaassociation.org>, Tori <tori@stillpointmindandbody.com>, Rob Goldman <Rob.Goldman@columbiaassociation.org>

Marla and Tori,

As a follow-up to our meeting this week we are attaching a proposed financial model for a partnership between CA and a integrative health/spa services provider at the new mind/body wellness retreat. Please let us know if you think a model like this would create a win/win relationship and be a good foundation for success. We look forward to discussing this at your earliest convenience.

Have a great weekend!

Patrick O'Malley
Director of Purchasing
10221 Wincopin Circle
Columbia MD 21044
410 715 3124 desk
443 864 0582 cell
patrick.omalley@columbiaassociation.org

July 25, 2013

PARTNERSHIP OUTLINE Mind Body Wellness Retreat	Columbia Association	Spa/Integrative Health Partner	Comments
Upfront investment	Build-out of Space	Furniture Fixtures & Equipment	
Income	50%	50%	Income from all services & sales delivered in Spa/CAM area to be split 50/50. CA and Spa/CAM partner will agree on percentage of all club package sales that will go to spa/CAM area and that will be split 50/50.
Salaries & Wages & Burden	50%	50%	All on-site salaries to be split 50/50. Neither CA nor Spa/CAM partner will expense senior management/ownership time to the operation.
Cost of Sales	50%	50%	
Operating Supplies	50%	50%	
Insurance	100%	-0-	
Utilities	100%	-0-	
Taxes	100%	-0-	
Repairs & Maintenance	50%	50%	Proportionate share of housekeeping as well as all ongoing repairs
RENT 1 st 6 mos	\$10.50/sq ft	\$10.50/sq ft	Rent is \$28/sq ft 50% discount 1 st 6 mos
After First Six Months	\$17.50/sq ft	\$17.50/sq ft	CAM expenses = \$7/sq ft Rent increases 2% annually
NET Profit	50%	50%	

July 25, 2013

PARTNERSHIP OUTLINE Mind Body Wellness Retreat	Columbia Association	Spa/Integrative Health Partner	Comments
Upfront investment	Build-out of Space	Furniture Fixtures & Equipment	
Income	50%	50%	Income from all services & sales delivered in Spa/CAM area to be split 50/50. CA and Spa/CAM partner will agree on percentage of all club package sales that will go to spa/CAM area and that will be split 50/50.
Salaries & Wages & Burden	50%	50%	All on-site salaries to be split 50/50. Neither CA nor Spa/CAM partner will expense senior management/ownership time to the operation.
Cost of Sales	50%	50%	
Operating Supplies	50%	50%	
Insurance	100%	-0-	
Utilities	100%	-0-	
Taxes	100%	-0-	
Repairs & Maintenance	50%	50%	Proportionate share of housekeeping as well as all ongoing repairs
RENT 1 st 6 mos	\$10.50/sq ft	\$10.50/sq ft	Rent is \$28/sq ft 50% discount 1 st 6 mos
After First Six Months	\$17.50/sq ft	\$17.50/sq ft	CAM expenses = \$7/sq ft Rent increases 2% annually
NET Profit	50%	50%	

EXHIBIT B



Maria Peoples <marla@thestillpointspa.com>

Follow up

2 messages

Marla Peoples <marla@stillpointmindandbody.com>

Tue, Aug 6, 2013 at 11:5

To: Patrick O'Malley <patrick.omalley@columbiaassociation.org>, susan.krabbe@columbiaassociation.org, Pam Geary <pam.geary@columbiaassociation.org>,

Rob.Goldman@columbiaassociation.org, bob.bellamy@columbiaassociation.org

Cc: Tori <tori@stillpointmindandbody.com>, marla@stillpointmindandbody.com

Dear CA Team,

We are thankful for the possibility of working with you in the Columbia Wellness Retreat and appreciate your vision and approach. We are prepared to move forward with the partnership and hope to finalize the details with you very soon.

As we have shared each time we have met, The Still Point (TSP) is a proven brand with the ability to grow a successful business rapidly and the partnership with CA promises to be successful. Based on our most recent meeting and the study you shared, we have a few proposed edits to your proposal. For the sake of timing, we address some key points in this email.

The study by Club Intel concluded that the community is supportive of a Mind Body facility. Club Intel recommended CA retain industry expertise from an outside source to reassure and build confidence in the ability to deliver and make access affordable. Per this concept, the recommendation was to retain a firm to manage some offerings of the club; license a specific brand, or sub-lease the space. Our original proposal was to have The Still Point be the management company for the CAM area and we believe the potential partnership incorporates this concept nicely while co-branding CA and TSP. We recognize the importance of the CAM area seamlessly being a part of the full retreat and understand your counter proposal for a partnership.

We largely agree with the proposed partnership as it is beneficial to both CA and The Still Point. One aspect that is perhaps missing is the full value of what we are bringing to the partnership – primarily the intellectual property that we will impart upon the facility to get it quickly up and running and to make it successful. For example, in our own business as we opened our Clarksville location we paid a fee to the original Takoma Park location. Tori opened and organically grew Takoma Park four years earlier, building The Still Point brand and learning many lessons along the way. It is clear that this experience enabled us to open our business in fewer than 3 months and break even financially during the first year and profit significantly in year two. We believe a similar fee is justified in this partnership, particularly in light of the additional experience and expertise we have gained since this time. As such, along with the minor suggestions in the attached table, we propose to add a 5% fee, based on overall revenues, to be paid monthly in year one only (not exceed \$5,000 monthly, an estimate of \$43,000 in year one). An alternate option could be a flat \$50,000 fee to be paid over the first two years of the contract. As you can see from the attached budget, we (conservatively) project that the business can break even in month 10. Though we also recognize that with pre-selling memberships and a strong advanced marketing campaign this is likely to be even sooner.

Please refer to the attached documents and thank you for your consideration of this additional fee. We hope to meet with you later this Thursday or Friday to firm up our agreement and get started on this exciting endeavor!

Sincerely,
Marla & Tori

2 attachments

 **CA PROPOSAL BUDGET_DECISION.xlsx**
125K

 **14-24 Partnership Outline 7.26.13 (rvsd).docx**
19K

Rob Goldman <rob.goldman@columbiaassociation.org>
To: Marla Peoples <marla@stillpointmindandbody.com>, Tori Paide <tori@stillpointmindandbody.com>

Wed, Aug 7, 2013 at 4:21

Marla & Tori,

Thanks for this counter proposal. I think we are very close to finalizing a successful partnership.

Susan and Bob are out of town this week, so I'd like to shoot for Monday to meet. Pam will organize the meeting.

Thanks again

Rob

[Quoted text hidden]

Rob Goldman
Chief Operating Officer & Vice President
Phone: 410.715.3121
Fax: 410.740.0887

**My new email address is: Rob.Goldman@columbiaassociation.org
10221 Wincopin Circle
Columbia MD 21044
www.ColumbiaAssociation.org



July 25, 2013

PARTNERSHIP OUTLINE Mind Body Wellness Retreat		Columbia Association	Spa/Integrative Health Partner	Comments
Upfront Investment		Build-out of Space	Furniture Fixtures & Equipment	
Income		50%	50%	Income from all services & sales delivered in Spa/CAM area to be split 50/50. CA and Spa/CAM partner will agree on percentage of all club package sales that will go to spa/CAM area and that will be split 50/50.
Salaries & Wages & Burden To include bookkeeper		50%	50%	All on-site salaries to be split 50/50. Neither CA nor Spa/CAM partner will expense senior management/ownership time to the operation.
Cost of Sales		50%	50%	
Operating Supplies To include retail		50%	50%	
Insurance		100%	-0-	
Utilities		100%	-0-	
Taxes		100%	-0-	
Repairs & Maintenance		50%	50%	Proportionate share of housekeeping as well as all ongoing repairs
RENT When does rent start? 1 st 6 mos After First Six Months		\$10.50/sq ft \$17.50/sq ft	\$10.50/sq ft \$17.50/sq ft	Rent is \$28/sq ft 50% discount 1 st 6 mos CAM expenses = \$7/sq ft Rent increases 2% annually
NET Profit		50%	50%	
Management fee			5%	Revenue for year 1 not to exceed \$5K monthly

CA Integrative Wellness Spa													
YEAR 1													
Month	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
Sales													
Plug for revenue from services (average)	31,966	37,960	43,953	49,947	55,941	61,934	65,930	69,926	73,922	77,917	81,913	85,909	\$ 737,218 84.1%
<i>Estimated breakdown of service categories (based on May 2012-April 2013 in CV)</i>													
Acupuncture	20%	6,393	7,592	8,791	9,989	11,188	12,387	13,186	13,985	14,784	15,583	16,383	17,182 \$ 147,444
Medical Services	5%	1,598	1,898	2,198	2,497	2,797	3,097	3,297	3,496	3,696	3,896	4,096	4,295 \$ 36,861
Naturopathic Doctor	5%	1,598	1,898	2,198	2,497	2,797	3,097	3,297	3,496	3,696	3,896	4,096	4,295 \$ 36,861
Energy Work	5%	1,598	1,898	2,198	2,497	2,797	3,097	3,297	3,496	3,696	3,896	4,096	4,295 \$ 36,861
Coaching	5%	1,598	1,898	2,198	2,497	2,797	3,097	3,297	3,496	3,696	3,896	4,096	4,295 \$ 36,861
Massage	20%	6,393	7,592	8,791	9,989	11,188	12,387	13,186	13,985	14,784	15,583	16,383	17,182 \$ 147,444
Waxing	20%	6,393	7,592	8,791	9,989	11,188	12,387	13,186	13,985	14,784	15,583	16,383	17,182 \$ 147,444
Skincare	20%	6,393	7,592	8,791	9,989	11,188	12,387	13,186	13,985	14,784	15,583	16,383	17,182 \$ 147,444
Product Sales		3,197	4,555	6,593	9,989	11,188	12,387	13,186	13,985	14,784	15,583	16,383	17,182 \$ 139,013 15.9%
Total Sales	35,463	42,515	50,546	59,936	67,129	74,321	79,116	83,911	88,706	93,501	98,296	103,091	\$ 876,231 100.0%
Direct Costs													
Credit Card Processing Fee	2.25%	719	854	989	1,124	1,259	1,394	1,483	1,573	1,663	1,753	1,843	1,933 \$ 16,587 1.9%
Backbar products and supplies	5%	1,598	1,898	2,198	2,497	2,797	3,097	3,297	3,496	3,696	3,896	4,096	4,295 \$ 36,861 4.2%
Purchases - Resale items	45%	1,438	2,050	2,967	4,495	5,035	5,574	5,934	6,293	6,653	7,013	7,372	7,732 \$ 62,556 7.1%
Décor, Linen, other long-term expendable	2%	639	759	879	999	1,119	1,239	1,319	1,399	1,478	1,558	1,638	1,718 \$ 14,744 1.7%
Total Cost of Goods Sold	4,395	5,561	7,033	9,115	10,209	11,303	12,032	12,761	13,491	14,220	14,949	15,678	\$ 130,748 14.9%
Direct Labor													
Practitioners' Services													
Average commissions	39%	12,609	14,973	17,337	19,701	22,065	24,430	26,006	27,582	29,158	30,734	32,310	33,886 \$ 290,792 33.2%
Commission on product sales	6%	192	273	396	599	671	743	791	839	887	935	983	1,031 \$ 8,341 1.0%
Total Practitioners' Services	12,801	15,246	17,793	20,301	22,737	25,173	26,797	28,421	30,045	31,669	33,233	34,917	\$ 299,132 34.1%
Payroll Taxes	15%	1,920	2,287	2,660	3,045	3,411	3,776	4,020	4,263	4,507	4,750	4,994	5,238 \$ 44,870 5.1%
Employee Benefits	9%	1,152	1,372	1,596	1,827	2,046	2,266	2,412	2,558	2,704	2,850	2,996	3,143 \$ 26,922 3.1%
Total Direct Labor	15,873	18,805	21,389	25,173	28,194	31,214	33,228	35,242	37,256	39,270	41,233	43,297	\$ 370,924 42.3%
Total Direct Costs	20,268	24,467	29,021	34,288	38,403	42,517	45,260	48,003	50,747	53,490	56,233	58,976	\$ 501,672 57.3%
Gross Profit	14,895	18,048	21,525	25,648	28,726	31,803	33,856	35,908	37,959	40,011	42,063	44,115	\$ 374,558 42.7%
Overhead Expenses													
Administrative Staff	9,040.32	9,040	9,040	9,040	9,040	9,040	9,040	9,040	9,040	9,040	9,040	9,040	9,040 \$ 108,484 12.4%
Manager	5,833.00	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833 \$ 69,996 8.0%
Assistant Manager 1	3,333.00	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333 \$ 39,996 4.6%
Assistant Manager 2	-	-	0	0	0	-	-	-	-	-	-	-	0.0%
Administrator (MBO, website, vendor relations)	1,213.33	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213 \$ 14,560
Bookkeeper	650.00	650	650	650	650	650	650	650	650	650	650	650	650 \$ 7,800
Payroll Taxes	15%	3,010	3,010	3,010	3,010	3,010	3,010	3,010	3,010	3,010	3,010	3,010	3,010 \$ 36,125
Employee Benefits	9%	1,096	1,096	1,096	1,096	1,096	1,096	1,096	1,096	1,096	1,096	1,096	1,096 \$ 13,151
Total Overhead Staff	24,176	24,176	24,176	24,176	24,176	24,176	24,176	24,176	24,176	24,176	24,176	24,176	\$ 290,111 33.1%
Facility Costs													
Office Supplies	200.00	200	200	200	200	200	200	200	200	200	200	200	200 \$ 2,400 0.3%
Rent	7,000.00	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000 \$ 112,000 12.8%
Repairs and Maintenance	500.00	500	500	500	500	500	500	500	500	500	500	500	500 \$ 6,000 0.7%
Scheduling Software	250.00	250	250	250	250	250	250	250	250	250	250	250	250 \$ 3,000 0.3%
Telephone Expense/Internet	150.00	150	150	150	150	150	150	150	150	150	150	150	150 \$ 1,800 0.2%
Total Facility Costs	8,100	8,100	8,100	8,100	8,100	8,100	8,100	12,767	12,767	12,767	12,767	12,767	\$ 125,200 14.0%
Other Charges													
Insurance (professional liability)	200.00	200	200	200	200	200	200	200	200	200	200	200	200 \$ 2,400 0.3%
Total other charges	200	200	200	200	200	200	200	200	200	200	200	200	\$ 2,400 0.3%
Marketing													
Advertising and Promotion	1,000.00	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000 \$ 12,000 1.4%
Marketing - printables	400.00	400	400	400	400	400	400	400	400	400	400	400	400 \$ 4,800 0.5%
Total Marketing	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	\$ 16,800 1.9%
Total Overhead Expense	33,876	33,876	33,876	33,876	33,876	33,876	33,876	38,543	38,543	38,543	38,543	38,543	\$ 434,511 49.6%
Administrative Fee	0.00	-	0	0	0	-	-	-	-	-	-	-	0.0%
Management fee	0.00	-	-	-	-	-	-	-	-	-	-	-	0.0%
Net Assets	(18,981)	(15,828)	(12,351)	(8,228)	(5,150)	(2,072)	(4,687)	(2,635)	(583)	1,469	3,520	5,573	\$ (59,953) -6.8%

CA Integrative Wellness Spa														
YEAR 2														
	Month	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
Sales														
Plug for revenue from services (average)		89,905	93,900	97,896	101,892	105,888	109,883	113,879	117,875	121,871	125,867	129,862	133,858	\$1,342,576 83.3%
Product Sales	20%	17,981	18,780	19,579	20,378	21,178	21,977	22,776	23,575	24,374	25,173	25,972	26,772	\$268,515 16.7%
Total Sales		107,886	112,680	117,475	122,270	127,065	131,860	136,655	141,450	146,245	151,040	155,835	160,630	\$1,611,091 100.0%
Direct Costs														
Credit Card Processing Fee	2.25%	2,023	2,113	2,203	2,293	2,382	2,472	2,562	2,742	2,832	2,922	3,012	\$30,208 1.9%	
Backbar products and supplies	5%	4,495	4,695	4,895	5,095	5,294	5,494	5,694	5,894	6,094	6,293	6,493	6,693	\$67,129 4.2%
Purchases - Resale Items	45%	8,091	8,451	8,811	9,170	9,530	9,890	10,249	10,609	10,968	11,328	11,688	12,047	\$120,832 7.5%
Décor, Linen, other long-term expendable	2%	1,798	1,878	1,958	2,038	2,118	2,198	2,278	2,357	2,437	2,517	2,597	2,677	\$26,852 1.7%
Total Cost of Goods Sold		16,408	17,137	17,866	18,595	19,325	20,054	20,783	21,512	22,241	22,971	23,700	24,429	\$245,020 15.2%
Direct Labor														
Practitioners' Services														
Average commissions	39%	35,462	37,038	38,615	40,191	41,767	43,343	44,919	46,495	48,071	49,647	51,223	52,800	\$529,572 32.9%
Commission on product sales	6%	1,079	1,127	1,175	1,223	1,271	1,319	1,367	1,414	1,462	1,510	1,558	1,606	\$16,111 1.0%
Total Practitioners' Services		36,541	38,165	39,789	41,413	43,037	44,662	46,286	47,910	49,534	51,158	52,782	54,406	\$545,683 33.9%
Payroll Taxes	15%	5,481	5,725	5,968	6,212	6,456	6,699	6,943	7,186	7,430	7,674	7,917	8,161	\$81,852 5.1%
Employee Benefits	9%	3,289	3,435	3,581	3,727	3,873	4,020	4,166	4,312	4,458	4,604	4,750	4,897	\$49,111 3.0%
Total Direct Labor		45,311	47,325	49,339	51,353	53,366	55,380	57,394	59,408	61,422	63,436	65,449	67,463	\$676,646 42.0%
Total Direct Costs		61,719	64,462	67,205	69,948	72,691	75,434	78,177	80,920	83,663	86,406	89,149	91,892	\$921,667 57.2%
Gross Profit		46,167	48,219	50,271	52,322	54,374	56,426	58,478	60,530	62,582	64,634	66,685	68,737	\$689,425 42.8%
Overhead Expenses														
Administrative Staff		11,300.40	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	\$135,605 8.4%
Manager		6,007.99	6,008	6,008	6,008	6,008	6,008	6,008	6,008	6,008	6,008	6,008	6,008	\$72,096 4.5%
Assistant Manager 1		3,432.99	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	\$41,196 2.6%
Assistant Manager 2		3,333.00	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	\$39,996 2.5%
Administrator (MBO, website, vendor relatio		1,213.33	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	\$14,560
Bookkeeper		650.00	650	650	650	650	650	650	650	650	650	650	650	\$7,800
Payroll Taxes	15%	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	3,891	\$43,334
Employee Benefits	9%	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	\$17,696
Total Overhead Staff		31,328	\$375,938 23.3%											
Facility Costs														
Office Supplies		208.00	200	200	200	200	200	200	200	200	200	200	200	\$2,400 0.1%
Rent		11,900.00	11,900	11,900	11,900	11,900	11,900	11,900	11,900	11,900	11,900	11,900	11,900	\$142,800 8.9%
Repairs and Maintenance		520.00	520	520	520	520	520	520	520	520	520	520	520	\$6,240 0.4%
Scheduling Software		260.00	260	260	260	260	260	260	260	260	260	260	260	\$3,120 0.2%
Telephone Expense/internet		156.00	156	156	156	156	156	156	156	156	156	156	156	\$1,872 0.1%
Total Facility Costs		13,036	\$154,032 9.6%											
Other Charges														
Insurance (professional liability)		208.00	208	208	208	208	208	208	208	208	208	208	208	\$2,496 0.2%
Total other charges		208	\$2,496 0.2%											
Marketing														
Advertising and Promotion		1,040.00	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	\$12,480 0.8%
Marketing - printables		416.00	416	416	416	416	416	416	416	416	416	416	416	\$4,992 0.3%
Total Marketing		1,456	\$17,472 1.1%											
Total Overhead Expense		46,028	\$552,338 34.3%											
Administrative Fee		0.00	0	0.0%										
Management fee		0.00	0	0.0%										
Net Assets		139	2,191	4,242	6,294	8,346	10,398	12,450	14,502	16,554	18,605	20,657	22,709	\$137,087 8.5%

CA Integrative Wellness Spa														
YEAR 3														
	Month	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
Sales														
Plug for revenue from services (average)		137,854	141,850	145,845	149,841	153,837	157,833	161,828	165,824	169,820	173,816	177,811	181,807	\$1,917,966 83.3%
Product Sales	20%	27,571	28,370	29,169	29,968	30,767	31,567	32,366	33,165	33,964	34,763	35,562	36,361	\$383,593 16.7%
Total Sales		165,425	170,219	175,014	179,809	184,604	189,399	194,194	198,989	203,784	208,579	213,374	218,169	\$2,301,559 100.0%
Direct Costs														
Credit Card Processing Fee	2.25%	3,102	3,192	3,282	3,371	3,461	3,551	3,641	3,731	3,821	3,911	4,001	4,091	\$43,154 1.9%
Backbar products and supplies	5%	6,893	7,092	7,292	7,492	7,692	7,892	8,091	8,291	8,491	8,691	8,891	9,090	\$95,898 4.2%
Purchases - Resale Items	45%	12,407	12,766	13,126	13,486	13,845	14,205	14,565	14,924	15,284	15,643	16,003	16,363	\$172,617 7.5%
Décor, Linen, other long-term expendable	2%	2,757	2,837	2,917	2,997	3,077	3,157	3,237	3,316	3,396	3,476	3,556	3,636	\$38,359 1.7%
Total Cost of Goods Sold		25,158	25,888	26,617	27,346	28,075	28,804	29,534	30,263	30,992	31,721	32,451	33,180	\$350,029 15.2%
Direct Labor														
Practitioners' Services														
Average commissions	39%	54,376	55,952	57,528	59,104	60,680	62,256	63,832	65,408	66,985	68,561	70,137	71,713	\$756,531 32.9%
Commission on product sales	6%	1,654	1,702	1,750	1,798	1,846	1,894	1,942	1,990	2,038	2,086	2,134	2,182	\$23,016 1.0%
Total Practitioners' Services		56,030	57,654	59,278	60,902	62,526	64,150	65,774	67,398	69,022	70,646	72,270	73,895	\$779,547 33.9%
Payroll Taxes	15%	8,404	8,648	8,892	9,135	9,379	9,623	9,866	10,110	10,353	10,597	10,841	11,084	\$116,932 5.1%
Employee Benefits	9%	5,043	5,189	5,335	5,481	5,627	5,774	5,920	6,066	6,212	6,358	6,504	6,651	\$70,159 3.0%
Total Direct Labor		69,477	71,491	73,505	75,519	77,532	79,546	81,560	83,574	85,588	87,602	89,615	91,629	\$966,638 42.0%
Total Direct Costs		94,635	97,378	100,122	102,865	105,608	108,351	111,094	113,837	116,580	119,323	122,066	124,809	\$1,316,667 57.2%
Gross Profit		70,789	72,841	74,893	76,945	78,997	81,048	83,100	85,152	87,204	89,256	91,308	93,360	\$984,893 42.8%
Overhead Expenses														
Administrative Staff	11,300.40	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	\$135,605 5.9%
Manager	6,188.23	6,188	6,188	6,188	6,188	6,188	6,188	6,188	6,188	6,188	6,188	6,188	6,188	\$74,259 3.2%
Assistant Manager 1	3,535.98	3,536	3,536	3,536	3,536	3,536	3,536	3,536	3,536	3,536	3,536	3,536	3,536	\$42,432 1.8%
Assistant Manager 2	3,432.99	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	\$41,196 1.8%
Administrator (MBO, website, vendor r	1,213.33	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	\$14,560
Bookkeeper	650.00	650	650	650	650	650	650	650	650	650	650	650	650	\$7,800
Payroll Taxes	15%	3,669	3,669	3,669	3,669	3,669	3,669	3,669	3,669	3,669	3,669	3,669	3,669	\$44,024
Employee Benefits	9%	1,514	1,514	1,514	1,514	1,514	1,514	1,514	1,514	1,514	1,514	1,514	1,514	\$18,172
Total Overhead Staff		31,504	\$378,047 16.4%											
Facility Costs														
Office Supplies	216.32	200	200	200	200	200	200	200	200	200	200	200	200	\$2,400 0.1%
Rent	12,376.00	12,376	12,376	12,376	12,376	12,376	12,376	12,376	12,376	12,376	12,376	12,376	12,376	\$148,512 6.5%
Repairs and Maintenance	540.80	541	541	541	541	541	541	541	541	541	541	541	541	\$6,490 0.3%
Scheduling Software	270.40	270	270	270	270	270	270	270	270	270	270	270	270	\$3,245 0.1%
Telephone Expense/internet	162.24	162	162	162	162	162	162	162	162	162	162	162	162	\$1,947 0.1%
Total Facility Costs		13,549	\$160,193 7.0%											
Other Charges														
Insurance (professional liability)	216.32	216	216	216	216	216	216	216	216	216	216	216	216	\$2,596 0.1%
Total other charges		216	\$2,596 0.1%											
Marketing														
Advertising and Promotion	1,081.60	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082	\$12,979 0.6%
Marketing - printables	432.64	433	433	433	433	433	433	433	433	433	433	433	433	\$5,192 0.2%
Total Marketing		1,514	\$18,171 0.8%											
Total Overhead Expense		46,784	\$561,407 24.4%											
Administrative Fee		0.00	\$0 0.0%											
Management fee		0.00	-	\$0 0.0%										
Net Assets		24,005	26,057	28,109	30,161	32,213	34,265	36,316	38,368	40,420	42,472	44,524	46,576	\$423,486 18.4%

CA Integrative Wellness Spa														
YEAR 4														
	Month	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
Sales														
Plug for revenue from services (average)		185,803	189,799	193,794	197,790	201,786	205,782	209,778	213,773	217,769	221,765	225,761	229,756	\$2,493,356 83.3%
Product Sales	20%	37,161	37,960	38,759	39,558	40,357	41,156	41,956	42,755	43,554	44,353	45,152	45,951	\$498,671 16.7%
Total Sales		222,964	227,758	232,553	237,348	242,143	246,938	251,733	256,528	261,323	266,118	270,913	275,708	\$2,992,027 100.0%
Direct Costs														
Credit Card Processing Fee	2.25%	4,181	4,270	4,360	4,450	4,540	4,630	4,720	4,810	4,900	4,990	5,080	5,170	\$56,101 1.9%
Backbar products and supplies	5%	9,290	9,490	9,690	9,890	10,089	10,289	10,489	10,689	10,888	11,088	11,288	11,488	\$124,668 4.2%
Purchases - Resale Items	45%	16,722	17,082	17,442	17,801	18,161	18,520	18,880	19,240	19,599	19,959	20,318	20,678	\$224,402 7.5%
Décor, Linen, other long-term expendable	2%	3,716	3,796	3,876	3,956	4,036	4,116	4,196	4,275	4,355	4,435	4,515	4,595	\$49,867 1.7%
Total Cost of Goods Sold		33,909	34,638	35,367	36,097	36,826	37,555	38,284	39,014	39,743	40,472	41,201	41,931	\$455,037 15.2%
Direct Labor														
Practitioners' Services														
Average commissions	39%	73,289	74,865	76,441	78,017	79,593	81,169	82,746	84,322	85,898	87,474	89,050	90,626	\$983,490 32.9%
Commission on product sales	6%	2,230	2,278	2,326	2,373	2,421	2,469	2,517	2,565	2,613	2,661	2,709	2,757	\$29,920 1.0%
Total Practitioners' Services		75,519	77,143	78,767	80,391	82,015	83,639	85,263	86,887	88,511	90,135	91,759	93,383	\$1,013,411 33.9%
Payroll Taxes	15%	11,328	11,571	11,815	12,059	12,302	12,546	12,789	13,033	13,277	13,520	13,764	14,007	\$152,012 5.1%
Employee Benefits	9%	6,797	6,943	7,089	7,235	7,381	7,527	7,674	7,820	7,966	8,112	8,258	8,404	\$91,207 3.0%
Total Direct Labor		93,643	95,657	97,671	99,685	101,698	103,712	105,726	107,740	109,754	111,767	113,781	115,795	\$1,256,629 42.0%
Total Direct Costs		127,552	130,295	133,038	135,781	138,524	141,267	144,010	146,753	149,497	152,240	154,983	157,726	\$1,711,667 57.2%
Gross Profit		95,411	97,463	99,515	101,567	103,619	105,671	107,723	109,774	111,826	113,878	115,930	117,982	\$1,280,360 42.8%
Overhead Expenses														
Administrative Staff	11,300.40	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	\$135,605 4.5%
Manager	6,373.88	6,374	6,374	6,374	6,374	6,374	6,374	6,374	6,374	6,374	6,374	6,374	6,374	\$76,487 2.6%
Assistant Manager 1	3,642.06	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	\$43,705 1.5%
Assistant Manager 2	3,535.98	3,536	3,536	3,536	3,536	3,536	3,536	3,536	3,536	3,536	3,536	3,536	3,536	\$42,432 1.4%
Administrator (MBO, website, vendor rel)	1,213.33	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	\$14,560
Bookkeeper	650.00	650	650	650	650	650	650	650	650	650	650	650	650	\$7,150
Payroll Taxes	15%	3,728	3,728	3,728	3,728	3,728	3,728	3,728	3,728	3,728	3,728	3,728	3,728	\$44,734
Employee Benefits	9%	1,555	1,555	1,555	1,555	1,555	1,555	1,555	1,555	1,555	1,555	1,555	1,555	\$18,662
Total Overhead Staff		31,999	31,349	31,999	\$383,334 12.8%									
Facility Costs														
Office Supplies	224.97	200	200	200	200	200	200	200	200	200	200	200	200	\$2,400 0.1%
Rent	12,871.04	12,871	12,871	12,871	12,871	12,871	12,871	12,871	12,871	12,871	12,871	12,871	12,871	\$154,452 5.2%
Repairs and Maintenance	562.43	562	562	562	562	562	562	562	562	562	562	562	562	\$6,749 0.2%
Scheduling Software	281.22	281	281	281	281	281	281	281	281	281	281	281	281	\$3,375 0.1%
Telephone Expense/internet	168.73	169	169	169	169	169	169	169	169	169	169	169	169	\$2,025 0.1%
Total Facility Costs		14,083	\$166,601 5.6%											
Other Charges														
Insurance (professional liability)	224.97	225	225	225	225	225	225	225	225	225	225	225	225	\$2,700 0.1%
Total other charges		225	\$2,700 0.1%											
Marketing														
Advertising and Promotion	1,124.86	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	\$13,498 0.5%
Marketing - printables	449.95	450	450	450	450	450	450	450	450	450	450	450	450	\$5,399 0.2%
Total Marketing		1,575	\$18,898 0.6%											
Total Overhead Expense		47,882	47,232	47,882	\$573,932 19.2%									
Administrative Fee	0.00	0	0.0% 0.0%											
Management fee	0.00	0	0.0% 0.0%											
Net Assets		47,530	50,231	51,633	53,685	55,737	57,789	59,841	61,893	63,944	65,996	68,048	70,100	\$706,428 23.6%

CA Integrative Wellness Spa														
YEAR 5														
	Month	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
Sales														
Plug for revenue from services (average)		233,752	237,748	241,744	245,739	249,735	253,731	257,727	261,722	265,718	269,714	273,710	277,705	\$3,068,745 83.3%
Product Sales	20%	46,750	47,550	48,349	49,148	49,947	50,746	51,545	52,344	53,144	53,943	54,742	55,541	\$613,749 16.7%
Total Sales		280,503	285,297	290,092	294,887	299,682	304,477	309,272	314,067	318,862	323,657	328,452	333,247	\$3,682,495 100.0%
Direct Costs														
Credit Card Processing Fee	2.25%	5,259	5,349	5,439	5,529	5,619	5,709	5,799	5,889	5,979	6,069	6,158	6,248	\$69,047 1.9%
Backbar products and supplies	5%	11,688	11,887	12,087	12,287	12,487	12,687	12,886	13,086	13,286	13,486	13,685	13,885	\$153,437 4.2%
Purchases - Resale Items	45%	21,038	21,397	21,757	22,117	22,476	22,836	23,195	23,555	23,915	24,274	24,634	24,993	\$276,187 7.5%
Décor, Linen, other long-term expendable	2%	4,675	4,755	4,835	4,915	4,995	5,075	5,155	5,234	5,314	5,394	5,474	5,554	\$61,375 1.7%
Total Cost of Goods Sold		42,660	43,389	44,118	44,847	45,577	46,306	47,035	47,764	48,494	49,223	49,952	50,681	\$560,046 15.2%
Direct Labor														
Practitioners' Services														
Average commissions	39%	92,202	93,778	95,354	96,931	98,507	100,083	101,659	103,235	104,811	106,387	107,963	109,539	\$1,210,450 32.9%
Commission on product sales	6%	2,805	2,853	2,901	2,949	2,997	3,045	3,093	3,141	3,189	3,237	3,285	3,332	\$36,825 1.0%
Total Practitioners' Services		95,007	96,631	98,255	99,879	101,503	103,128	104,752	106,376	108,000	109,624	111,248	112,872	\$1,247,275 33.9%
Payroll Taxes	15%	14,251	14,495	14,738	14,982	15,226	15,469	15,713	15,956	16,200	16,444	16,687	16,931	\$187,091 5.1%
Employee Benefits	9%	8,551	8,697	8,843	8,989	9,135	9,281	9,428	9,574	9,720	9,866	10,012	10,158	\$112,255 3.0%
Total Direct Labor		117,809	119,823	121,837	123,850	125,864	127,878	129,892	131,906	133,920	135,933	137,947	139,961	\$1,546,620 42.0%
Total Direct Costs		160,469	163,212	165,955	168,698	171,441	174,184	176,927	179,670	182,413	185,156	187,899	190,642	\$2,106,666 57.2%
Gross Profit		120,034	122,086	124,137	126,189	128,241	130,293	132,345	134,397	136,449	138,501	140,552	142,604	\$1,575,828 42.8%
Overhead Expenses														
Administrative Staff		11,300.40	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	11,300	\$135,605 3.7%
Manager		6,565.09	6,565	6,565	6,565	6,565	6,565	6,565	6,565	6,565	6,565	6,565	6,565	\$78,781 2.1%
Assistant Manager 1		3,751.32	3,751	3,751	3,751	3,751	3,751	3,751	3,751	3,751	3,751	3,751	3,751	\$45,016 1.2%
Assistant Manager 2		3,642.06	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	\$43,705 1.2%
Administrator (MBO, website, vendor relatios)	\$ 1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	\$14,560
Bookkeeper		650.00	650	650	650	650	650	650	650	650	650	650	650	\$7,800
Payroll Taxes	15%	3,789	3,789	3,789	3,789	3,789	3,789	3,789	3,789	3,789	3,789	3,789	3,789	\$45,466
Employee Benefits	9%	1,597	1,597	1,597	1,597	1,597	1,597	1,597	1,597	1,597	1,597	1,597	1,597	\$19,167
Total Overhead Staff		32,508	\$390,100 10.6%											
Facility Costs														
Office Supplies		233.97	200	200	200	200	200	200	200	200	200	200	200	\$2,400 0.1%
rent		13,385.88	13,386	13,386	13,386	13,386	13,386	13,386	13,386	13,386	13,386	13,386	13,386	\$160,631 4.4%
Repairs and Maintenance		584.93	585	585	585	585	585	585	585	585	585	585	585	\$7,019 0.2%
Scheduling Software		292.46	292	292	292	292	292	292	292	292	292	292	292	\$3,510 0.1%
Telephone Expense/internet		175.48	175	175	175	175	175	175	175	175	175	175	175	\$2,106 0.1%
Total Facility Costs		14,639	\$173,265 4.7%											
Other Charges														
Insurance (professional liability)		233.97	234	234	234	234	234	234	234	234	234	234	234	\$2,808 0.1%
Total other charges		234	\$2,808 0.1%											
Marketing														
Advertising and Promotion		1,169.86	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170	\$14,038 0.4%
Marketing - printables		467.94	468	468	468	468	468	468	468	468	468	468	468	\$5,615 0.2%
Total Marketing		1,638	\$19,654 0.5%											
Total Overhead Expense		49,019	\$588,226 16.0%											
Administrative Fee	0.00	0	0	0	0	0	0	0	0	0	0	0	0	\$0 0.0%
Management fee	0.00	0	0	0	0	0	0	0	0	0	0	0	0	\$0 0.0%
Net Assets		71,015	73,067	75,119	77,171	79,222	81,274	83,326	85,378	87,430	89,482	91,534	93,585	\$987,602 26.8%

Cost Assumptions**Table 7: Direct and Overhead Costs**

Direct Costs		
Credit Card Processing Fee		2.25% monthly percent of all sales
Backbar products and supplies		5% monthly percent of all sales*
Purchases - Resale Items		45% percent of retail sales*
Décor, Linen, other long-term expendable		2% monthly percent of all sales*
Direct Labor		
Average practitioner commissions		39% see table 1
Commission on product sales		6% percent of retail sales
Payroll Taxes		15% percent of all salaries
Employee Benefits		9% percent of all manager salaries
Overhead Expenses		
Front Desk Staff Y1	\$	9,040 see table 6
Front Desk Staff Y2-5	\$	11,300 see table 6
Manager	\$	5,833 monthly salary based on \$70k annual
Assistant Manager	\$	3,333 monthly salary based on \$40k annual
Administrator (MBO, website, vendor relations)	\$	1,213 \$14/hour x 20 hours/week
Bookkeeper	\$	650 \$30/hour x 10 hours/week
Office Supplies	\$	200.00 fixed monthly rate
Facility Costs		
Rent	\$	7,000 fixed monthly rate
Rent after 6 months	\$	11,667 fixed monthly rate
Repairs and Maintenance	\$	500 fixed monthly rate
Scheduling Software	\$	250 fixed monthly contract rate
Telephone Expense/internet	\$	150 fixed monthly rate
Other Charges		
Insurance (professional liability)	\$	200 fixed monthly rate
Marketing		
Advertising and Promotion	\$	1,000 fixed monthly rate
Marketing - printables	\$	400 fixed monthly rate
Management Fee	Up to \$2M	0% monthly percent of all sales
	\$2 - \$3M	0% monthly percent of all sales
	\$3 - \$4M	0% monthly percent of all sales
	\$5M+	0% monthly percent of all sales
Administrative Fee		0% percent of overhead and direct costs
Inflation		1.04 4% annual inflation on fixed costs
Salaried Employees Annual Increase		1.03 3% annual increase
Rent increase		1.02 2% annual increase

* Our own experience, relationships, and systems keep these cost significantly lower than industry standard

Cost Assumptions

Table 8: Start-up costs

Category		budget	Notes
Build out		\$ -	Assuming this is part of the \$27M buildout of the whole facility
Furnishings	treatment tables and other furnishings	\$ 25,000	Based on 13 treatment rooms
	Spa equipment	\$ 8,000	Based on 13 treatment rooms
	reception and boutique furnishing	\$ 8,000	Prior experience
	waiting area and other area furnishings	\$ 8,000	Prior experience
	computers and hardware	\$ 5,000	Prior experience
Expendables	Linens/towel	\$ 3,000	Prior experience
	Three month supply back bar	\$ 5,000	Prior experience
	Office supplies	\$ 800	Prior experience
Consulting	The Still Point Fee	\$ 50,000	Standard TSP fee, negotiable
Salaries, start- up	Manager	\$ 17,499	(three months prior to opening)
	Assistant manager	\$ 9,999	(three months prior to opening)
	Administrative fee on salaries	\$ -	
	<i>Estimated Total</i>	\$ 140,298	

EXHIBIT C



Maria Peoples <marla@thestillpointspa.com>

draft agreement

1 message

Rob Goldman <rob.goldman@columbiaassociation.org>

Tue, Oct 1, 2013 at 12:2

To: Tori Paide <tori@stillpointmindandbody.com>, Maria Peoples <marla@stillpointmindandbody.com>

Cc: Sheri Fanaroff <Sheri.Fanaroff@columbiaassociation.org>, "Susan Krabbe (.org)" <Susan.Krabbe@columbiaassociation.org>

Tori & Marla,

Here's the first draft of the agreement between CA and The Still Point. I will send you Susan's work sheet which will show where the rent and percentage rent #'s come from. They are based on your pro forma #'s. Our attorneys suggested that the income from rent and percentage rent be approx. equal in the long run. You'll also note that we are suggesting that the term of the lease be an initial 2 year period followed by three three year periods. We think that will give us ample opportunities to adjust the lease if the #'s aren't working out the way we are currently projecting.

I'm sure you'll have a lot of questions. We'll be happy to meet and discuss at your convenience. I am, however, on jury duty next week, so my availability next week is not clear.

Looking forward to discussing this with you.

Rob

--
Rob Goldman
Chief Operating Officer & Vice President
Phone: 410.715.3121
Fax: 410.740.0887

**My new email address is: Rob.Goldman@columbiaassociation.org
10221 Wincopin Circle
Columbia MD 21044
www.ColumbiaAssociation.org



Tori Paide <tori@thestillpointspa.com>

Fwd: stillpoint lease

2 messages

Rob Goldman <rob.goldman@columbiaassociation.org>
To: Marla Peoples <marla@stillpointmindandbody.com>, Tori Paide <tori@stillpointmindandbody.com>

Tue, Oct 1, 2013 at 12:27 PM

Maria & Tori,
Here's Susan's worksheet.
Rob

--
Rob Goldman
Chief Operating Officer & Vice President
Phone: 410.715.3121
Fax: 410.740.0687

**My new email address is: Rob.Goldman@columbiaassociation.org
10221 Wincopin Circle
Columbia MD 21044
www.ColumbiaAssociation.org

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stillpoint summary.xlsx
16K

Tori Paide <tori@thestillpointspa.com>
To: Marla Peoples <marla@thestillpointspa.com>

Thu, Aug 11, 2016 at 9:16 AM

Tori Paide
Owner

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Revenue:										
CAM Services	737,218	1,342,576	1,917,966	2,493,356	3,068,745	3,160,807	3,255,632	3,353,301	3,453,900	3,557,517
CAM Product Sales	139,013	268,515	383,593	498,671	613,749	632,161	651,126	670,660	690,780	711,503
Total Revenue	876,231	1,611,091	2,301,559	2,992,027	3,682,494	3,792,969	3,906,7	4,023,961	4,144,679	4,269,020
Expenses:										
Salary, Wages, & Benefits including taxes	661,036	1,048,929	1,344,686	1,640,964	1,936,721	1,994,823	2,054,667	2,116,307	2,179,797	2,245,190
Operating Supplies/Expenses	30,000	31,104	32,253	33,446	34,688	35,729	36,800	37,905	39,042	40,213
COS (Retail and F&B)	130,748	245,020	350,028	455,038	560,046	576,847	594,153	611,977	630,337	649,247
Insurance	2,400	2,496	2,596	2,700	2,808	2,920	3,037	3,159	3,285	3,416
Rent	+ 112,000	142,800	148,512	154,452	160,631	163,844	167,120	170,463	173,872	177,350
Taxes										
Repair & Maintenance										
Utilities										
Depreciation										
Subtotal of Incremental Expenses	936,184	1,470,349	1,878,075	2,286,600	2,694,894	2,774,163	2,855,778	2,939,811	3,026,332	3,115,416
Increase/(Decrease) in Net Assets	(59,953)	140,742	423,484	705,427	987,600	1,018,806	1,050,980	1,084,150	1,118,347	1,153,604
One half of net	(29,977)	70,371	211,742	352,714	493,800	509,403	525,490	542,075	559,174	576,802
One half of 50% of net as rent	35,186	105,871	176,357	246,900	254,702	262,745	271,037	279,587	288,401	
% of total revenue to equal remainder	2.18%	4.60%	5.89%	6.70%	6.72%	6.73%	6.74%	6.75%	6.76%	
Amount of total revenue to equal remainder	35,186	105,871	176,357	246,900	254,702	262,745	271,037	279,587	288,401	
Sum of both components = total lease expense	70,371	211,742	352,714	493,800	509,403	525,490	542,075	559,174	576,802	
Rent portion - rounded down	35,000	106,000	176,000	247,000	255,000	263,000	271,000	280,000	288,000	
Percentage Increase in annual rent portion		202.9%	66.0%	40.3%	3.2%	3.1%	3.0%	3.3%	2.9%	
Monthly rent	2,917	8,833	14,667	20,583	21,250	21,917	22,583	23,333	24,000	
Monthly gross percentage	2,932	8,823	14,696	20,575	21,225	21,895	22,586	23,299	24,033	
Monthly total	5,849	17,656	29,363	41,158	42,475	43,812	45,170	46,632	48,033	

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into on this ____ day of November, 2013, by and between the COLUMBIA ASSOCIATION, INC. (hereinafter referred to as "CA"), and The STILLPOINT Wellness Centers, LLC (hereinafter referred to as "Lessee").

WITNESSETH:

WHEREAS, CA will commence operation of a mind-body wellness center (the "Center") on or about September 1, 2014, to be located at 10400 Little Patuxent Parkway, Columbia, MD 21044; and

WHEREAS, CA is desirous of having qualified and reliable persons provide services in the Center; and

WHEREAS, CA has agreed to lease space to Lessee in the Center, where Lessee will provide services in accordance with and subject to the terms and conditions set forth in this Lease Agreement;

NOW, THEREFORE, for and in consideration of the mutual promises and agreements provided for herein by the parties, the parties hereto mutually agree as follows:

ARTICLE I - Leased Premises

1.1 Definition - Subject to the terms and conditions set forth below, CA hereby leases to Lessee and Lessee hereby rents from CA approximately 4309 square feet of space located in the Center, as identified on Exhibit A attached hereto and made a part hereof (the "Leased Premises"). Lessee shall take occupancy of the Leased Premises on the first

business day following CA's completion of the improvements set forth in paragraph 1.2 and receipt of a Use and Occupancy permit from Howard County (the "Effective Date").

1.2 Improvements to the Leased Premises – (a) Prior to the Effective Date, CA shall at its sole expense, construct the Leased Premises to suit Lessee's requirements subject to the approval of CA and its architect, in accordance with plans and specifications prepared by CA (the "Improvements"). Such Improvements may require, as specified, drywall, lighting, flooring, painting and cabinetry. Any further improvements that Lessee desires to make after the Effective Date shall be subject to CA's prior written approval, and each party shall pay fifty percent (50%) of the cost of such improvements. Lessee's occupancy of the Leased Premises shall be deemed to constitute acceptance of the Improvements and acknowledgement by Lessee that CA has fully complied with its obligations hereunder to construct and deliver the Leased Premises to Lessee.

1.3 Furniture, Fixtures and Equipment - Lessee shall purchase and provide for the Leased Premises the furniture, fixtures and equipment specified in the schedule attached hereto and made a part hereof as Exhibit B (the "Equipment"). Lessee must obtain prior written approval from CA for each item of the Equipment to be placed or installed in the Leased Premises, which approval shall not be unreasonably withheld. At least forty-five (45) days in advance of the Effective Date, CA shall provide written notice to Lessee that the Leased Premises are ready for installation of the Equipment. All Equipment must be installed by Lessee by the Effective Date. CA shall provide the furniture, fixtures and equipment specified in the schedule attached hereto and made a part hereof as Exhibit C. CA shall provide all its furniture, fixtures and equipment timely and in no event later than ten (10) days from the Effective Date, so as not to delay or interfere with the Equipment provided by Lessee.

1.4 Condition of Leased Premises - Lessee shall maintain the Leased Premises in safe, clean and good condition. CA shall keep the Center in good order and repair consistent with the operation of first-class mind-body wellness centers. CA shall have the right to enter the Leased Premises to make any necessary repairs thereto upon at least five days notice to Lessee, except in the case of bona fide emergency repairs, in which case CA may enter the Leased Premises without advance notice. CA shall endeavor to schedule non-emergency repairs so as to minimize any disruption of Lessee's normal business operations.

1.5 Return of Leased Premises to CA - At the end of the lease term and any extensions thereof, or otherwise upon termination of this lease, Lessee shall return the Leased Premises to CA in as good or better condition, than when received by Lessee from CA. If Lessee fails to do so, CA shall make all necessary repairs, and Lessee shall pay CA's costs for such repairs. Ordinary wear and tear, casualty, and alterations, additions and improvements which CA permitted to have been made shall be excepted, as well as any repairs necessitated by any failure of CA to maintain the Center in good repair and order per Section 1.4 of this Agreement.

ARTICLE II - Term of Lease

2.1 Term - All obligations of the parties hereunder to be performed shall commence on the date of this Agreement as above written, unless another date is specified in the Agreement with respect to a particular obligation. The term of this Lease Agreement shall commence on the Effective Date and shall run for a period of two (2) years (the "lease term"), unless terminated for cause as herein provided before the expiration of such term.

2.2 Renewal - Said term may be extended for three (3) periods of three (3) years (the "renewal terms") each at the option of Lessee so long as Lessee is not in default of

any provision of this Lease Agreement on the renewal date, in which case notification of any defaults must be made to Lessee at least ninety (90) days prior to the renewal date. Should Lessee elect to exercise said options, notice of said election shall be made, in writing, to CA at least one hundred and eighty (180) days prior to the renewal date. CA shall send written notice to Lessee not more than 210 days and not less than 190 days prior to the renewal date informing Lessee of said renewal option. In the event such notice is not sent by CA during such period, Lessee shall have 30 days from the actual delivery date of such notice to exercise its renewal option.

ARTICLE III – Compensation

3.1 Rent – Rent shall be payable under this Lease Agreement commencing on the Effective Date.

(a) Lease Term – During the first year of the lease term, Lessee shall not pay any annual rent. CA shall pay to Lessee the amount of Twenty-Five Thousand Dollars (\$25,000.00) on or before July 1, 2014, and an additional Twenty-Five Thousand Dollars (\$25,000.00) on or before September 10, 2014. During the second year of the lease term, Lessee shall pay to CA annual rent in the amount of Thirty-Five Thousand Dollars (\$35,000.00), to be paid in monthly installments of Two Thousand Nine Hundred and Seventeen Dollars (\$2,916.66).

(b) Renewal Terms - During the first renewal term, Lessee shall pay rent to CA as follows:

First Renewal Term Year 1 – Annual rent of One Hundred and Six Thousand Dollars (\$106,000.00) in monthly installments of Eight Thousand Eight Hundred Thirty-Three Dollars and Thirty-Three Cents (\$8,833.33);

First Renewal Term Year 2 – Annual Rent of One Hundred and Seventy-Six Thousand Dollars (\$176,000.00) in monthly installments of Fourteen Thousand Six Hundred and Sixty-Six Dollars and Sixty-Six Cents (\$14,666.66); and

First Renewal Term Year 3 – Annual Rent of Two Hundred and Forty-Seven Thousand Dollars (\$247,000.00) in monthly installments of Twenty Thousand Five Hundred and Eighty-Three Dollars and Thirty-Three Cents (\$20,583.33).

During subsequent renewal terms, the rent payable to CA by Lessee hereunder shall be increased by three per cent (3%) annually.

3.2 Percentage Rent - (a) During the Initial and Renewal Terms, Lessee also shall pay to CA “Percentage Rent” to be calculated based on Lessee’s gross monthly revenues from all Lessee’s operations in the Center, pursuant to the following schedule:

Lease Term Year One: 0%

Lease Term Year Two: 2.2%

Renewal Term Year One: 4.6%

Renewal Term Year Two: 5.9%

Renewal Term Year Three and any subsequent Renewal Term years: 6.7%

The monthly periods for calculation of Lessee’s gross revenues will begin on the Effective Date and on the first day of each month thereafter. Lessee shall make payment to CA, without deduction, set off or prior demand, of the Percentage Rent specified above. Such payment shall be made on the tenth (10th) day of each month for the specified percentage of revenues during the preceding month.

(b) Lessee shall maintain accurate records of its operations in sufficient detail to enable verification of the Percentage Rent paid to CA. By the 10th day of each month, Lessee

shall provide to CA a signed copy of Lessee's profit and loss statement for its operations in the Center for the preceding month. If Lessee shall fail to deliver the foregoing statement to CA by the 10th day of any month, Lessee shall pay to CA, without notice or demand, a late charge of Fifty Dollars (\$50.00) to partially compensate CA for its administrative costs, which Lessee expressly acknowledges are reasonable and do not constitute a penalty. Within ninety (90) days of the end of Lessee's fiscal year, Lessee shall provide to CA a copy of Lessee's federal income tax return for its operations in the Center during that fiscal year. If Lessee shall fail to deliver the foregoing statement to CA by the 30th day of each month or shall fail to deliver the foregoing tax return by the date specified above, CA also shall have the right to examine Lessee's books and records of sales, purchases and inventory, and may elect to employ an independent Certified Public Accountant, to certify the amount of Lessee's Gross Sales. Lessee shall pay to CA, on demand, as Additional Rent, the cost of such audit and certification. If CA's audit establishes that Percentage Rent paid to CA was less than the amount actually due, Lessee shall pay the difference between the amount paid and the amount due plus an additional late fee of ten percent (10%) of such difference.

(c) The term "Gross Sales" as used herein means the total amount charged by Lessee or anyone on Lessee's behalf in connection with any and all sales of services and merchandise made or rendered on, in or from the Leased Premises, whether or not such amounts shall be for cash or on credit, whether collected or uncollected. Each charge or sale upon installment or credit shall be treated as a sale for the full price in the month during which such charge or sale shall be made, irrespective of the time when Lessee shall receive payment (whether full or partial) therefor. The amount of any deposit not refunded shall be included in Gross Sales.

The following items shall be excluded from Gross Sales: (i) any exchange of merchandise between businesses of Lessee when such exchange is made solely for the convenient operation of Lessee's business and not for the purpose of consummating a sale made on, in or from the Premises; (ii) returns to suppliers or manufacturers; (iii) cash or credit refunds to customers on transactions otherwise included in Gross Sales; (iv) all sums and credits received in settlement of claims for loss or damage to merchandise; (v) amounts collected from customers and paid by Lessee to any government for any sales or excise tax; (vi) the amount of any discount sales to employees to the extent such discount sales to employees do not exceed more than two percent (2%) of Lessee's annual Gross Sales; and (vii) the amount of any joint sales revenues earned by both parties for the sale of packages including services, facilities and merchandise provided by both parties. Such joint sales revenues shall be payable to the parties in accordance with an addendum to be agreed upon by the parties and hereafter attached hereto and made a part hereof. No franchise, capital stock tax, tax based upon assets or net worth, or gross receipts tax, and no income or similar tax based on income or profits shall be deducted from Gross Sales.

3.3 Payment - All rents, fees and other monies paid under this Agreement or any renewal thereof shall be sent to CA at the following address: Columbia Association, Attn: Accounting, 10221 Wincopin Circle, Columbia, Maryland 21044, or such other address as may be designated by CA, in writing, from time to time.

3.4 How and When Paid - The monthly rent, fees and other monies due from Lessee to CA under this Agreement, with the exception of any payment for Services under Section 4.2 of this Agreement, shall be payable on the tenth (10th) day of each month.

Percentage Rent shall be due as provided in section 3.2(a) above. Payments not made within ten (10) days of their due date shall incur interest at one and one-half percent (1.5%) per month.

ARTICLE IV - Grant of Rights to Lessee and CA

4.1 Wellness and Spa Services - CA hereby grants to Lessee for the term of this Agreement the exclusive right to occupy and use the Leased Premises for purposes of providing wellness services, including but not limited to massage therapy, acupuncture, nutrition counseling, natural skin care, naturopathic medicine, essential oils therapy and life coaching, to CA's members and guests as well as the public.

4.2 Marketing – CA shall provide Lessee with up to eight (8) hours per calendar month of marketing support, which will include promoting Lessee's services in all appropriate CA marketing modalities, including but not limited to: the CA Activities Guide, CA's websites, bulletin boards in CA facilities, CA's television show and messaging ads. On or before the 10th day following the end of a month, Lessee may request in writing that CA provide additional services during the next month for which CA reserves the right to charge Lessee Five Hundred Dollars (\$500.00) per hour. Such written request shall specify the maximum number of hours of service to be provided and payment for such services will be made commensurate with the written request.

4.3 Training – Lessee shall provide CA employees with up to eight (8) hours of training per calendar month with respect to best practices for providing customer service in a mind-body wellness environment. On or before the 10th day following the end of a month, CA may request in writing that Lessee provide additional services during the next month, for which Lessee reserves the right to charge CA Five Hundred Dollars (\$500.00) per hour. Such written

request shall specify the maximum number of hours of service to be provided and payment for such services will be made commensurate with the written request.

ARTICLE V - Operation of Leased Premises by Lessee

5.1 Conduct and Safety of the Operations of the Lessee - Lessee shall conduct all of its operations hereunder in a safe and careful manner; shall observe such safety precautions and rules in its operations as are set forth in all laws, rules and regulations that apply to the provision of physical therapy and rehabilitation services; and shall maintain an adequate number of employees to maintain, operate, supervise and regulate the activities and operations conducted by Lessee.

5.2 Schedule of Operations - Lessee may provide services in the Leased Premises during all of those hours of the day that the Center is open to members and customers.

5.3 Employees - Lessee may employ such persons as may be required in Lessee's operations in the Leased Premises. No employee of Lessee shall be deemed to be an employee of CA for any purpose.

5.4 Standards of Employment - Lessee shall, where applicable, comply with the requirements of all Federal, State and local laws, rules, ordinances and regulations relating to minimum wages, social security, unemployment insurance and worker's compensation and will not discriminate against any employee or applicant for employment because of age, sex, race, creed, color, national origin, religion, sexual orientation, personal appearance or disability.

In the event that Lessee is determined by the final order of an appropriate agency or court to be in violation of the non-discrimination provisions of Federal, State or local laws, and such violation is not corrected by Lessee within thirty (30) days of any such determination or order, this Agreement may be canceled, terminated, or suspended in whole or in part by CA, and

Lessee may be declared ineligible for future CA contracts. CA shall have the right to require termination of any of Lessee's employees for cause, "cause" being defined as any felonious conduct or conduct that endangers persons or property.

5.5 Discrimination - Lessee shall not discriminate against any member of the public desiring to purchase any of the services provided by Lessee because of age, race, sex, creed, color, national origin, religion, sexual orientation, personal appearance or disability.

5.6 Conformity to Laws - Lessee shall, during the term of this Agreement, at Lessee's own cost and expense, promptly observe, perform, execute and comply with all laws, rules, requirements, orders, directives, ordinances and regulations of every governmental authority or agency that relate to the Leased Premises. Lessee, upon notice of any violation, shall have the right to correct same within the time allowed for correction or compliance and/or to contest in good faith, by appropriate action, the validity of any such law, rule, requirement, order, directive, ordinance or regulation, provided that title of CA to the Leased Premises and the rights of the parties to this Agreement are not thereby jeopardized or impaired and so long as CA shall not be subject to any penalty and the Leased Premises shall not be subject to any lien by reason thereof.

5.7 Inspection by CA - CA may inspect the Leased Premises and the operations of Lessee from time to time in order to assure that the provisions of this Agreement are being fulfilled; provided, however, that the failure of CA to inspect shall not be considered a waiver of any right accruing to CA upon any failure of Lessee to perform duties and obligations under the provisions of this Agreement.

5.8 Public Utilities - CA agrees that it will provide to the Leased Premises, during the hours that the Center is open for business, utility services consisting of adequate

water and heating, air conditioning, electricity and sewer. CA, however, shall bear no responsibility to Lessee for any interruption of utility services caused by circumstances that are not within CA's control.

5.9 Taxes - Lessee shall pay all fees and taxes which may be levied by any governmental jurisdiction upon the conduct of business by Lessee on the Premises under the provisions of this Agreement. CA shall pay all fees and taxes which may be levied by any governmental jurisdiction upon the ownership and operation of the Center or the Premises.

5.10 Licenses - Lessee, at its own expense, shall obtain and keep in effect all licenses or permits which may be required by law to operate Lessee's business on the Leased Premises.

5.11 Liens - Lessee shall not permit any liens to stand against the Leased Premises for any labor or material furnished to Lessee in connection with any work performed by or at the direction of Lessee. Lessee covenants and agrees that if, because of any act or omission (or alleged act or omission) of Lessee, any mechanic's or other lien, charge or order for the payment of money or other encumbrance shall be filed against CA, Lessee shall, at its own cost and expense, cause the same to be discharged of record or bonded within thirty (30) days after notice to Lessee of the filing thereof.

5.12 Smoking Prohibited - Lessee shall establish and post rules which prohibit any employee or customer from smoking on the Leased Premises.

ARTICLE VI - Possession

CA covenants and warrants that it will deliver to Lessee exclusive possession of the Leased Premises, with appurtenances, in conformity with the law and for the purposes set forth herein, on the Effective Date of this Agreement.

ARTICLE VII – Insurance

7.1 Property Insurance - Lessee shall at all times during the term of this Agreement carry insurance on its own property in an amount at least equal to the replacement cost thereof. Such insurance shall be placed with an insurer acceptable to CA and shall waive all rights of subrogation against CA. A certificate evidencing such insurance shall be furnished to CA prior to the Effective Date of this Agreement and annually thereafter, or more often as CA may reasonably require.

7.2 Liability Insurance - Lessee shall carry liability insurance against any claim for bodily injury or death and/or property damage in the following amounts:

General Aggregate: \$3,000,000.00 Occurrence Based

Deductible allowed: up to \$5,000.00, at the discretion of Lessee, it being understood that CA shall not be responsible to pay any deductible amount for any claim made

Each Occurrence: \$1,000,000.00

Fire Damage (any one fire): Replacement cost

Medical Expense (any one person)/ \$5,000.00

7.3 Worker's Compensation - Lessee shall carry Worker's Compensation Insurance in the amount required by Maryland law.

7.4 Additional Terms for Insurance - CA shall be an additional named insured on each policy of insurance carried by Lessee under this Article VII and each policy shall provide that it may not be cancelled except upon thirty (30) days written notice to CA. Certificates evidencing all required insurance shall be furnished to CA prior to the Effective Date and annually thereafter, or more often as CA may reasonably require. All insurance shall be placed with companies licensed to do business in the State of Maryland.

CA may review all insurance coverage during the time between Lessee giving notice to exercise its renewal option pursuant to Section 2.2 and the commencement of any

renewal term, and Lessee shall increase or decrease the limits of its insurance coverage in such amounts as shall be adequate, reasonable, and proper based on industry standards.

ARTICLE VIII – Indemnification

8.1 Lessee's Indemnification - Lessee agrees it shall at all times indemnify and hold CA harmless against all actions, claims, demands, costs, damages and expenses of any kind, including attorney's fees, which may be brought or made against CA, or which CA may pay or incur, by reason of Lessee's negligent performance of, or failure to perform, any of its obligations and duties under the provisions of this Agreement, or by reason of any occurrence in or upon the Leased Premises, or in any way related to Lessee's operations in the Leased Premises.

8.2 CA's Indemnification - CA agrees it shall indemnify and hold harmless Lessee against all actions, claims, demands, costs, damages and expenses of any kind, including attorney's fees, which may be brought or made against Lessee, or which Lessee may pay or incur, by reason of CA's negligent performance of, or failure to perform, any of its obligations and duties under the provisions of this Agreement.

ARTICLE IX - Defaults

9.1 Lessee's Defaults - Lessee shall be deemed to be in default of the provisions of this Agreement:

- a. When Lessee shall fail, for thirty (30) days after notice from CA, to pay, when due, any payment required to be made by Lessee to CA under the provisions of this Agreement; or
- b. When Lessee shall fail to comply with any reasonable rules and regulations of CA after receipt of thirty (30) days written notice by CA of such non-compliance by Lessee; or

c. When Lessee shall make any assignment for the benefit of creditors or file a voluntary petition in bankruptcy or be adjudicated a bankrupt or take the benefit of any insolvency act or be dissolved, voluntarily or involuntarily, or if a receiver or a trustee of Lessee and/or its property shall be appointed in any proceedings other than bankruptcy proceedings and such appointment, if made in proceedings instituted by Lessee, shall not be vacated within ten (10) days after it has been made or, if made in proceedings instituted by other than Lessee, shall not be vacated within forty-five (45) days after it has been made; or

d. When Lessee shall fail to perform any of the other provisions, duties, obligations, covenants or conditions of this Agreement to be kept or performed by Lessee after receipt of thirty (30) days written notice by CA of such non-compliance by Lessee.

9.2 Liability - Lessee shall be liable for any and all loss or damage resulting from any default.

9.3 Waiver - No waiver by CA of any default or breach of any conditions or provisions of this Agreement by Lessee shall constitute or be construed as a waiver of any other default, violation or breach of any condition or provision of this Agreement, nor shall lapse of time affect any default or breach of condition or provisions of this Agreement or operate to defeat the rights of CA under the provisions of this Agreement.

ARTICLE X – Remedies

10.1 Right of Re-Entry and Termination - In the event that Lessee defaults under this Agreement, CA may, at its option, upon giving ten (10) days written notice to Lessee (after the respective period of compliance, as hereinabove provided in Article IX, has expired, or at any time thereafter during which the default is not cured) terminate this Agreement. Upon such termination CA may recover possession of the Leased Premises in the manner prescribed

by the Maryland statutes relating to summary proceedings or similar applicable statutes, it being understood that no further demand for the rent and no re-entry for condition broken and no notice to quit possession or other notices prescribed by statute shall be necessary to enable CA to recover such possession, but that all right of any such further demand or such re-entry or any notice to quit possession or any statutory notices or prerequisites are hereby expressly waived by Lessee. Any such termination shall not relieve Lessee of any claim or obligation which shall have accrued under the provisions of this Agreement, and Lessee shall remain liable therefore as fully and completely as if said Agreement had not been terminated.

10.2 Correction of Default by CA - Should CA find it necessary to enter upon the Leased Premises and undertake to correct any default which has occurred as a result of any failure by Lessee to perform its duties and obligations under the provisions of this Agreement, CA shall, after giving notice to Lessee of the default and after expiration of the period prescribed for compliance by the provisions of this Agreement, or sooner if necessary to prevent personal injury or to prevent property damage which would affect CA's interests in the Leased Premises, enter upon the Leased Premises and remedy such default and shall charge Lessee, and Lessee shall be liable for the reasonable costs and expenses incurred by CA in remedying such default, including attorney's fees actually incurred.

10.3 Interest Charge for Default in Payment - If either should be in default for any payment due under the provisions of this Agreement, after the expiration of any applicable period of compliance, the other party may either terminate this Agreement under the provisions of the applicable Section of this Agreement, or may elect to continue this Agreement in effect but shall charge one and one-half percent (1.5%) per month of the amount due for which the

other party is in default for any period during which that party shall continue to be in default for payment.

10.4 Refund to Lessee - If CA should terminate this Agreement under the provisions hereinabove at such time as Lessee shall have an unexpired portion of paid up tenure, the amount of such payment for such unexpired portion of the tenure as shall remain after the effective date of termination and after deduction of all costs and expenses incurred by CA due to the default of Lessee shall be refunded by CA to Lessee.

10.5 Termination by CA For Reason Other Than Default – The parties agree that, in the event CA terminates this Agreement for a reason other than Lessee's default under Section 10.1 of this Agreement or Casualty under Section 11.2, insofar as it is difficult to establish the amount of time and money necessary for Lessee to establish a new wellness center on a comparable site or to measure reputational and other special damages, CA shall pay as liquidated damages to Lessee an amount equal to the lesser of i) ten percent (10%) of Lessee's gross revenues during the last full fiscal year prior to termination of the Agreement, or ii) One Hundred Thousand Dollars (\$100,000.00). The parties further stipulate that the agreed upon sum is not a penalty, but rather a reasonable measure of damages, based upon the parties' experience and given the nature of the losses that may result from delay.

10.6 Lessee's Right to Termination - In the event that CA shall fail to perform any of its duties and obligations under the provisions of this Agreement within 30 days after written notification to CA by Lessee of CA's failure to perform such duties and obligations, Lessee may, upon an additional 10 days written notice to CA, terminate this Agreement, provided that all duties and obligations of Lessee under the provisions of this Agreement shall be performed in accordance with the provisions of this Agreement to the effective date of

termination. In the event Lessee has not performed all of its duties and obligations in accordance with this Agreement at the time Lessee desires to terminate this Agreement, Lessee may only terminate this Agreement once it has fully performed its duties and obligations and upon the requisite notice to CA as set forth above.

10.7 Dispute - In the event that either party gives the other Notice of default hereunder and the default is disputed by the other party, the parties may agree to mediate or arbitrate the dispute. Should no agreement to mediate or arbitrate be possible, either party may bring suit in Howard County, Maryland, in an attempt to resolve the dispute. If mediation is chosen, each party shall bear its own expenses, including attorney's fees, and fifty percent (50%) of the cost of the mediator. In the event that the parties agree to arbitrate or that litigation ensues, the prevailing party shall be entitled to an award of all costs, including all attorney's fees actually incurred.

ARTICLE XI - Miscellaneous Provisions

11.1 Assignment and Divestiture – Lessee shall not assign, rent or sublet the Leased Premises without the prior written consent of CA. Any assignment or sublease of this Agreement without such consent shall be null and void. The consent of CA to an assignment may be withheld in the sole discretion of CA. Notwithstanding the foregoing, in the event Lessee desires to divest itself from the spa and wellness center business, either wholly or in part, Lessee shall give right of first refusal to CA for the purchase or assignment of any of Lessee's tangible or intangible assets related to its operations in the Leased Premises (the "assets"). To the extent that CA declines to purchase some or all of Lessee's assets, Lessee may seek other purchasers of the assets that are not acquired by CA, including Lessee's rights in this Agreement through an assignment, on the condition that Lessee make known to any

potential buyer that CA and the Center's landlord, Clover Acquisitions, LLC ("Clover"), must consent to the assignment. Such consent shall not be unreasonably withheld by CA. CA and Clover shall have the right to request reasonable satisfactory documentation of the potential buyer's qualifications and financial status. Grounds for CA's and/or Clover's refusal to consent to the assignment shall include but are not limited to a potential buyer's refusal or inability to provide such documentation.

11.2 Casualty - If as the result of fire or other casualty the Leased Premises are rendered wholly or partially untenantable, CA may terminate this Agreement by giving notice to Lessee within 90 days after the occurrence of such casualty.

11.3 Surrender - Lessee, on the last day of the term of this Agreement, shall surrender the Leased Premises and all improvements thereon in as good condition as when Lessee took possession, except for ordinary wear and tear, casualty, and alterations, additions and improvements which CA permitted to have been made and which ownership shall thereupon be vested in CA free and clear of all encumbrances.

11.4 Holding Over - Lessee agrees to vacate the Leased Premises upon the termination of this Agreement. If Lessee holds possession of the Leased Premises after the termination of this Lease for any reason, Lessee shall pay CA double the rent described in paragraph 3.1 above for such period that the Lessee holds over, but such payment of rent shall not create any lease arrangement between Lessee and CA. In addition, if Lessee holds over, Lessee shall be liable for any damages incurred by CA as the result of such holdover, including the inability to deliver the Leased Premises to a subsequent lessee and attorneys' fees incurred to enforce this provision.

11.5 Notices - All notices required to be given for either party hereunder shall be in writing and sent by registered or certified mail, return receipt requested. Notices to CA shall be sent to Columbia Association, Inc., Attn: Sport & Fitness, 10221 Wincopin Circle, Columbia, Maryland 21044. Notices to Lessee shall be sent to Stillpoint Wellness Centers, LLC, 5570 Sterrett Place, #202, Columbia, Maryland 21044. Either party may change its mailing address hereunder by giving notice thereof to the other party in the manner provided in this Section.

11.6 Article and Section Titles - The Article and Section headings of this Agreement are intended merely for convenience of reference and are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part of this Agreement.

11.7 Integrated Agreement - This instrument contains all of the agreements and conditions made between the parties and may not be modified orally or in any other manner than by an agreement in writing signed by both parties or their respective successors in interest.

11.8 Severability - The invalidity or illegality of any provision of this Agreement shall not affect the remainder of this instrument.

11.9 Successors and Assigns - All of the covenants, provisions, terms, agreements and conditions of this Agreement shall inure to the benefit of and be binding upon CA, or any successor of CA, and upon Lessee or its successor in interest (as hereinabove permitted).

11.10 Construction of Lease Terms - Whenever the singular number is used in this Lease and required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter gender.

11.11 Laws of Maryland to Control; Venue - This Agreement shall be construed, interpreted and enforced according to the Laws of the State of Maryland. Any suit brought to enforce the provisions hereof shall be brought in the courts of Howard County, Maryland.

11.12 Amendment – This Agreement shall not be amended or modified except upon the written consent of both parties. Parties specifically agree to meet prior to the commencement of each new lease term year or renewal term year to discuss possible amendments to Rent and Percentage Rent to reflect updated profit and expense projections for subsequent years.

SIGNATURE PAGES FOLLOW

IN WITNESS WHEREOF, the parties hereto hereby set their hands and seals as of the day and date last above written.

STILLPOINT WELLNESS CENTERS, LLC

By: _____ (SEAL)

Print Name: _____

Title: _____

Federal Tax Identification Number: _____

COLUMBIA ASSOCIATION, INC.

By: _____ (SEAL)

Print Name: _____

Title: _____

STATE OF MARYLAND, COUNTY OF HOWARD, to wit:

I HEREBY CERTIFY that on this _____ day of _____, 2013, before me, the subscriber, a Notary Public in and for the State of Maryland, personally appeared _____, who acknowledged him/herself to be the _____ of Stillpoint Wellness Centers, LLC, and that (s)he, as such _____, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

Notary Public

My Commission Expires:

STATE OF MARYLAND, COUNTY OF HOWARD, to wit:

I HEREBY CERTIFY that on this _____ day of _____, 2013, before me, the subscriber, a Notary Public in and for the State of Maryland, personally appeared _____, who acknowledged him/herself to be the _____ of the Columbia Association, Inc., and that (s)he, as such _____, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

Notary Public

My Commission Expires:

EXHIBIT A
LEASED PREMISES

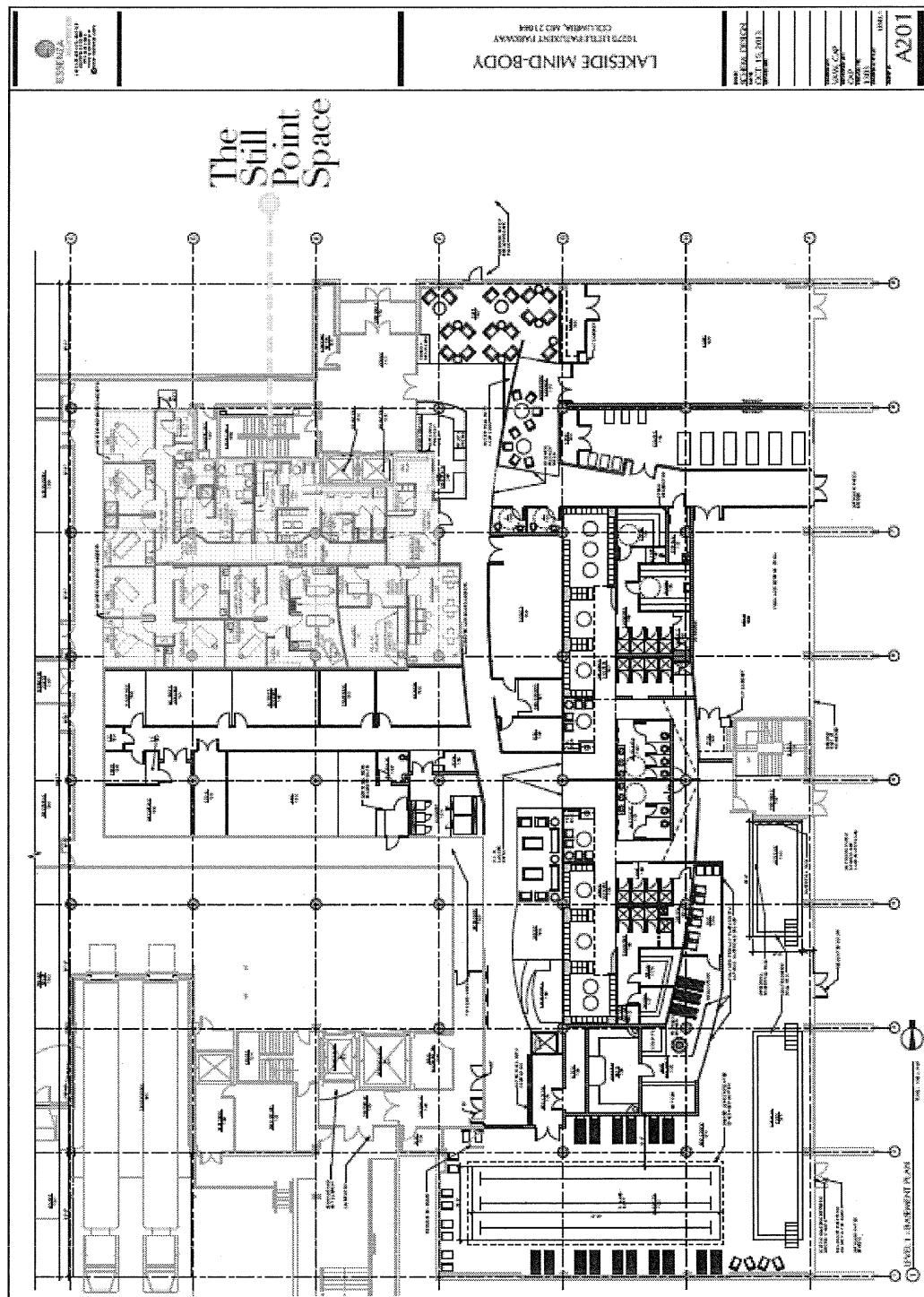


EXHIBIT B**SCHEDULE OF FURNITURE, FIXTURES & EQUIPMENT TO BE PROVIDED BY
LESSEE**

1. Furniture for wellness spa
2. Massage and treatment tables
3. All non-attached lighting fixtures (to walls or ceilings)
4. All wall hangings & decorative items
5. Equipment for treatments
6. Coffee & tea makers, water coolers, refrigerators
7. Computers for spa services and booking
8. Cash drawers
9. Linens and towels
10. Manicure/pedicure stations
11. Retail shelving

EXHIBIT C**SCHEDULE OF FURNITURE, FIXTURES & EQUIPMENT TO BE PROVIDED BY
CA**

1. Built in cabinets, counters, shelving, benches, sinks and showers
2. Lighting fixtures permanently attached to walls and ceilings
3. Carpet & other specified flooring
4. Life safety systems; sprinklers, fire alarm, security
5. All HVAC equipment
6. Reception desk
7. Built in dishwasher, refrigerator, ice machine
8. Built in sound system

EXHIBIT D



Maria Peoples <maria@thestillpointspa.com>

agreement

2 messages

Rob Goldman <rob.goldman@columbiaassociation.org>
To: **Tori Paide** <tori@stillpointmindandbody.com>, **Maria Peoples** <maria@stillpointmindandbody.com>
Cc: "Susan Krabbe (.org)" <Susan.Krabbe@columbiaassociation.org>

Tue, Oct 15, 2013 at 6:0'

Hi Marla & Tori,

I wanted to let you know that Susan and I discussed your request to have an additional stipend added to the agreement to recognize the very special expertise you bring to the partnership that will enable us to get the operation and cash flow moving expeditiously.

We would like to add \$20,000 to the agreement. That \$20,000 plus the \$30,000 that is already in the lease (total of \$50,000) will be paid to you by September 10, 2014.

Please let us know if that is acceptable. Once we hear from you, we will adjust the lease accordingly.

On a different topic related to the lease, have you had a chance to peruse the first drafts of schedules B&C??

Many thanks
Rob

--
Rob Goldman
Chief Operating Officer & Vice President
Phone: 410.715.3121
Fax: 410.740.0887

**My new email address is: Rob.Goldman@columbiaassociation.org
10221 Wincopin Circle
Columbia MD 21044
www.ColumbiaAssociation.org



"The information transmitted is intended only for the person to which it is addressed and may contain confidential, proprietary or privileged material. Any review, re-transmission, dissemination or other use of or action taken in reliance on this information by a person other than the intended recipient is prohibited. If you received this information in error, please contact the sender and delete the information. Thank you for your cooperation."

Marla Peoples <marla@stillpointmindandbody.com>

Tue, Oct 15, 2013 at 8:51

To: Rob Goldman <rob.goldman@columbiaassociation.org>, Tori Paide <tori@stillpointmindandbody.com>
Cc: "Susan Krabbe (.org)" <Susan.Krabbe@columbiaassociation.org>

Rob,

Thank you for getting back to us and we should move ahead with adding what you proposed in the agreement.

We spoke with Donna and are waiting to see what her team has come up with for membership. Did she touch base with you for approval to send that info? We really need this information to be worked into our agreement to move forward. This agreement really isn't a lease and we have been advised to change the name to services and lease agreement to protect both parties.

Best,
Marla Peoples

Co-Owner, The Still Point Clarksville & Yoga

www.thestillpointspa.com

www.thestillpointyoga.com

[Quoted text hidden]

EXHIBIT E

The Still Point Lease - final draft

Marla Peoples-TSP <marla@stillpointmindandbody.com>
To: Rob Goldman <rob.goldman@columbiaassociation.org>
Cc: Tori Paide <tori@stillpointmindandbody.com>

Thu, Nov 14, 2013 at 12:11 AM

Wonderful and we are very excited! With regards to your edits to the exit language, we understand it is necessary given the rental relationship with CA and HH organization.

See you at 1pm!

Marla

Sent from my iPhone, pardon any typos.

On Nov 13, 2013, at 4:55 PM, Rob Goldman <rob.goldman@columbiaassociation.org> wrote:

Tori & Marla,

Here's the final draft which we'll be signing at 1pm tomorrow. Thanks for all of your diligence and persistence in working through all of the details. Please let me know if you have any final edits.

Marla - regarding the projections vs. actuals discussion - although projections are used to calculate the percentage rent in the agreement, actuals will be used to do the ongoing calculations. And at the end of each term of the lease, we can adjust the percentages based on the actual performance in the past term. I hope this addresses the issue and brings you some comfort.

Phil Nelson, CA President/CEO will be on hand to sign for CA tomorrow and we'll have a notary present to notarize all signatures. And, after the signing, I'm planning on a hard hat tour!!

See you tomorrow
Rob

Rob Goldman
Chief Operating Officer & Vice President
Phone: 410.715.3121
Fax: 410.740.0887

**My new email address is: Rob.Goldman@columbiaassociation.org
10221 Wincopin Circle

Sales by Product-Detail.xls Show All

EXHIBIT F

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into on this 5TH day of DECEMBER, November, 2013, by and between the COLUMBIA ASSOCIATION, INC. (hereinafter referred to as "CA"), and The STILLPOINT Wellness Centers, LLC (hereinafter referred to as "Lessee").

WITNESSETH:

WHEREAS, CA will commence operation of a mind-body wellness center (the "Center") on or about September 1, 2014, to be located at 10400 Little Patuxent Parkway, Columbia, MD 21044; and

WHEREAS, CA is desirous of having qualified and reliable persons provide services in the Center; and

WHEREAS, CA has agreed to lease space to Lessee in the Center, where Lessee will provide services in accordance with and subject to the terms and conditions set forth in this Lease Agreement;

NOW, THEREFORE, for and in consideration of the mutual promises and agreements provided for herein by the parties, the parties hereto mutually agree as follows:

ARTICLE I - Leased Premises

1.1 Definition - Subject to the terms and conditions set forth below, CA hereby leases to Lessee and Lessee hereby rents from CA approximately 4309 square feet of space located in the Center, as identified on Exhibit A attached hereto and made a part hereof (the "Leased Premises"). Lessee shall take occupancy of the Leased Premises on the first

business day following CA's completion of the improvements set forth in paragraph 1.2 and receipt of a Use and Occupancy permit from Howard County (the "Effective Date").

1.2 Improvements to the Leased Premises – (a) Prior to the Effective Date, CA shall at its sole expense, construct the Leased Premises to suit Lessee's requirements subject to the approval of CA and its architect, in accordance with plans and specifications prepared by CA (the "Improvements"). Such Improvements may require, as specified, drywall, lighting, flooring, painting and cabinetry. Any further improvements that Lessee desires to make after the Effective Date shall be subject to CA's prior written approval, and each party shall pay fifty percent (50%) of the cost of such improvements. Lessee's occupancy of the Leased Premises shall be deemed to constitute acceptance of the Improvements and acknowledgement by Lessee that CA has fully complied with its obligations hereunder to construct and deliver the Leased Premises to Lessee.

1.3 Furniture, Fixtures and Equipment - Lessee shall purchase and provide for the Leased Premises the furniture, fixtures and equipment specified in the schedule attached hereto and made a part hereof as Exhibit B (the "Equipment"). Lessee must obtain prior written approval from CA for each item of the Equipment to be placed or installed in the Leased Premises, which approval shall not be unreasonably withheld. At least forty-five (45) days in advance of the Effective Date, CA shall provide written notice to Lessee that the Leased Premises are ready for installation of the Equipment. All Equipment must be installed by Lessee by the Effective Date. CA shall provide the furniture, fixtures and equipment specified in the schedule attached hereto and made a part hereof as Exhibit C. CA shall provide all its furniture, fixtures and equipment timely and in no event later than ten (10) days from the Effective Date, so as not to delay or interfere with the Equipment provided by Lessee.

1.4 Condition of Leased Premises - Lessee shall maintain the Leased Premises in safe, clean and good condition. CA shall keep the Center in good order and repair consistent with the operation of first-class mind-body wellness centers. CA shall have the right to enter the Leased Premises to make any necessary repairs thereto upon at least five days notice to Lessee, except in the case of bona fide emergency repairs, in which case CA may enter the Leased Premises without advance notice. CA shall endeavor to schedule non-emergency repairs so as to minimize any disruption of Lessee's normal business operations.

1.5 Return of Leased Premises to CA - At the end of the lease term and any extensions thereof, or otherwise upon termination of this lease, Lessee shall return the Leased Premises to CA in as good or better condition, than when received by Lessee from CA. If Lessee fails to do so, CA shall make all necessary repairs, and Lessee shall pay CA's costs for such repairs. Ordinary wear and tear, casualty, and alterations, additions and improvements which CA permitted to have been made shall be excepted, as well as any repairs necessitated by any failure of CA to maintain the Center in good repair and order per Section 1.4 of this Agreement.

ARTICLE II - Term of Lease

2.1 Term - All obligations of the parties hereunder to be performed shall commence on the date of this Agreement as above written, unless another date is specified in the Agreement with respect to a particular obligation. The term of this Lease Agreement shall commence on the Effective Date and shall run for a period of two (2) years (the "lease term"), unless terminated for cause as herein provided before the expiration of such term.

2.2 Renewal - Said term may be extended for three (3) periods of three (3) years (the "renewal terms") each at the option of Lessee so long as Lessee is not in default of

any provision of this Lease Agreement on the renewal date, in which case notification of any defaults must be made to Lessee at least ninety (90) days prior to the renewal date. Should Lessee elect to exercise said options, notice of said election shall be made, in writing, to CA at least one hundred and eighty (180) days prior to the renewal date. CA shall send written notice to Lessee not more than 210 days and not less than 190 days prior to the renewal date informing Lessee of said renewal option. In the event such notice is not sent by CA during such period, Lessee shall have 30 days from the actual delivery date of such notice to exercise its renewal option.

ARTICLE III – Compensation

3.1 Rent – Rent shall be payable under this Lease Agreement commencing on the Effective Date.

(a) Lease Term – During the first year of the lease term, Lessee shall not pay any annual rent. CA shall pay to Lessee the amount of Twenty-Five Thousand Dollars (\$25,000.00) on or before July 1, 2014, and an additional Twenty-Five Thousand Dollars (\$25,000.00) on or before September 10, 2014. During the second year of the lease term, Lessee shall pay to CA annual rent in the amount of Thirty-Five Thousand Dollars (\$35,000.00), to be paid in monthly installments of Two Thousand Nine Hundred and Seventeen Dollars (\$2,916.66).

(b) Renewal Terms - During the first renewal term, Lessee shall pay rent to CA as follows:

First Renewal Term Year 1 – Annual rent of One Hundred and Six Thousand Dollars (\$106,000.00) in monthly installments of Eight Thousand Eight Hundred Thirty-Three Dollars and Thirty-Three Cents (\$8,833.33);

First Renewal Term Year 2 – Annual Rent of One Hundred and Seventy-Six Thousand Dollars (\$176,000.00) in monthly installments of Fourteen Thousand Six Hundred and Sixty-Six Dollars and Sixty-Six Cents (\$14,666.66); and

First Renewal Term Year 3 – Annual Rent of Two Hundred and Forty-Seven Thousand Dollars (\$247,000.00) in monthly installments of Twenty Thousand Five Hundred and Eighty-Three Dollars and Thirty-Three Cents (\$20,583.33).

During subsequent renewal terms, the rent payable to CA by Lessee hereunder shall be increased by three per cent (3%) annually.

3.2 Percentage Rent - (a) During the Initial and Renewal Terms, Lessee also shall pay to CA "Percentage Rent" to be calculated based on Lessee's gross monthly revenues from all Lessee's operations in the Center, pursuant to the following schedule:

Lease Term Year One: 0%

Lease Term Year Two: 2.2%

Renewal Term Year One: 4.6%

Renewal Term Year Two: 5.9%

Renewal Term Year Three and any subsequent Renewal Term years: 6.7%

The monthly periods for calculation of Lessee's gross revenues will begin on the Effective Date and on the first day of each month thereafter. Lessee shall make payment to CA, without deduction, set off or prior demand, of the Percentage Rent specified above. Such payment shall be made on the tenth (10th) day of each month for the specified percentage of revenues during the preceding month.

(b) Lessee shall maintain accurate records of its operations in sufficient detail to enable verification of the Percentage Rent paid to CA. By the 10th day of each month, Lessee

shall provide to CA a signed copy of Lessee's profit and loss statement for its operations in the Center for the preceding month. If Lessee shall fail to deliver the foregoing statement to CA by the 10th day of any month, Lessee shall pay to CA, without notice or demand, a late charge of Fifty Dollars (\$50.00) to partially compensate CA for its administrative costs, which Lessee expressly acknowledges are reasonable and do not constitute a penalty. Within ninety (90) days of the end of Lessee's fiscal year, Lessee shall provide to CA a copy of Lessee's federal income tax return for its operations in the Center during that fiscal year. If Lessee shall fail to deliver the foregoing statement to CA by the 30th day of each month or shall fail to deliver the foregoing tax return by the date specified above, CA also shall have the right to examine Lessee's books and records of sales, purchases and inventory, and may elect to employ an independent Certified Public Accountant, to certify the amount of Lessee's Gross Sales. Lessee shall pay to CA, on demand, as Additional Rent, the cost of such audit and certification. If CA's audit establishes that Percentage Rent paid to CA was less than the amount actually due, Lessee shall pay the difference between the amount paid and the amount due plus an additional late fee of ten percent (10%) of such difference.

(c) The term "Gross Sales" as used herein means the total amount charged by Lessee or anyone on Lessee's behalf in connection with any and all sales of services and merchandise made or rendered on, in or from the Leased Premises, whether or not such amounts shall be for cash or on credit, whether collected or uncollected. Each charge or sale upon installment or credit shall be treated as a sale for the full price in the month during which such charge or sale shall be made, irrespective of the time when Lessee shall receive payment (whether full or partial) therefor. The amount of any deposit not refunded shall be included in Gross Sales.

The following items shall be excluded from Gross Sales: (i) any exchange of merchandise between businesses of Lessee when such exchange is made solely for the convenient operation of Lessee's business and not for the purpose of consummating a sale made on, in or from the Premises; (ii) returns to suppliers or manufacturers; (iii) cash or credit refunds to customers on transactions otherwise included in Gross Sales; (iv) all sums and credits received in settlement of claims for loss or damage to merchandise; (v) amounts collected from customers and paid by Lessee to any government for any sales or excise tax; (vi) the amount of any discount sales to employees to the extent such discount sales to employees do not exceed more than two percent (2%) of Lessee's annual Gross Sales; and (vii) the amount of any joint sales revenues earned by both parties for the sale of packages including services, facilities and merchandise provided by both parties. Such joint sales revenues shall be payable to the parties in accordance with an addendum to be agreed upon by the parties and hereafter attached hereto and made a part hereof. No franchise, capital stock tax, tax based upon assets or net worth, or gross receipts tax, and no income or similar tax based on income or profits shall be deducted from Gross Sales.

3.3 Payment - All rents, fees and other monies paid under this Agreement or any renewal thereof shall be sent to CA at the following address: Columbia Association, Attn: Accounting, 10221 Wincopin Circle, Columbia, Maryland 21044, or such other address as may be designated by CA, in writing, from time to time.

3.4 How and When Paid - The monthly rent, fees and other monies due from Lessee to CA under this Agreement, with the exception of any payment for Services under Section 4.2 of this Agreement, shall be payable on the tenth (10th) day of each month. Percentage Rent shall be due as provided in section 3.2(a) above. Payments not made within

ten (10) days of their due date shall incur interest at one and one-half percent (1.5%) per month.

ARTICLE IV - Grant of Rights to Lessee and CA

4.1 Wellness and Spa Services - CA hereby grants to Lessee for the term of this Agreement the exclusive right to occupy and use the Leased Premises for purposes of providing wellness services, including but not limited to massage therapy, acupuncture, nutrition counseling, natural skin care, naturopathic medicine, essential oils therapy and life coaching, to CA's members and guests as well as the public.

4.2 Marketing – CA shall provide Lessee with up to eight (8) hours per calendar month of marketing support, which will include promoting Lessee's services in all appropriate CA marketing modalities, including but not limited to: the CA Activities Guide, CA's websites, bulletin boards in CA facilities, CA's television show and messaging ads. On or before the 10th day following the end of a month, Lessee may request in writing that CA provide additional services during the next month for which CA reserves the right to charge Lessee Five Hundred Dollars (\$500.00) per hour. Such written request shall specify the maximum number of hours of service to be provided and payment for such services will be made commensurate with the written request.

4.3 Training – Lessee shall provide CA employees with up to eight (8) hours of training per calendar month with respect to best practices for providing customer service in a mind-body wellness environment. On or before the 10th day following the end of a month, CA may request in writing that Lessee provide additional services during the next month, for which Lessee reserves the right to charge CA Five Hundred Dollars (\$500.00) per hour. Such written

request shall specify the maximum number of hours of service to be provided and payment for such services will be made commensurate with the written request.

ARTICLE V - Operation of Leased Premises by Lessee

5.1 Conduct and Safety of the Operations of the Lessee - Lessee shall conduct all of its operations hereunder in a safe and careful manner; shall observe such safety precautions and rules in its operations as are set forth in all laws, rules and regulations that apply to the provision of physical therapy and rehabilitation services; and shall maintain an adequate number of employees to maintain, operate, supervise and regulate the activities and operations conducted by Lessee.

5.2 Schedule of Operations - Lessee may provide services in the Leased Premises during all of those hours of the day that the Center is open to members and customers.

5.3 Employees - Lessee may employ such persons as may be required in Lessee's operations in the Leased Premises. No employee of Lessee shall be deemed to be an employee of CA for any purpose.

5.4 Standards of Employment - Lessee shall, where applicable, comply with the requirements of all Federal, State and local laws, rules, ordinances and regulations relating to minimum wages, social security, unemployment insurance and worker's compensation and will not discriminate against any employee or applicant for employment because of age, sex, race, creed, color, national origin, religion, sexual orientation, personal appearance or disability. In the event that Lessee is determined by the final order of an appropriate agency or court to be in violation of the non-discrimination provisions of Federal, State or local laws, and such violation is not corrected by Lessee within thirty (30) days of any such determination or order, this Agreement may be canceled, terminated, or suspended in whole or in part by CA,

and Lessee may be declared ineligible for future CA contracts. CA shall have the right to require termination of any of Lessee's employees for cause, "cause" being defined as any felonious conduct or conduct that endangers persons or property.

5.5 Discrimination - Lessee shall not discriminate against any member of the public desiring to purchase any of the services provided by Lessee because of age, race, sex, creed, color, national origin, religion, sexual orientation, personal appearance or disability.

5.6 Conformity to Laws - Lessee shall, during the term of this Agreement, at Lessee's own cost and expense, promptly observe, perform, execute and comply with all laws, rules, requirements, orders, directives, ordinances and regulations of every governmental authority or agency that relate to the Leased Premises. Lessee, upon notice of any violation, shall have the right to correct same within the time allowed for correction or compliance and/or to contest in good faith, by appropriate action, the validity of any such law, rule, requirement, order, directive, ordinance or regulation, provided that title of CA to the Leased Premises and the rights of the parties to this Agreement are not thereby jeopardized or impaired and so long as CA shall not be subject to any penalty and the Leased Premises shall not be subject to any lien by reason thereof.

5.7 Inspection by CA - CA may inspect the Leased Premises and the operations of Lessee from time to time in order to assure that the provisions of this Agreement are being fulfilled; provided, however, that the failure of CA to inspect shall not be considered a waiver of any right accruing to CA upon any failure of Lessee to perform duties and obligations under the provisions of this Agreement.

5.8 Public Utilities - CA agrees that it will provide to the Leased Premises, during the hours that the Center is open for business, utility services consisting of adequate

water and heating, air conditioning, electricity and sewer. CA, however, shall bear no responsibility to Lessee for any interruption of utility services caused by circumstances that are not within CA's control.

5.9 Taxes - Lessee shall pay all fees and taxes which may be levied by any governmental jurisdiction upon the conduct of business by Lessee on the Premises under the provisions of this Agreement. CA shall pay all fees and taxes which may be levied by any governmental jurisdiction upon the ownership and operation of the Center or the Premises.

5.10 Licenses - Lessee, at its own expense, shall obtain and keep in effect all licenses or permits which may be required by law to operate Lessee's business on the Leased Premises.

5.11 Liens - Lessee shall not permit any liens to stand against the Leased Premises for any labor or material furnished to Lessee in connection with any work performed by or at the direction of Lessee. Lessee covenants and agrees that if, because of any act or omission (or alleged act or omission) of Lessee, any mechanic's or other lien, charge or order for the payment of money or other encumbrance shall be filed against CA, Lessee shall, at its own cost and expense, cause the same to be discharged of record or bonded within thirty (30) days after notice to Lessee of the filing thereof.

5.12 Smoking Prohibited - Lessee shall establish and post rules which prohibit any employee or customer from smoking on the Leased Premises.

ARTICLE VI - Possession

CA covenants and warrants that it will deliver to Lessee exclusive possession of the Leased Premises, with appurtenances, in conformity with the law and for the purposes set forth herein, on the Effective Date of this Agreement.

ARTICLE VII – Insurance

7.1 Property Insurance - Lessee shall at all times during the term of this Agreement carry insurance on its own property in an amount at least equal to the replacement cost thereof. Such insurance shall be placed with an insurer acceptable to CA and shall waive all rights of subrogation against CA. A certificate evidencing such insurance shall be furnished to CA prior to the Effective Date of this Agreement and annually thereafter, or more often as CA may reasonably require.

7.2 Liability Insurance - Lessee shall carry liability insurance against any claim for bodily injury or death and/or property damage in the following amounts:

General Aggregate: \$3,000,000.00 Occurrence Based

Deductible allowed: up to \$5,000.00, at the discretion of Lessee, it being understood that CA shall not be responsible to pay any deductible amount for any claim made

Each Occurrence: \$1,000,000.00

Fire Damage (any one fire): Replacement cost

Medical Expense (any one person)/ \$5,000.00

7.3 Worker's Compensation - Lessee shall carry Worker's Compensation Insurance in the amount required by Maryland law.

7.4 Additional Terms for Insurance - CA shall be an additional named insured on each policy of insurance carried by Lessee under this Article VII and each policy shall provide that it may not be cancelled except upon thirty (30) days written notice to CA. Certificates evidencing all required insurance shall be furnished to CA prior to the Effective Date and annually thereafter, or more often as CA may reasonably require. All insurance shall be placed with companies licensed to do business in the State of Maryland.

CA may review all insurance coverage during the time between Lessee giving notice to exercise its renewal option pursuant to Section 2.2 and the commencement of any

renewal term, and Lessee shall increase or decrease the limits of its insurance coverage in such amounts as shall be adequate, reasonable, and proper based on industry standards.

ARTICLE VIII – Indemnification

8.1 Lessee's Indemnification - Lessee agrees it shall at all times indemnify and hold CA harmless against all actions, claims, demands, costs, damages and expenses of any kind, including attorney's fees, which may be brought or made against CA, or which CA may pay or incur, by reason of Lessee's negligent performance of, or failure to perform, any of its obligations and duties under the provisions of this Agreement, or by reason of any occurrence in or upon the Leased Premises, or in any way related to Lessee's operations in the Leased Premises.

8.2 CA's Indemnification - CA agrees it shall indemnify and hold harmless Lessee against all actions, claims, demands, costs, damages and expenses of any kind, including attorney's fees, which may be brought or made against Lessee, or which Lessee may pay or incur, by reason of CA's negligent performance of, or failure to perform, any of its obligations and duties under the provisions of this Agreement.

ARTICLE IX - Defaults

9.1 Lessee's Defaults - Lessee shall be deemed to be in default of the provisions of this Agreement:

a. When Lessee shall fail, for thirty (30) days after notice from CA, to pay, when due, any payment required to be made by Lessee to CA under the provisions of this Agreement; or

b. When Lessee shall fail to comply with any reasonable rules and regulations of CA after receipt of thirty (30) days written notice by CA of such non-compliance by Lessee;

or

c. When Lessee shall make any assignment for the benefit of creditors or file a voluntary petition in bankruptcy or be adjudicated a bankrupt or take the benefit of any insolvency act or be dissolved, voluntarily or involuntarily, or if a receiver or a trustee of Lessee and/or its property shall be appointed in any proceedings other than bankruptcy proceedings and such appointment, if made in proceedings instituted by Lessee, shall not be vacated within ten (10) days after it has been made or, if made in proceedings instituted by other than Lessee, shall not be vacated within forty-five (45) days after it has been made; or

d. When Lessee shall fail to perform any of the other provisions, duties, obligations, covenants or conditions of this Agreement to be kept or performed by Lessee after receipt of thirty (30) days written notice by CA of such non-compliance by Lessee.

9.2 Liability - Lessee shall be liable for any and all loss or damage resulting from any default.

9.3 Waiver - No waiver by CA of any default or breach of any conditions or provisions of this Agreement by Lessee shall constitute or be construed as a waiver of any other default, violation or breach of any condition or provision of this Agreement, nor shall lapse of time affect any default or breach of condition or provisions of this Agreement or operate to defeat the rights of CA under the provisions of this Agreement.

ARTICLE X – Remedies

10.1 Right of Re-Entry and Termination - In the event that Lessee defaults under this Agreement, CA may, at its option, upon giving ten (10) days written notice to Lessee

(after the respective period of compliance, as hereinabove provided in Article IX, has expired, or at any time thereafter during which the default is not cured) terminate this Agreement. Upon such termination CA may recover possession of the Leased Premises in the manner prescribed by the Maryland statutes relating to summary proceedings or similar applicable statutes, it being understood that no further demand for the rent and no re-entry for condition broken and no notice to quit possession or other notices prescribed by statute shall be necessary to enable CA to recover such possession, but that all right of any such further demand or such re-entry or any notice to quit possession or any statutory notices or prerequisites are hereby expressly waived by Lessee. Any such termination shall not relieve Lessee of any claim or obligation which shall have accrued under the provisions of this Agreement, and Lessee shall remain liable therefore as fully and completely as if said Agreement had not been terminated.

10.2 Correction of Default by CA - Should CA find it necessary to enter upon the Leased Premises and undertake to correct any default which has occurred as a result of any failure by Lessee to perform its duties and obligations under the provisions of this Agreement, CA shall, after giving notice to Lessee of the default and after expiration of the period prescribed for compliance by the provisions of this Agreement, or sooner if necessary to prevent personal injury or to prevent property damage which would affect CA's interests in the Leased Premises, enter upon the Leased Premises and remedy such default and shall charge Lessee, and Lessee shall be liable for the reasonable costs and expenses incurred by CA in remedying such default, including attorney's fees actually incurred.

10.3 Interest Charge for Default in Payment - If either should be in default for any payment due under the provisions of this Agreement, after the expiration of any applicable period of compliance, the other party may either terminate this Agreement under the provisions

of the applicable Section of this Agreement, or may elect to continue this Agreement in effect but shall charge one and one-half percent (1.5%) per month of the amount due for which the other party is in default for any period during which that party shall continue to be in default for payment.

10.4 Refund to Lessee - If CA should terminate this Agreement under the provisions hereinabove at such time as Lessee shall have an unexpired portion of paid up tenure, the amount of such payment for such unexpired portion of the tenure as shall remain after the effective date of termination and after deduction of all costs and expenses incurred by CA due to the default of Lessee shall be refunded by CA to Lessee.

10.5 Termination by CA For Reason Other Than Default – The parties agree that, in the event CA terminates this Agreement for a reason other than Lessee's default under Section 10.1 of this Agreement or Casualty under Section 11.2, insofar as it is difficult to establish the amount of time and money necessary for Lessee to establish a new wellness center on a comparable site or to measure reputational and other special damages, CA shall pay as liquidated damages to Lessee an amount equal to the lesser of i) ten percent (10%) of Lessee's gross revenues during the last full fiscal year prior to termination of the Agreement, or ii) One Hundred Thousand Dollars (\$100,000.00). The parties further stipulate that the agreed upon sum is not a penalty, but rather a reasonable measure of damages, based upon the parties' experience and given the nature of the losses that may result from delay.

10.6 Lessee's Right to Termination - In the event that CA shall fail to perform any of its duties and obligations under the provisions of this Agreement within 30 days after written notification to CA by Lessee of CA's failure to perform such duties and obligations, Lessee may, upon an additional 10 days written notice to CA, terminate this Agreement,

provided that all duties and obligations of Lessee under the provisions of this Agreement shall be performed in accordance with the provisions of this Agreement to the effective date of termination. In the event Lessee has not performed all of its duties and obligations in accordance with this Agreement at the time Lessee desires to terminate this Agreement, Lessee may only terminate this Agreement once it has fully performed its duties and obligations and upon the requisite notice to CA as set forth above.

10.7 Dispute - In the event that either party gives the other Notice of default hereunder and the default is disputed by the other party, the parties may agree to mediate or arbitrate the dispute. Should no agreement to mediate or arbitrate be possible, either party may bring suit in Howard County, Maryland, in an attempt to resolve the dispute. If mediation is chosen, each party shall bear its own expenses, including attorney's fees, and fifty percent (50%) of the cost of the mediator. In the event that the parties agree to arbitrate or that litigation ensues, the prevailing party shall be entitled to an award of all costs, including all attorney's fees actually incurred.

ARTICLE XI - Miscellaneous Provisions

11.1 Assignment and Divestiture – Lessee shall not assign, rent or sublet the Leased Premises without the prior written consent of CA. Any assignment or sublease of this Agreement without such consent shall be null and void. The consent of CA to an assignment may be withheld in the sole discretion of CA. Notwithstanding the foregoing, in the event Lessee desires to divest itself from the spa and wellness center business, either wholly or in part, Lessee shall give right of first refusal to CA for the purchase or assignment of any of Lessee's tangible or intangible assets related to its operations in the Leased Premises (the "assets"). To the extent that CA declines to purchase some or all of Lessee's assets, Lessee

may seek other purchasers of the assets that are not acquired by CA, including Lessee's rights in this Agreement through an assignment, on the condition that Lessee make known to any potential buyer that CA and the Center's landlord, Clover Acquisitions, LLC ("Clover"), must consent to the assignment. Such consent shall not be unreasonably withheld by CA. CA and Clover shall have the right to request reasonable satisfactory documentation of the potential buyer's qualifications and financial status. Grounds for CA's and/or Clover's refusal to consent to the assignment shall include but are not limited to a potential buyer's refusal or inability to provide such documentation.

11.2 Casualty - If as the result of fire or other casualty the Leased Premises are rendered wholly or partially untenantable, CA may terminate this Agreement by giving notice to Lessee within 90 days after the occurrence of such casualty.

11.3 Surrender - Lessee, on the last day of the term of this Agreement, shall surrender the Leased Premises and all improvements thereon in as good condition as when Lessee took possession, except for ordinary wear and tear, casualty, and alterations, additions and improvements which CA permitted to have been made and which ownership shall thereupon be vested in CA free and clear of all encumbrances.

11.4 Holding Over - Lessee agrees to vacate the Leased Premises upon the termination of this Agreement. If Lessee holds possession of the Leased Premises after the termination of this Lease for any reason, Lessee shall pay CA double the rent described in paragraph 3.1 above for such period that the Lessee holds over, but such payment of rent shall not create any lease arrangement between Lessee and CA. In addition, if Lessee holds over, Lessee shall be liable for any damages incurred by CA as the result of such holdover, including

the inability to deliver the Leased Premises to a subsequent lessee and attorneys' fees incurred to enforce this provision.

11.5 Notices - All notices required to be given for either party hereunder shall be in writing and sent by registered or certified mail, return receipt requested. Notices to CA shall be sent to Columbia Association, Inc., Attn: Sport & Fitness, 10221 Wincopin Circle, Columbia, Maryland 21044. Notices to Lessee shall be sent to Stillpoint Wellness Centers, LLC, 5570 Sterrett Place, #202, Columbia, Maryland 21044. Either party may change its mailing address hereunder by giving notice thereof to the other party in the manner provided in this Section.

11.6 Article and Section Titles - The Article and Section headings of this Agreement are intended merely for convenience of reference and are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part of this Agreement.

11.7 Integrated Agreement - This instrument contains all of the agreements and conditions made between the parties and may not be modified orally or in any other manner than by an agreement in writing signed by both parties or their respective successors in interest.

11.8 Severability - The invalidity or illegality of any provision of this Agreement shall not affect the remainder of this instrument.

11.9 Successors and Assigns - All of the covenants, provisions, terms, agreements and conditions of this Agreement shall inure to the benefit of and be binding upon CA, or any successor of CA, and upon Lessee or its successor in interest (as hereinabove permitted).

11.11 Laws of Maryland to Control: Venue - This Agreement shall be construed, interpreted and enforced according to the Laws of the State of Maryland. Any suit brought to enforce the provisions hereof shall be brought in the courts of Howard County, Maryland.

11.12 Amendment – This Agreement shall not be amended or modified except upon the written consent of both parties. Parties specifically agree to meet prior to the commencement of each new lease term year or renewal term year to discuss possible amendments to Rent and Percentage Rent to reflect updated profit and expense projections for subsequent years.

11.13 Master Lease. Lessee acknowledges that CA's possession of the Leased Premises is pursuant to a certain Lease Agreement dated December 7, 2012, between CA, as Tenant, and Clover, as Landlord ("Master Lease"). Lessee further acknowledges that its rights under this Lease are subject and subordinate to all of the terms and provisions of the Master Lease. In no event shall Clover be bound by any provision of this Lease. Lessee agrees that it shall include Clover as an additional insured under the policies of insurance required by Article VII of this Lease and that any indemnification by Lessee of CA under the Lease shall extend also to the benefit of Clover. Clover shall be deemed a third-party beneficiary of the covenants of Lessee under this Section 11.13.

SIGNATURE PAGES FOLLOW

IN WITNESS WHEREOF, the parties hereto hereby set their hands and seals as of the day and date last above written.

STILLPOINT WELLNESS CENTERS, LLC

By: Marla Peoples (SEAL)

Print Name: Marla Peoples

Title: Co-owner

Federal Tax Identification Number: 27-4875993

COLUMBIA ASSOCIATION, INC.

By: Philip L. Nelson (SEAL)

Print Name: Philip L. Nelson

Title: President/CEO

STATE OF MARYLAND, COUNTY OF HOWARD, to wit:

I HEREBY CERTIFY that on this 5TH day of DECEMBER 2013, before me, the subscriber, a Notary Public in and for the State of Maryland, personally appeared MARIA PEOPLES, who acknowledged him/herself to be the CO-OWNER of Stillpoint Wellness Centers, LLC, and that (s)he, as such CO-OWNER, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

CAROL SWANSON
Notary Public-Maryland
Howard County
My Commission Expires
May 22, 2017

Notary Public

Carol Swanson

My Commission Expires: 5/22/2017

STATE OF MARYLAND, COUNTY OF HOWARD, to wit:

I HEREBY CERTIFY that on this 5TH day of DECEMBER 2013, before me, the subscriber, a Notary Public in and for the State of Maryland, personally appeared PHILIP J. NELSON, who acknowledged him/herself to be the PRESIDENT of the Columbia Association, Inc., and that (s)he, as such PRESIDENT, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

AS WITNESS my hand and Notarial Seal:

CAROL SWANSON
Notary Public-Maryland
Howard County
My Commission Expires
May 22, 2017

Notary Public

Carol Swanson

My Commission Expires: 5/22/2017

EXHIBIT A
LEASED PREMISES

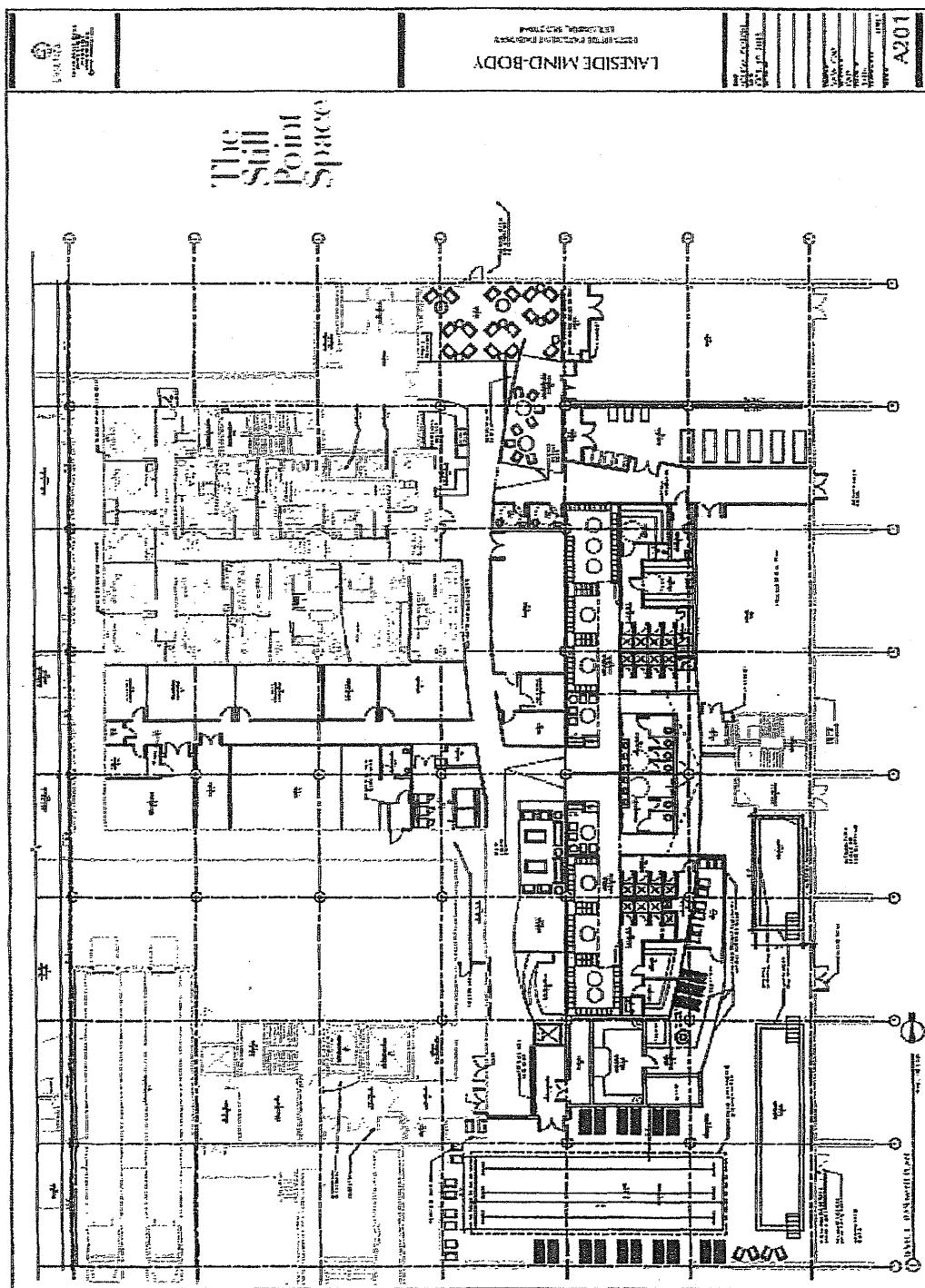


EXHIBIT B**SCHEDULE OF FURNITURE, FIXTURES & EQUIPMENT TO BE PROVIDED BY
LESSEE**

1. Furniture for wellness spa
2. Massage and treatment tables
3. All non-attached lighting fixtures (to walls or ceilings)
4. All wall hangings & decorative items
5. Equipment for treatments
6. Coffee & tea makers, water coolers, refrigerators
7. Computers for spa services and booking
8. Cash drawers
9. Linens and towels
10. Manicure/pedicure stations
11. Retail shelving

EXHIBIT C**SCHEDULE OF FURNITURE, FIXTURES & EQUIPMENT TO BE PROVIDED BY
CA**

1. Built in cabinets, counters, shelving, benches, sinks and showers
2. Lighting fixtures permanently attached to walls and ceilings
3. Carpet & other specified flooring
4. Life safety systems; sprinklers, fire alarm, security
5. All HVAC equipment
6. Reception desk
7. Built in dishwasher, refrigerator, ice machine
8. Built in sound system

Exhibit A

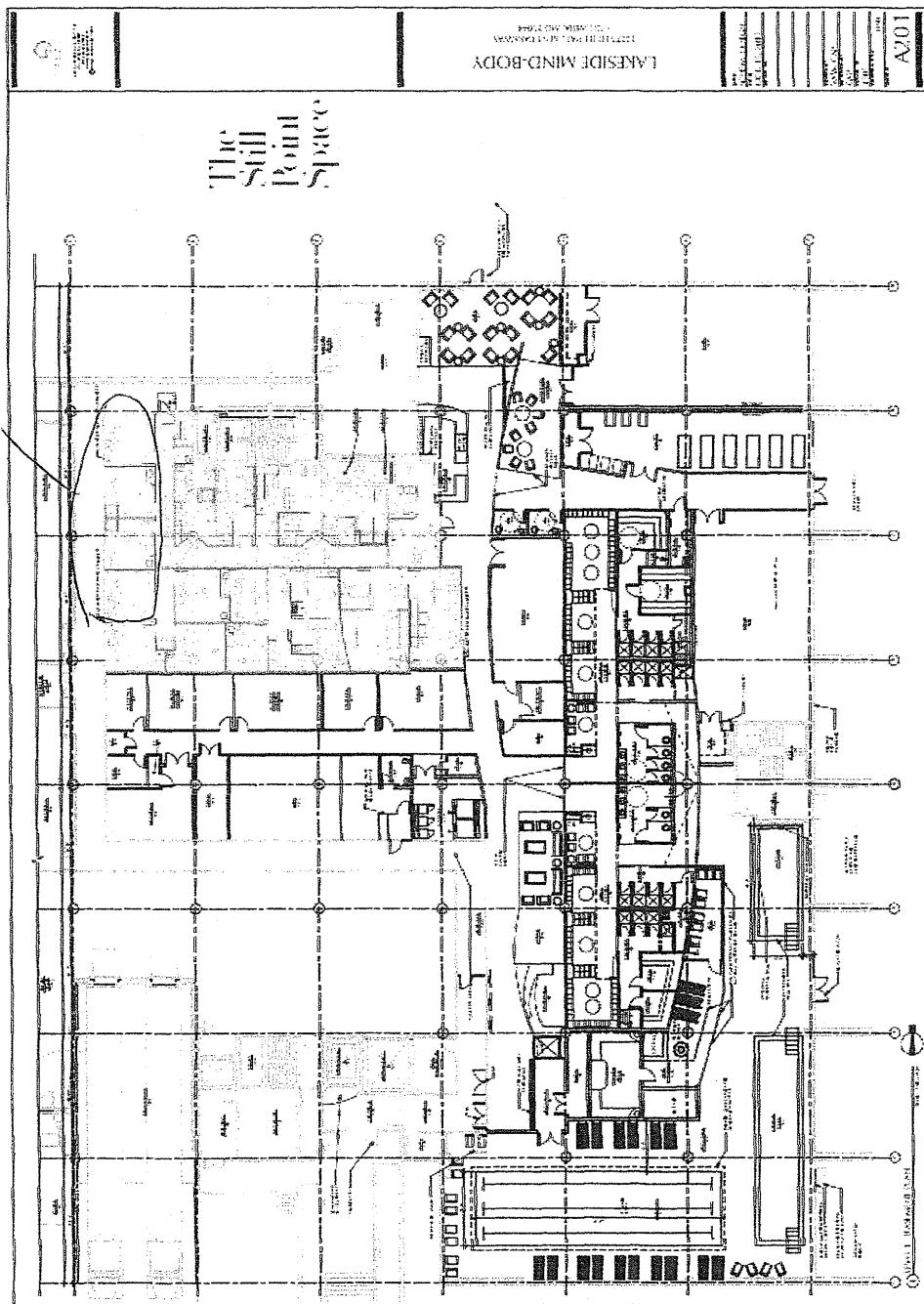


EXHIBIT G



Marla Peoples <marla@thestillpointspa.com>

TSP logo for Haven

18 messages

Marla Peoples <marla@thestillpointspa.com>

Thu, Aug 21, 2014 at 10:19 PM

To: Rob Goldman <rob.goldman@columbiaassociation.org>, Emily Talbot <emily.talbot@columbiaassociation.org>, Tori Paide <tori@thestillpointspa.com>, Valerie Barnard <valerie.barnard@columbiaassociation.org>, claudia.lafuse@columbiaassociation.org

In today's Spectrum meeting, we spoke about co-branding and the spa's logo. It was our understanding that we would continue to use our logo in some capacity and TSP's brand is important in this partnership.

Claudia and I briefly spoke tonight about a creative way to use our logo vs just the spa name and stick with the clean look of Haven on the Lake. Claudia, I hope I'm not putting you on the spot but do you mind sharing your thoughts?

Thanks,
Marla



Marla Peoples
Owner
www.thestillpointspa.com



**Please note that my e-mail address has changed. My new e-mail address is marla@thestillpointspa.com.

Claudia Lafuse <claudia.lafuse@columbiaassociation.org>

Fri, Aug 22, 2014 at 11:39 AM

To: Marla Peoples <marla@thestillpointspa.com>

Cc: Rob Goldman <rob.goldman@columbiaassociation.org>, Emily Talbot <emily.talbot@columbiaassociation.org>, Tori Paide <tori@thestillpointspa.com>, Valerie Barnard <valerie.barnard@columbiaassociation.org>

Good morning.

I mentioned to Marla that just as CA on printed documents uses the HAVEN logo with the following text statement beneath it —

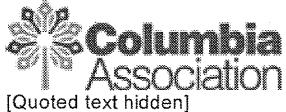
A partnership between Columbia Association and The Still Point

could we agree that it is possible to simply place at the entry of The Still Point area within the HAVEN interior —
The Still Point logo with the following text
at Haven on the Lake

and on The Still Point documents when referencing Haven on the Lake
use the The Still Point logo with the following text —
The Still Point

at Haven on the Lake
A partnership with the Columbia Association

Claudia Lafuse
Design Director
Columbia Association
10221 Wincopin Circle
Columbia, MD 21044
410-715-5521



[Quoted text hidden]

"The information transmitted is intended only for the person to which it is addressed and may contain confidential, proprietary or privileged material. Any review, re-transmission, dissemination or other use of or action taken in reliance on this information by a person other than the intended recipient is prohibited. If you received this information in error, please contact the sender and delete the information. Thank you for your cooperation."

Rob Goldman <rob.goldman@columbiaassociation.org> Fri, Aug 22, 2014 at 11:44 AM
To: Claudia Lafuse <claudia.lafuse@columbiaassociation.org>
Cc: Marla Peoples <marla@thestillpointspa.com>, Emily Talbot <emily.talbot@columbiaassociation.org>, Tori Paide <tori@thestillpointspa.com>, Valerie Barnard <valerie.barnard@columbiaassociation.org>
Sounds good to me

thanks

[Quoted text hidden]

—
Rob Goldman
Chief Operating Officer & Vice President
Phone: 410.715.3121
Fax: 410.740.0887

****My new email address is: Rob.Goldman@columbiaassociation.org**
10221 Wincopin Circle
Columbia MD 21044
www.ColumbiaAssociation.org



[Quoted text hidden]

Valerie Barnard <valerie.barnard@columbiaassociation.org> Fri, Aug 22, 2014 at 1:54 PM
To: Claudia Lafuse <claudia.lafuse@columbiaassociation.org>
Cc: Marla Peoples <marla@thestillpointspa.com>, Rob Goldman <rob.goldman@columbiaassociation.org>, Emily Talbot <emily.talbot@columbiaassociation.org>, Tori Paide <tori@thestillpointspa.com>
It works for me.

On Fri, Aug 22, 2014 at 11:39 AM, Claudia Lafuse <claudia.lafuse@columbiaassociation.org> wrote:
[Quoted text hidden]

—
Valerie Barnard

Director, Sales and Marketing
(410) 715-3185
10221 Wincopin Circle
Columbia, MD 21044
ColumbiaAssociation.org



[Quoted text hidden]

Marla Peoples <marla@thestillpointspa.com>

Fri, Aug 22, 2014 at 3:58 PM

To: Claudia Lafuse <claudia.lafuse@columbiaassociation.org>

Cc: Rob Goldman <rob.goldman@columbiaassociation.org>, Emily Talbot <emily.talbot@columbiaassociation.org>, Tori Paide <tori@thestillpointspa.com>, Valerie Barnard <valerie.barnard@columbiaassociation.org>

Great, how can we see a sample of this and we need to use this for the gift cards per yesterday's meeting. We will be using Haven's GC but putting our insert with package details and amount of GC in the envelope. Since the general GC's are set up, can we use your team to finish the spa GC too? You have the templates, it is just wording.

Marla



Marla Peoples
Owner
www.thestillpointspa.com



**Please note that my e-mail address has changed. My new e-mail address is marla@thestillpointspa.com.

On Fri, Aug 22, 2014 at 11:39 AM, Claudia Lafuse <claudia.lafuse@columbiaassociation.org> wrote:

[Quoted text hidden]

Claudia Lafuse <claudia.lafuse@columbiaassociation.org>

Fri, Aug 22, 2014 at 5:31 PM

To: Marla Peoples <marla@thestillpointspa.com>

Cc: Rob Goldman <rob.goldman@columbiaassociation.org>, Emily Talbot <emily.talbot@columbiaassociation.org>, Tori Paide <tori@thestillpointspa.com>, Valerie Barnard <valerie.barnard@columbiaassociation.org>

Here is an example of The Still Point logo with agreed upon CA partnership text.

Claudia Lafuse
Design Director
Columbia Association
10221 Wincopin Circle
Columbia, MD 21044
410-715-5521



[Quoted text hidden]
[Quoted text hidden]

 **stillpointLOGOwithCAtext.pdf**
92K

Emily Talbot <emily.talbot@columbiaassociation.org> Fri, Aug 22, 2014 at 9:43 PM
To: Claudia Lafuse <claudia.lafuse@columbiaassociation.org>
Cc: Rob Goldman <rob.goldman@columbiaassociation.org>, Tori Paide <tori@thestillpointspa.com>, Marla Peoples <marla@thestillpointspa.com>, Valerie Barnard <valerie.barnard@columbiaassociation.org>
I 3rd that.

Thank you Claudia.

[Quoted text hidden]

Marla Peoples <marla@thestillpointspa.com> Fri, Aug 22, 2014 at 9:53 PM
To: Emily Talbot <emily.talbot@columbiaassociation.org>
Cc: Claudia Lafuse <claudia.lafuse@columbiaassociation.org>, Rob Goldman <rob.goldman@columbiaassociation.org>, Tori Paide <tori@thestillpointspa.com>, Valerie Barnard <valerie.barnard@columbiaassociation.org>
I like the look and it is consistent with Haven Brand. We could even make our logo a little smaller if need be.

I'll connect with Tori for her thoughts.

Thank you Claudia!



**Please note that my e-mail address has changed. My new e-mail address is marla@thestillpointspa.com.

[Quoted text hidden]

Tori Paide <tori@thestillpointspa.com> Fri, Aug 22, 2014 at 11:11 PM
To: Marla Peoples <marla@thestillpointspa.com>
Just bt u and me not to confuse everyone...isn't the font wrong and isn't ca "the Columbia association" vs just Columbia association?



**Please note that my e-mail address has changed. My new e-mail address is tori@thestillpointspa.com.

[Quoted text hidden]

Marla TSP <marla@thestrillpointspa.com>

Sat, Aug 23, 2014 at 9:16 AM

To: Tori Paide <tori@thestrillpointspa.com>

This isn't the final, she's not the designer. She just have us an example of it per my request. We will confirm the font and name once we approve.

Sent from my iPhone, pardon any typos.

[Quoted text hidden]

Tori Paide <tori@thestrillpointspa.com>

Sat, Aug 23, 2014 at 1:00 PM

To: Marla TSP <marla@thestrillpointspa.com>

K



Tori Paide

Owner

www.thestrillpointspa.com



**Please note that my e-mail address has changed. My new e-mail address is tori@thestrillpointspa.com.

[Quoted text hidden]

Marla Peoples <marla@thestrillpointspa.com>

Tue, Sep 2, 2014 at 3:34 PM

To: Emily Talbot <emily.talbot@columbiaassociation.org>

Cc: Claudia Lafuse <claudia.lafuse@columbiaassociation.org>, Rob Goldman <rob.goldman@columbiaassociation.org>,

Tori Paide <tori@thestrillpointspa.com>, Valerie Barnard <valerie.barnard@columbiaassociation.org>

All-

Who is responsible for making the spa gift card envelope and insert using the spa/haven logo? We need to move forward and have the language for the insert with the spa packages that will be included.

Thanks,

Marla



Marla Peoples

Owner

www.thestrillpointspa.com



**Please note that my e-mail address has changed. My new e-mail address is marla@thestrillpointspa.com.

[Quoted text hidden]

Valerie Barnard <valerie.barnard@columbiaassociation.org>

Wed, Sep 3, 2014 at 9:06 AM

To: Marla Peoples <marla@thestrillpointspa.com>

Cc: Emily Talbot <emily.talbot@columbiaassociation.org>, Claudia Lafuse <claudia.lafuse@columbiaassociation.org>,

Rob Goldman <rob.goldman@columbiaassociation.org>, Tori Paide <tori@thestrillpointspa.com>

I apologize Marla, but I am not aware that we were designing a gift card envelope and insert for The Still Point. It is my understanding that your designer was working on those items, along with your gift card.

[Quoted text hidden]

--
Valerie Barnard

Director, Sales and Marketing

(410) 715-3185

10221 Wincopin Circle

Columbia, MD 21044

ColumbiaAssociation.org



[Quoted text hidden]

Marla Peoples <marla@thestillpointspa.com>

Wed, Sep 3, 2014 at 11:21 AM

To: Valerie Barnard <valerie.barnard@columbiaassociation.org>

Cc: Emily Talbot <emily.talbot@columbiaassociation.org>, Claudia Lafuse <claudia.lafuse@columbiaassociation.org>,

Rob Goldman <rob.goldman@columbiaassociation.org>, Tori Paide <tori@thestillpointspa.com>

Claudia provided an example and before we had our designer take over, I wanted to confirm that was the direction we should be heading in. Per our discussion, we will be using the Haven gift card look with the suggested logo Claudia shared. These are spa specific gift cards and the insert will include the packages and a place to put the \$ amount.



**Please note that my e-mail address has changed. My new e-mail address is marla@thestillpointspa.com.

[Quoted text hidden]

Rob Goldman <rob.goldman@columbiaassociation.org>

Wed, Sep 3, 2014 at 11:24 AM

To: Marla Peoples <marla@thestillpointspa.com>

Cc: Valerie Barnard <valerie.barnard@columbiaassociation.org>, Emily Talbot <emily.talbot@columbiaassociation.org>, Claudia Lafuse <claudia.lafuse@columbiaassociation.org>, Tori Paide <tori@thestillpointspa.com>

Thanks Marla,

I'm comfortable with that as you are using the logo claudia created.

thanks

Rob

[Quoted text hidden]

--
Rob Goldman

Chief Operating Officer & Vice President

Phone: 410.715.3121

Fax: 410.740.0887

**My new email address is: Rob.Goldman@columbiaassociation.org

10221 Wincopin Circle

Columbia MD 21044



[Quoted text hidden]

Marla Peoples <marla@thestillpointspa.com>

Wed, Sep 3, 2014 at 11:59 AM

To: Rob Goldman <rob.goldman@columbiaassociation.org>

Cc: Valerie Barnard <valerie.barnard@columbiaassociation.org>, Emily Talbot <emily.talbot@columbiaassociation.org>, Claudia Lafuse <claudia.lafuse@columbiaassociation.org>, Tori Paide <tori@thestillpointspa.com>
great thanks



**Please note that my e-mail address has changed. My new e-mail address is marla@thestillpointspa.com.

[Quoted text hidden]

Emily Talbot <emily.talbot@columbiaassociation.org>

Thu, Sep 4, 2014 at 3:06 AM

To: Marla Peoples <marla@thestillpointspa.com>

Hi Marla -

Can we also receive a sneak peak of the insert prior?

That will help us with Social Media spa month postings.

Thank you -

Emily

Emily Talbot
General Manager
505-288-2212- phone
Emily.Talbot@columbiaassociation.org
10221 Wincopin Circle, Columbia, MD 21044
havenonthelake.org



Follow Us



[Quoted text hidden]

[Quoted text hidden]

Marla Peoples <marla@thestillpointspa.com>

Sat, Sep 6, 2014 at 6:04 PM

To: Emily Talbot <emily.talbot@columbiaassociation.org>, Tori Paide <tori@thestillpointspa.com>

Emily-our designer is away and once she completes, we will forward to you for review.

[Quoted text hidden]

Attachments:

- stillpointLOGOwithCAtext (7).pdf



AT HAVEN ON THE LAKE
A partnership with Columbia Association

EXHIBIT H



Tori Paide
Owner
www.thestillpointspa.com



----- Forwarded message -----

From: **Milton Matthews** <milton.matthews@columbiaassociation.org>
Date: Tue, Feb 24, 2015 at 5:39 PM
Subject: Re: Haven
To: Tori Paide <tori@thestillpointspa.com>
Cc: Marla Peoples <marla@stillpointmindandbody.com>

Hi Tori,

Yes, I am very open to developing an arrangement with you and Marla in which both of you will provide consulting services for Haven while CA's search for a new GM.

I will have more details for our meeting on Friday, 27 February.

I am working with CA's Chief Financial Officer and General Counsel to develop an agreement that clearly separates the consulting services from The Still Point's partnership with CA.

Milton

On Tue, Feb 24, 2015 at 11:04 AM, Tori Paide <tori@thestillpointspa.com> wrote:

Hi Milton,

Marla and I are wondering where things stand with our proposal to do some consulting with Haven. As the weeks go by, we are gathering more information about how to improve membership and business and would like to get started as soon as possible. As you know Marla is working with Marc and Rob on the GM recruit, but we are still at minimum 6 weeks away from getting someone onboard. We are here this morning and it is really really quiet - like most mornings - and think we can help improve that.

Warmly,
Tori



Tori Paide
Owner
www.thestillpointspa.com



Milton W. Matthews | President/CEO | Columbia Association

10221 Wincopin Circle | Columbia, MD 21044

410-715-3110 (Office) | 410-715-3067 (Fax)

Milton.Matthews@columbiaassociation.org

www.ColumbiaAssociation.org



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EXHIBIT I

Date: January 15, 2015

To: Still Point Meeting Members

From: Paul Papagjika

Re: Meeting with Still Point Team

Attendees: Marla Peoples, Tori Paide, Rich Anderson, Pam Thompson-Perez, Kelly T., Rob G.

- 1) The Still Point team provided a draft of the Haven Still Point (TSP) operations balance sheet and income statement. This statements will need to be adjusted for the number of memberships sold by CA. The Still Point team would like to record a receivable for the number of members at \$89 per member as of the 18th of each month. Discussion followed regarding the recordation of this by CA in the Still Point liability account. It is currently automated and includes full pay memberships and proration for partial months. Paul informed the team that he would like this process to be automated to eliminate the number of reconciling items. Kelly, Paul, Rich and Pam are scheduling another meeting to try and come up with a methodology that will work for both teams.**
- 2) Rob informed the Still Point team that CA did not bill members that joined before December 6th, however, we would pay Still Point the \$89 per member.**
- 3) Kelly informed the team that she is reconciling the membership listing to the liability account. Still Point is showing 48 memberships as of December 18th.**
- 4) Paul informed the Still Point team that we had agreed that any service that had a CA component (class) would be processed through SNG. Marla and Tori said that they did not expect to sell very many memberships that included classes. They thought we should provide these as a complementary service. Rob will follow up with them regarding this request. Paul informed them that the current set-up would be a monthly manual process for CA to go through a report and record a journal entry. Rich understood that this, along with the other**

reconciling items would be time consuming. The Still Point team is concerned because mind body would not record the membership consistent with CA.

5) Still Points preliminary income statement showed a profit of approximately \$5,700. Based on a quick calculation, they will be recording additional income of \$2,300 for a total of \$8,000. Therefore, they would owe CA \$4,000 which is currently greater than the Still Point liability account at CA. The team decided that we had some time to work through the details of the reconciliation since the numbers are relatively close between what each entity owes the other.

Additional Notes:

- **The Still Point Opened 12/6/14**
 - **CA held membership contracts until the facility opened**
 - **Did not bill members who joined prior to 12/6/14 for the month of December (12/18/14 billing date)**
 - **Members with Rejuvenate or Restore are entitled to one spa service per month**
 - **TSP provided spa services for many of these members in December**
 - **CA needs to JE the value of these memberships to the TSP liability account**
 - **Debit Z181101 518060**
 - **Credit 111 212100-2210**
 - **Per Rob**
 - **38 members before 12/6**
 - **22 between 12/6 – 12/18**
 - **Kelly needs to reconcile these numbers (1/15/15)**
 - **Holly provides Spectrum report of members to TSP**
 - **Reports are generated nightly**
- **TSP reports gross revenue of \$109 for spa services**
 - **\$89 receivable from CA**
 - **\$20 facility usage fee**

- **TSP gives members 1 spa service per month (12 total services)**
 - **TSP sets parameters for carryover of unused services**

- **Membership reports are generated nightly by Spectrum**
 - **On Shared Drive/Subscribed SNG Reports**

EXHIBIT J

To: Still Point Team

From: Paul Papagjika

Date: January 29, 2015

Re: Meeting on January 29, 2015

Attendees: Rich Anderson, Pam Thompson-Perez, Sisley Chung, and Kelly T.

- 1) Discussed membership report noting challenges related to changes in plan, responsible party, changes in status, etc. Kelly will talk to our IT department to confirm search parameters. Our plan is to modify the report and once reviewed by both CA and Still Point, this will be the basis for recording the amount due to Still Point (Number of Members @ \$89 per member).
- 2) Rich inquired about services provided to individuals that were not members due to a breakdown in the system. He will discuss this with Still Point owners, however, CA believes that both parties would share in this cost.
- 3) Both CA and Still Point agree that gift card transactions will run through the end of the month and the membership transactions will be cut off with CA's monthly billing (18th).
- 4) CA will write Still Point a check every month for both the outstanding gift card transactions and membership as of the 18th billing.
- 5) Still Point will write CA a check for 50% of the monthly profit based on month-end financials.
- 6) Still Point will record the membership payment from CA as deferred revenue and will recognize the revenue as services are provided. The spa credits expire after three months. Therefore, there will be a timing difference between payment received by Still Point and when the revenue is recognized.
- 7) The monthly membership calculation will be adjusted for insufficient fund transactions from the previous month. Both Still Point and CA believe that there will be other timing differences, however, they are not expected to be significant.
- 8) Both parties agree that the new membership report (All Current Still Point Relevant Memberships) will be the basis for the monthly membership payment after the revisions are made for responsible party and any other differences noted.
- 9) Still Point will provide twelve spa services even though the contract term is generally more than that one year due to the first month proration. Rich and the Still Point team will establish a system to help ensure that members receive twelve spa services over the contract term. We will discuss the process when members are on month-to-month payment arrangements. Members that cancel after the first year will appear on the change-in-status report.

Summary of The Still Point P & L
Based on Revised Statements

As of	Total Profit (Loss)	Cumulative to Date
12/31/14	6,661.14	6,661.14
01/31/15	7,369.29	14,030.43
02/28/15	11,779.91	25,810.34
03/31/15	(13,994.24)	11,816.10
04/30/15	4,506.30	16,322.40
05/31/15	(676.94)	15,645.46
06/30/15	11,006.22	26,651.68
07/31/15	12,739.05	39,390.73
08/31/15	25,272.89	64,663.62
09/30/15	(22,671.14)	41,992.48
10/31/15	3,818.02	45,810.50
11/30/15	3,471.41	49,281.91
12/31/15	(8,008.75)	41,273.16
01/31/16	(4,646.50)	36,626.66
02/29/16	1,784.15	38,410.81
03/31/16	9,282.69	47,693.50
04/30/16	5,326.49	53,019.99
05/31/16	18,945.44	71,965.43
06/30/16	11,394.33	83,359.76
07/31/16		
08/31/16		
09/30/16		
10/31/16		

EXHIBIT K



Marla Peoples <marla@thestillpointspa.com>

Fwd: Still Point

1 message

Rob Goldman <rob.goldman@columbiaassociation.org>

To: Marla Peoples <marla@thestillpointspa.com>, Tori Paide <tori@thestillpointspa.com>

Thu, Mar 26, 2015 at 6:1

Marla & Tori,

FYI - per the email below, you'll be receiving an invoice from CA in the near future.

We'll also need to meet some time to discuss how TSP wants to repay the \$25K CA advanced TSP against the expected \$50K first yer loss (which, thankfully is not occurring). Perhaps you can make a recommendation on how you'd like to handle that.

Thanks
Rob

----- Forwarded message -----

From: Paul Papagjika <paul.papagjika@columbiaassociation.org>

Date: Thursday, March 26, 2015

Subject: Still Point

To: Rob Goldman <Rob.Goldman@columbiaassociation.org>

Cc: Susan Krabbe <Susan.Krabbe@columbiaassociation.org>, Kelly Thimmesch <Kelly.Thimmesch@columbiaassociation.org>

Hi Rob,

Per our discussion, Still Point had the following bottom lines for December (\$8,281) and January (\$6,183). We will need to bill them 14.5 hours of marketing at \$500 per hour. We will have Pam bill this and it will be coded to the Haven (other income). Additionally, we will need to schedule a meeting to talk about the 25K. Please reply to this e-mail authorizing the 14.5 hours of marketing bill.

Thanks,

Paul

--
Paul Papagjika, CPA
Treasurer
410-715-3131
Fax 410-715-3042

Paul.Papagjika@ColumbiaAssociation.org

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--
Rob Goldman
Vice President, Columbia Association
General Manager, Haven on the Lake
Phone: 410.715.3121
Fax: 410.740.0887

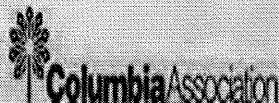
****My new email address is: Rob.Goldman@columbiaassociation.org**
10221 Wincopin Circle
Columbia MD 21044
www.ColumbiaAssociation.org



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EXHIBIT L

INVOICE



COLUMBIA ASSOCIATION

ATTN: PAM BEARY
6310 HILLSIDE COURT, SUITE 100
COLUMBIA , MD 21046
PAM.BEARY@COLUMBIAASSOCIATION.ORG
410 715-3145

STILL POINT HAVEN ON THE LAKE
5570 STERRETT PLACE
SUITE 202
Columbia, MD 21044

Customer RSO90
Invoice 6304

Trans. Date	Description	Billed
12/1/15	50 HOURS MARKETING AT \$500 PER HOUR	25000.00

TOTAL DUE 25000.00

*PLEASE PAY FROM THIS INVOICE INCLUDE ACCOUNT NUMBER WITH PAYMENT-Thank you

EXHIBIT M



Marla Peoples <marla@thestillpointspa.com>

Meeting to finalize details

5 messages

Marla Peoples <marla@thestillpointspa.com>

Mon, Aug 24, 2015 at 5:28 PM

To: Paul Papagjika <Paul.papagjika@columbiaassociation.org>

Cc: Tori Paide <tori@thestillpointspa.com>, Milton Matthews <Milton.Matthews@columbiaassociation.org>,

RTchamp5580@gmail.com, "Susan Krabbe (.org)" <Susan.Krabbe@columbiaassociation.org>

Paul,

I hope this finds you well and settled into your new office. As you know, the agreement we have does not cover the fine details of our partnership since it presents more like a lease. We want to get all of the details in writing and would like to schedule a time to meet over the next few weeks. I'm including Rob and Milton on the email since we have spoken with them in the past and hope they can attend the meeting too.

Items to discuss include:

1. Membership reports and payments
2. Payouts to CA and TSP
3. How partnership is paid for membership

Thank you,

Marla

Paul Papagjika <paul.papagjika@columbiaassociation.org>

Tue, Aug 25, 2015 at 11:51 AM

To: Marla Peoples <marla@thestillpointspa.com>

Cc: Tori Paide <tori@thestillpointspa.com>, "Susan Krabbe (.org)" <Susan.Krabbe@columbiaassociation.org>, Dan

Burns <daniel.burns@columbiaassociation.org>, Kelly Thimmesch <Kelly.Thimmesch@columbiaassociation.org>

Hi Marla,

Can you please provide your TSP financial information for the second quarter (April-June). I had a meeting with Kelly this morning regarding open items and this would be helpful in reconcile the balance between TSP and CA. Kelly emailed Pam on your team regarding the statements.

Thanks,

Paul

[Quoted text hidden]

--
Paul Papagjika, CPA

Treasurer
410-715-3131
Fax 410-715-3042
Paul.Papagjika@ColumbiaAssociation.org

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Marla Peoples <marla@thestillpointspa.com> Tue, Aug 25, 2015 at 12:33 PM
To: Paul Papagjika <paul.papagjika@columbiaassociation.org>
Cc: Tori Paide <tori@thestillpointspa.com>, "Susan Krabbe (.org)" <Susan.Krabbe@columbiaassociation.org>, Dan Burns <daniel.burns@columbiaassociation.org>, Kelly Thimmesch <Kelly.Thimmesch@columbiaassociation.org>
Paul,

Pam is sending them now. I apologize, I assumed she had sent them already. Moving forward, I asked that she send them 2 weeks after the close of each quarter.

Best,
Marla



[Quoted text hidden]

Susan Krabbe <susan.krabbe@columbiaassociation.org> Tue, Aug 25, 2015 at 5:15 PM
To: Marla Peoples <marla@thestillpointspa.com>
Cc: Paul Papagjika <Paul.papagjika@columbiaassociation.org>, Tori Paide <tori@thestillpointspa.com>, Dan Burns <daniel.burns@columbiaassociation.org>
Hello Marla,

We are settling in, thank you!

We would be glad to meet to work out these details. Milton and Rob will not be joining us, and Dan Burns will be. What, specifically, do you want to discuss regarding these matters and what are your goals?

When you respond with that info, would you also give us some dates and times that work for meeting?

Thank you,
Susan

Susan M. Krabbe
Vice President and CFO
Office: 410-715-5519 / Mobile: 410-913-4702
Email: susan.krabbe@columbiaassociation.org
6310 Hillside Court / Suite 100 / Columbia, MD 21046-1070
www.columbiaassociation.org



On Mon, Aug 24, 2015 at 5:28 PM, Marla Peoples <marla@thestillpointspa.com> wrote:
[Quoted text hidden]

[Quoted text hidden]

Marla Peoples <marla@thestillpointspa.com>

Wed, Aug 26, 2015 at 9:47 AM

To: Susan Krabbe <susan.krabbe@columbiaassociation.org>

Cc: Paul Papagjika <Paul.papagjika@columbiaassociation.org>, Tori Paide <tori@thestillpointspa.com>, Dan Burns <dan.burns@columbiaassociation.org>

Good Morning,

Our intention is to finalize how to handle specific scenarios and to put them in writing so when faced with them, we are not disagreeing about what was said. An example is the client that went 3 months with declined payments and the spa didn't know. We continued to offer her services since it wasn't communicated with us and when being paid for membership, CA and the partnership had a different expectation.

I'm a little concerned that neither Rob or Milton will attend since we have discussed these scenarios with them and decisions were made on how to pay for membership. I am not sure if that was shared with Paul and don't want to be in a situation where we were told one thing and CA told another.

Please know we are coming from a place of partnership. Now that we have been open for 9 months, we can assess what has worked and what hasn't so we can streamline the process and work more efficiently.

Below are some days/times we can meet, please let me know if I need to offer more options.

Tues, 9/1 from 2-3pm

Fri, 9/4 from 10am-3:30pm

Tues, 9/8 from 2-3pm

Thurs, 9/9 from 10am-3:30pm

Fri, 9/11 from 10am-12pm and 2pm-3:30pm

Best,
Marla



Marla Peoples
Owner
www.thestillpointspa.com



[Quoted text hidden]

EXHIBIT N

----- Forwarded message -----

From: **Kelly Thimmesch** <kelly.thimmesch@columbiaassociation.org>
Date: Thu, Aug 4, 2016 at 4:04 PM
Subject: Re: June P&L
To: Marla Peoples <marla@thestillpointspa.com>
Cc: Paul Papagjika <Paul.papagjika@columbiaassociation.org>, Dan Burns <daniel.burns@columbiaassociation.org>

Marla,

Thank you for the June financials. Based on the profit for May and June will we invoice you for 30 hours of marketing for a total of \$15,000. I have attached my calculation for your reference.

Kelly

On Mon, Jul 25, 2016 at 11:26 PM, Marla Peoples <marla@thestillpointspa.com> wrote:

All-

Attached is the June P&L.

Paul, did you get the email we sent about charges for our line of credit after we met? I'd like to reach an agreement on what we will do should we need cash flow support.

Thanks,
Marla



Marla Peoples, L.Ac., M.Ac.
Owner
www.thestillpointspa.com



Kelly Thimmesch
Accounting Manager
Columbia Association
Phone: 410-715-3113
Email: Kelly.Thimmesch@ColumbiaAssociation.org
6310 Hillside Court, Suite 100, Columbia, MD 21046-1070
www.columbiaassociation.org

Summary of The Still Point P & L
Based on Revised Statements

As of	Total Profit (Loss)	Cumulative to Date
12/31/14	6,661.14	6,661.14
01/31/15	7,369.29	14,030.43
02/28/15	11,779.91	25,810.34
03/31/15	(13,994.24)	11,816.10
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06/30/15	11,006.22	26,651.68
07/31/15	12,739.05	39,390.73
08/31/15	25,272.89	64,663.62
09/30/15	(22,671.14)	41,992.48
10/31/15	3,818.02	45,810.50
11/30/15	3,471.41	49,281.91
12/31/15	(8,008.75)	41,273.16
01/31/16	(4,646.50)	36,626.66
02/29/16	1,784.15	38,410.81
03/31/16	9,282.69	47,693.50
04/30/16	5,326.49	53,019.99
05/31/16	18,945.44	71,965.43
06/30/16	11,394.33	83,359.76
07/31/16		
08/31/16		
09/30/16		
10/31/16		

Summary of The Still Point P & L Billings

Date	Profit (Loss)	x 50%	Billed by CA	Cumulative to Date Billing
3/31/2015			7,250.00	
9/30/2015			5,000.00	12,250.00
10/31/2015	Year to date profit	40,224.51		
	x 50%	20,112.00		
	Less prior billings	(12,250.00)		
	Current available billing	7,862.00		
	Bill 15 hours x \$500	7,500.00		19,750.00
Updated through 12/31/15				
	Year to date profit	41,273.16		
	x 50%	20,636.58		
	Less prior billings	(19,750.00)		
	Current available billing	886.58		
Updated through 4/30/16				
	Year to date profit	53,019.99		
	x 50%	26,510.00		
	Less prior billings	(19,750.00)		
	Current available billing	6,760.00		
	Bill 13 hours x \$500	6,500.00		26,250.00
Updated through 6/30/16				
	Cumulative to date profit	83,359.76		
	x 50%	41,679.88		
	Less prior billings	(26,250.00)		
	Current available billing	15,429.88		
	Bill 30 hours x \$500	15,000.00		41,250.00



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Attachments:

- TSP P&L Summary.xlsx

EXHIBIT O

PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, TSP AT HAVEN ON THE LAKE, LLC, a Maryland limited liability company ("Borrower"), promises to pay to the order of HOWARD COUNTY ECONOMIC DEVELOPMENT AUTHORITY, a body corporate and politic and an agency of the Howard County Government ("Lender"), the principal sum of **ONE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$100,000.00)**, together with interest thereon at the rate or rates hereinafter set forth and any and all other sums which may be owing to Lender by Borrower pursuant to this Note, until paid in full. This Note is the "Note" described in the Loan and Security Agreement, of even date herewith, by and between Borrower and Lender (as amended, or otherwise modified from time to time, the "Loan Agreement") and evidences the Loan made pursuant to the Loan Agreement. Any capitalized terms used in this Note but not otherwise defined herein will have the respective meanings ascribed thereto in the Loan Agreement, except in any instance in which the context clearly requires otherwise. The following terms will apply to this Note:

1. Interest Rate. Interest will accrue on the unpaid principal balance of this Note until paid in full at a fixed rate of **four and a half percent (4.5%)** per annum. All interest payable under the terms of this Note will be calculated on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days.

2. Payment. Borrower shall pay the principal sum hereunder, together with interest at the interest rate set forth herein, in **forty-eight (48)** consecutive monthly installments consisting of both principal and interest, amortized over a period of **four (4)** years, commencing on the 1st day of the first full month following disbursement and continuing on the first (1st) day of each month thereafter, consisting of **forty-seven (47)** equal installments of principal and interest each in the amount of **\$2,280.35** and one (1) final installment on **Maturity Date** (the "Maturity Date") in an amount equal to the then outstanding principal balance of this Note, together with all interest accrued and unpaid thereon, plus all other sums due and payable hereunder, if any. If not sooner paid, the then outstanding principal balance of this Note, together with all interest accrued and unpaid thereon, plus all other sums due and payable hereunder, if any, will be due and payable on the Maturity Date.

3. Place and Manner of Payment. All payments hereunder will be made in lawful money of the United States of America to Director of Finance, Howard County, George Howard Building, 3430 Court House Drive, Ellicott City, Maryland 21043, or at such other address as Lender or other holder hereof will designate to Borrower in writing.

4. Application of Payments. Each payment made hereunder will be applied, first, to the payment of any Costs (as defined herein) and Late Charges (as defined herein), then to the payment of fees and other expenses, then to the payment of accrued and unpaid interest, and the balance, after the payment of such accrued interest, if any, will be applied to the unpaid principal balance of this Note, or in such order or proportion as Lender or other holder of this Note, in its sole discretion, may elect from time to time.

5. Prepayment. Borrower may prepay this Note prior to the Maturity Date, in whole or in part, at any time or from time to time, without premium or penalty. All prepayments of principal will be applied to the principal sums outstanding in the inverse order of scheduled maturities;

provided, however, that each payment hereunder after an Event of Default has occurred under this Note will be applied as Lender in its sole discretion may determine.

6. Late Payment Charge. If Borrower fails to make any payment due under this Note within five (5) days after its due date, Borrower will pay to Lender, in addition to any other sum due Lender under this Note or any other Loan Document, a late charge equal to five percent (5%) of such past-due payment or installment (the "Late Charge"), which Late Charge is a reasonable estimate of the loss that may be sustained by Lender due to the failure of Borrower to make timely payments. The Late Charge will be due whether or not Lender or other holder hereof declares this Note in default or accelerates and demands immediate payment of the sums due hereunder. The right to impose the Late Charge will not constitute a grace period or provide any right of Borrower to make a payment other than on its due date. It is agreed that the Late Charge is to compensate Lender for costs incurred in connection with the administration of such late payment, and does not constitute a penalty. The Late Charge is in addition to, and not in any way in limitation of, any other money due by Borrower under this Note by reason of such late payment or by reason of any other Event of Default.

7. Default Rate of Interest. If Borrower fails to make any payment due under this Note within five (5) days after its due date, Borrower will pay to Lender interest on the sum then overdue until paid in full at a rate per annum (calculated on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days) equal to two percent (2%) above the then applicable rate of interest under this Note (the "Default Rate"); provided, however, that if such Default Rate is in excess of the maximum rate permitted by law, then the interest rate otherwise in effect from time to time under this Note will be increased by the maximum rate permitted by law and the resulting rate will be the "Default Rate" hereunder. The Default Rate will remain in effect until the missed payment and any applicable Late Charge have been paid, provided, however, that if this Note is accelerated, such increase will remain in effect until all amounts due under this Note have been paid in full. The Default Rate will apply whether or not Lender or other holder hereof declares this Note in default or accelerates and demands immediate payment of the sums due hereunder, and the Default Rate will continue to apply following a judgment in favor of Lender under this Note. The imposition of the Default Rate of interest is in addition to, and not in any way in limitation of, the Late Charge and any other money due by Borrower under this Note by reason of such late payment or by reason of any other Event of Default.

8. Events of Default. Borrower will be in default hereunder upon the occurrence of any of the following events or circumstances (each an "Event of Default"): (i) the failure of Borrower to pay any amount hereunder within ten (10) calendar days after the same becomes due; and/or (ii) the occurrence of any Event of Default (as defined in the Loan Agreement).

9. Remedies Upon Default. Upon the occurrence of any Event of Default, Lender or other holder hereof may at its option declare all unpaid principal and accrued interest hereunder immediately due and payable without notice, presentment, demand or protest of any kind, which are hereby expressly waived by Borrower. Borrower promises to pay to the order of Lender all costs and expenses in connection with the enforcement of this Note and the collection of amounts due hereunder ("Costs"), whether or not suit is brought, including court costs, costs of appeal and an attorneys' fee, such attorneys' fee to be equal to fifteen percent (15%) of any and all unpaid amounts under this Note, provided, however, that in the event actual attorneys' fees exceed such amount, then Borrower will be liable for the entire amount of such attorneys' fees. Notwithstanding the immediately preceding sentence, upon payment in full to Lender of all sums due and owing

hereunder, Lender agrees that, in the event such fifteen percent (15%) collected for attorneys' fees exceeds the actual amount of attorneys' fees incurred by Lender, Lender will refund to Borrower the amount of the excess.

10. Confession of Judgment. Upon the occurrence of any Event of Default, Borrower hereby authorizes any attorney admitted to practice before any court of record in the United States to appear for Borrower before any court having jurisdiction in one or more proceedings, or before any clerk or other official of such court, and to confess judgment against Borrower for the principal balance of this Note and any interest accrued thereon, with all Costs, including court costs, expenses and attorneys' fees as provided above, and all other amounts due hereunder, all without prior notice or opportunity of Borrower for prior hearing. Borrower hereby waives and releases all errors and all rights of exemption, appeal, homestead rights, stay of execution, supplementary proceedings, inquisition and extension upon any levy on real property or personal property, and any other relief from the enforcement or immediate enforcement of a judgment or related proceedings on a judgment to which Borrower may otherwise be entitled under the laws of any state or possession of the United States now in force or which may hereafter be passed. The authority and power to appear for and enter judgment against Borrower will not be exhausted by one or more exercises thereof, or by any imperfect exercise thereof, and will not be extinguished by any judgment entered pursuant thereto; such authority and power may be exercised on one or more occasions and from time to time, in the same or different jurisdictions, as often as Lender or other holder hereof will deem necessary or desirable.

11. Waivers of Presentment, Protest and Demand. Borrower, and any other parties to this Note, whether maker, indorser, or Guarantor, hereby waive presentment, protest and demand, notice of protest, notice of demand, notice of dishonor and notice of nonpayment hereunder.

12. Remedies Cumulative; No Waiver. No failure or delay of Lender or other holder hereof to exercise any right or remedy pursuant to this Note (including, without limitation, any right or option to declare any amount hereunder due and payable), will affect such right or remedy or constitute a waiver of any such right or remedy. Resort to one form of remedy will not constitute a waiver of alternative remedies. No acceptance by Lender or other holder hereof of partial payment of any sum due hereunder will be deemed a waiver by Lender or other holder hereof of its rights to receive the full amount due, nor will any endorsement or statement on any check or accompanying document from Borrower be deemed an accord and satisfaction. No notice to or demand on Borrower will be deemed to be a waiver of the obligation of Borrower or of the right of Lender to take further action without further notice or demand as provided in this Note or any of the Loan Documents. No course of dealing or conduct will be effective to amend, modify, waive, release or change any provisions of this Note.

13. Obligations Irrevocable and Unconditional. The obligations of Borrower under this Note are irrevocable, absolute and unconditional, and are not subject to any right of setoff, recoupment, counterclaim or crossclaim of any nature whatsoever, which are hereby expressly, unconditionally and irrevocably waived by Borrower.

14. Lender's Right to Make Accommodations. Lender or other holder hereof, without notice to or further consent of Borrower or any Guarantor, and without prejudice to its rights and remedies hereunder or under any of the Loan Documents, and without releasing, discharging, modifying, impairing, lessening, diminishing, discharging, waiving or otherwise affecting the

liability of Borrower or any Guarantor, may: (i) grant extensions or renewals of this Note from time to time and for any term or terms; (ii) release, surrender, waive, add, substitute, settle, exchange, compromise, modify, extend or grant indulgences with respect to this Note, any of the Loan Documents, or any Collateral securing the Loan; or (iii) complete any blank space in this Note according to the terms upon which the Loan is made.

15. Severability. If any provision contained in this Note is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Note, but this Note shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein, but only to the extent it is invalid, illegal or unenforceable.

16. Maximum Permissible Rate. This Note is subject to the express condition that at no time will Borrower be obligated or be required to pay interest on the principal balance of this Note at a rate which would subject Lender to liability as a result of being in excess of the maximum rate which Borrower is permitted by applicable law to contract or agree to pay. If by the terms of this Note Borrower is at any time required or obligated to pay interest on the principal balance of this Note at a rate in excess of such maximum rate, then the rate of interest under this Note will be deemed to be immediately reduced to such maximum rate, interest payable hereunder will be computed at such maximum rate and any prior interest payments made in excess of such maximum rate will be applied and will be deemed to have been payments made in reduction of the principal balance of this Note.

17. Notices. Any notice, demand or other communication to be given hereunder (each a "Notice") will be in writing and given by (i) hand delivery, (ii) express overnight delivery service or (iii) certified or registered mail, return receipt requested, and will be deemed to have been delivered upon (a) receipt, if hand delivered, (b) the next Business Day, if delivered by express overnight delivery service, or (c) the second Business Day following the day of deposit of such notice with the United States Postal Service, if sent by certified or registered mail, return receipt requested. Notices will be provided to the following addresses: if to Borrower: addressed to Borrower at the Borrower's address as indicated on Lender's records, which as of the date of this Note is: **5570 Sterrett Place, Columbia, MD 21046 Attn. Tori Paide and Marla Peoples**; and if to Lender: **Howard County Economic Development Authority, 6751 Columbia Gateway Drive, Suite 500, Columbia, Maryland 21046, At. Louis LaPenna, Chief Financial Officer**; and to Director of Finance, Howard County, George Howard Building, 3430 Court House Drive, Ellicott City, Maryland 21043; and to County Solicitor, 3450 Court House Drive, Ellicott City, Maryland 21043; or to such other address or such other person as either Borrower or Lender may from time to time hereafter specify to the other party in a Notice delivered in the manner provided above. Notwithstanding the foregoing, all Notices from Lender or other holder of this Note actually received in writing by Borrower will be considered to be effective upon the receipt thereof by Borrower regardless of the procedure or method utilized to accomplish delivery thereof to Borrower.

18. Governing Law: Jurisdiction. This Note shall be governed by and construed and enforced in accordance with the laws of the State of Maryland. Any suit, action or proceeding instituted against Borrower arising from or relating to this Note or any of the Loan Documents shall be brought in the state or federal courts sitting in the State of Maryland. By its execution of this Note, Borrower irrevocably consents and submits to the jurisdiction and venue of such courts, and waives, to the fullest extent permitted by law, any objection that Borrower may now or hereafter

have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

19. Service of Process. The Borrower hereby consents to process being served in any proceeding instituted in connection with this Note by (i) the mailing of a copy thereof by certified mail, postage prepaid, return receipt requested, to the Borrower at the address listed herein in Section 17 and (ii) serving a copy thereof upon Marla Peoples 5570 Sterrett Place #202 Columbia, MD 21044, the agent designated by the Borrower as its agent for service of process. The Borrower irrevocably agrees that the service specified herein shall be deemed to be service of process upon the Borrower in any proceeding. Nothing in this Note shall affect the Lender's right to serve process in any other manner permitted by law.

20. Assignment. This Note may be assigned by Lender or any holder hereof at any time or from time to time without notice to or consent of Borrower or any other Person and without any other restriction whatsoever. This Note and the obligations of Borrower will bind Borrower and its successors and assigns, and the benefits hereof will inure to Lender and its successors and assigns.

21. Commercial Loan. Borrower represents, warrants and acknowledges that the debt evidenced by this Note is a "commercial loan", within the meaning of Title 12 of the Commercial Law Article of the Annotated Code of Maryland, and that all Loan proceeds will be used solely to acquire or carry on a business or commercial enterprise.

22. Rules of Construction. The term "Note" when referred to herein in the context of "this Note" means this Note, as may be further amended, restated, modified, extended or renewed. The enumeration and headings of the sections of this Note are merely for convenience of reference and do not constitute representations or warranties, do not impose any obligations whatever and have no substantive significance. Unless the context otherwise requires, whenever used in this Note the singular will include the plural, the plural will include the singular, and the masculine gender will include the neuter or feminine gender and vice versa. This Note will be construed without the aid of any canon, custom or rule of law requiring construction against the draftsman, and this Note will be construed reasonably to carry out its intent without presumption against or in favor of either party.

23. Amendments: No Oral Agreements. No modification, change, waiver or amendment of this Note will be effective unless in writing and signed by Lender or other holder hereof. No waiver of any term, covenant or provision of this Note will be effective unless given in writing by Lender and, if so given by Lender, will only be effective in the specific instance in which given. No course of dealing or conduct will be effective to amend, modify, waive, release or change any provision of this Note.

24. Joint and Several Liability. If Borrower consists of more than one Person, the obligations and liabilities of each such Person hereunder will be joint and several, and Lender may (without notice to or consent of any or all of Borrowers and with or without consideration) release, compromise, settle with, or proceed against any or all of Borrowers without affecting, impairing, lessening or releasing the obligations of the other Borrowers. All liabilities under this Note shall be joint and several with respect to Borrower and each other Person assuming liability for the payment hereof, whether as maker, co-maker, endorser or Guarantor.

25. Time of the Essence. Time is of the essence under this Note.

26. Effective Date. This Note will be considered effective and enforceable as of the date set forth on the first page hereof, independent of the date of actual execution and delivery.

27. Waiver of Jury Trial. BORROWER (BY EXECUTION OF THIS NOTE) AND LENDER (BY ACCEPTANCE OF THIS NOTE) HEREBY WAIVE ANY RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING, CLAIM OR COUNTERCLAIM ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE, THE LOAN EVIDENCED HEREBY AND/OR ANY OF THE TRANSACTIONS AND MATTERS CONTEMPLATED HEREIN. THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY BORROWER. BORROWER ACKNOWLEDGES THAT NEITHER LENDER NOR ANY PERSON ACTING ON BEHALF OF LENDER HAS MADE ANY REPRESENTATION OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT.

28. Indemnification. The Borrower releases the Lender and the County and agrees to protect, indemnify and save each of them harmless against, any claims, costs or expenses incurred by, or asserted against, any of them, arising in connection with or under the Loan, the Loan Documents, or the Collateral. All money expended by the Lender or the County as a result of such claims and expenses, together interest at a rate equal to 12% per annum from the date of payment, shall constitute an additional indebtedness of the Borrower and shall be immediately due and payable by the Borrower to the Lender and the County. Nothing contained in this Section 28 or in the Loan Documents shall be construed as a limit on the Obligations. This section 28 shall survive termination of this Agreement and repayment of the Loan and Note in full.

29. Legal Advice. BORROWER ACKNOWLEDGES THAT THE BORROWER HAS CONSULTED WITH LEGAL COUNSEL IN CONNECTION WITH THIS NOTE PRIOR TO SIGNING THIS NOTE.

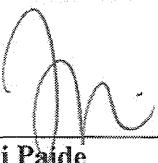
IN WITNESS WHEREOF, Borrower has executed this Note under seal as of the Effective Date, with the express intention that this Note be a sealed instrument:

WITNESS/ATTEST:

BORROWER:

TSP AT HAVEN ON THE LAKE, LLC.
a Maryland limited liability company

BNW/tdz

By:  (SEAL)
Tori Paide
Title: OWNER
Date: 10/10/19

BAWoods

By: Marla Peoples (SEAL)
Marla Peoples
Title: Co - Owner
Date: 10/6/15

EXHIBIT P

----- Forwarded message -----

From: Dan Burns <daniel.burns@columbiaassociation.org>
Date: Wed, Aug 10, 2016 at 9:27 AM
Subject: Agenda Items for Friday
To: Tori Paide <tori@thestrillpointspa.com>, Marla Peoples <marla@thestrillpointspa.com>

Tori and Marla,

I would like to cover the following items on Friday:

1. Spa Membership Prorates
2. Occupancy Reports
3. P&L Questions
 - a. HQ Rent Expense
 - b. Personnel Expense
3. Lease Items
 - a. Section 3.2 Percentage Rent
 1. Please provide an accounting of gross revenues as defined by the terms of the lease for the current lease term
 - b. Section 1.2 Improvements to Leased Premises
 1. With specific regards to recent upgrades to Women's Waiting Room. Construction is developing itemized invoice, but total cost is approximately \$37,000 (excluding the accelerated depreciation CA incurred to make the changes).

Thanks

Dan Burns
Director, Sport and Fitness
Phone: 410-715-3141
Email: Dan.Burns@ColumbiaAssociation.org
6310 Hillside Ct, Columbia, MD 21046
ColumbiaAssociation.org



"The information transmitted is intended only for the person to which it is addressed and may contain confidential, proprietary or privileged material. Any review, re-transmission, dissemination or other use of or action taken in reliance on this information by a person other than the intended recipient is prohibited. If you received this information in error, please contact the sender and delete the information. Thank you for your cooperation."

EXHIBIT Q

Begin forwarded message:

From: Dan Burns <daniel.burns@columbiaassociation.org>
Date: August 23, 2016 at 3:52:21 PM EDT
To: Marla Peoples <marla@thestrillpointspa.com>
Cc: Tori Paide <tori@thestrillpointspa.com>, Susan Krabbe <Susan.Krabbe@columbiaassociation.org>, Sheri Fanaroff <Sheri.Fanaroff@columbiaassociation.org>
Subject: Re: Scheduling a time to meet

Marla and Tori,

We agree that we need to meet to discuss our agreement, since there seem to be differing interpretations. I have asked Susan and Sheri (as you'll recall, CA's CFO and General Counsel) to attend such a meeting along with me.

We would like to request that in addition to your attorney, your accountant attend the meeting, so that we can take this opportunity to discuss the current and future state of your business entity and address any lease concerns within that context. There have been several recent events and comments that, when taken collectively, send CA a message of concern. We are hoping that you will be able to clarify these matters and offer reassurances with regard to the financial status of TSP at Haven. These matters of concern include, but are not limited to, an apparent complete turnover of your management team at all locations in the last 45 days, a police investigation of one of your employees that was not reported to CA, cash flow concerns, reports of your imminent personal financial loss as a result of problems with the business, public comments by both of you with regard to the viability of your business and your ability to stay in the business, and your disparaging comments that CA is "shady" and that you feel you have "made a deal with the devil." These matters clearly require some explanation.

We also are requesting that you forward to us at least one week before the meeting, your most recently updated 5-year pro forma. If you do not have 5 years prepared, we would need to see at least 3 years. We also request that you forward us your tax returns for TSP at Haven for the most recent filing year.

Please let me know if the potential meeting dates you provided still work for you, and we will get back to you to confirm a meeting date. If you have any questions, please do not hesitate to ask.

Thanks

Dan Burns
Director, Sport and Fitness
Phone: 410-715-3141
Email: Dan.Burns@ColumbiaAssociation.org
6310 Hillside Ct, Columbia, MD 21046
ColumbiaAssociation.org

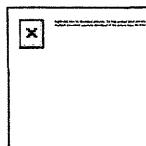


On Mon, Aug 22, 2016 at 11:09 PM, Marla Peoples <marla@thestillpointspa.com> wrote:
Dan,

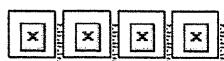
I hope this finds you well.

We would like to schedule a meeting per our past emails. Are you available on Sept 8th at 2pm or Sept 13th at 2:30pm to meet with us and our attorney? I'm not sure who needs to be present from CA, please let me know if I need to email them directly or if you can see if they are available.

Thank you,
Marla



Marla Peoples, L.Ac., M.Ac.
Owner
www.thestillpointspa.com



"The information transmitted is intended only for the person to which it is addressed and may contain confidential, proprietary or privileged material. Any review, re-transmission, dissemination or other use of or action taken in reliance on this information by a person other than the intended recipient is prohibited. If you received this information in error, please contact the sender and delete the information. Thank you for your cooperation."

EXHIBIT R



Writer: Jessica A. duHoffmann
Direct Dial: 410.385.3782
jduhoffm@milesstockbridge.com

January 10, 2017

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

David Rodman Cohan, Esq.
Cohan, West & Karpook, P.C.
201 N. Charles Street, Suite 2404
Baltimore, MD 21201

Re: NOTICE OF HOLDOVER

Lease Agreement dated December 5, 2013 ("Lease"), by and between Columbia Association, Inc. ("Landlord" or "CA") and TSP at Haven on the Lake, LLC ("Lessee") for 10400 Little Patuxent Parkway, Columbia, MD (the "Leased Premises")

Dear Mr. Cohan:

Please be advised that my office represents Landlord in connection with the above-referenced matter. I understand that you represent Lessee.

This letter shall constitute notice that the lease term¹ for the Leased Premises expired on January 4, 2017. (Lease, § 2.1). As a gesture of good will, Landlord advised you that it would extend the lease to January 31, 2017, but your response was to inform Landlord that your "client will not vacate the premises until the legal issues are resolved".

Pursuant to Section 11.3 of the Lease, "Lessee, on the last day of the term of the [Lease], shall surrender the Leased Premises and all improvements thereon. . ." (Lease, § 11.3)(emphasis provided). Landlord will honor the lease extension to January 31, but please be advised that if Lessee fails to surrender the Leased Premises on or before that date, Lessee will legally and contractually be considered a holdover tenant.

With regard to the same, Section 11.4 of the Lease reads as follows:

Lessee agrees to vacate the Leased Premises upon the termination of the Lease. If Lessee holds possession of the Leased Premises after the termination of this Lease for any reasons, Lessee shall pay CA double rent described in paragraph 3.1 . . . for such period that the Lessee holds over. . . . In addition, if Lessee holds over, **Lessee shall be liable for any**

¹ Unless otherwise stated, the terms used herein shall be consistent with and have the meanings set forth in the Lease.



**damages incurred by CA as the result of such holdover, including . . .
attorneys' fees incurred to enforce this provision.**

(*Id.*, § 11.4; *see also*, § 8.1).

We will be sending a statement reflecting amounts due Landlord as of January 31, 2017. These amounts will be immediately due and payable. Please note that, pursuant to the Lease, the payment of rent during the holdover period does not "create any lease arrangement between Lessee and CA." (*Id.*, § 11.4).

Without limiting or waiving any rights of Landlord, should Lessee fail to vacate the Premises by January 31, 2017, Landlord will be forced to commence proceedings to repossess the Premises and seek all costs and attorneys' fee attendant with doing so.

Please direct all further communications regarding this matter to my office. Landlord reserves and will pursue all other rights and remedies available to it under the Lease, at law and/or in equity.

Best regards,

/s/

Jessica A. duHoffmann

cc: (Via electronic mail)
Sheri V. G. Fanaroff, Esq.
Michele L. Cohen, Esq.

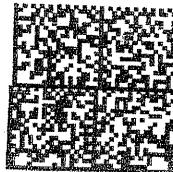


CERTIFIED MAIL™



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BALTIMORE
MD 212
10 JAN '17
PM 8 L



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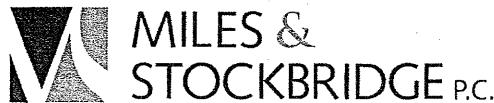
016H26523875
\$ 06.465
01/10/2017
Mailed From 21202
US POSTAGE

David Rodman Cohan, Esq.
Cohan, West & Karpook, P.C.
201 N. Charles Street, Suite 2404
Baltimore, MD 21201

212-078-1 C1610001/11/17
NOTIFY SENDER OF NEW ADDRESS
COHAN WEST & KARPBOOK PC
1300 YORK RD STE 130
LUTHVLE TIMON MD 21093-6000
SC: 21093600030 *2427-93001-10-41

21093-6000
21201-411004

EXHIBIT S



Writer: Jessica A. duHoffmann
Direct Dial: 410.385.3782
jduhoffm@milesstockbridge.com

February 13, 2017

Via Certified Mail, Return Receipt Requested and First Class Mail

Stillpoint Wellness Centers, LLC
5570 Sterrett Place #202
Columbia, MD 21044

Re: *Notice of Unpaid Rent & Default*

Lessor: Columbia Association, Inc.

Lessee: *TSP at Haven on the Lake, LLC*

Lease: December 5, 2013, as Amended

Premises: *10400 Little Patuxent Parkway, Columbia, MD*

To Whom It May Concern:

This office represents Lessor with respect to amounts due under the Lease for the above-referenced Premises. On January 27, 2017, Lessor was advised that Lessee "has exercised its right to renew" the Lease. The original term under the Lease expired on January 5, 2017.¹ Thus, the Renewal Term commenced January 6, 2017.

Please accept this Notice pursuant to section 9.1(a) of the Lease that Lessee has failed to pay, when due, amounts due by Lessee to Lessor under the provisions of the Lease. The following amounts remain past due under the Lease:

- **Base Rent.** Lessee failed to pay the full amount of base rent due for the months of January and February 2017 for the Renewal Term Year One. (Please consult section 3.1(b) of the Lease). After application of Lessee's deficient payments for those months, a balance of \$11,833.34 remains due.²

¹ Pursuant to the Lease, the Effective Date of the Lease is on the first business day following CA's completion of the improvements and receipt of a Use and Occupancy permit from Howard County. Please let me know if you would like a copy of the Use and Occupancy Permit from Howard County. Also, I understand that, during the course of recent communications between TSP and CA, you have objected to CA's improvements. Please note, however, that the Lease makes clear that "Lessee's occupancy of the Leased Premises shall be deemed to constitute acceptance of the Improvements and acknowledgment by Lessee that CA has fully complied with its obligations to construct and deliver the Leased Premises to Lessee." (Lease ¶¶ 1.1, 2.1).

² Lessor is in receipt of Lessee's partial payment of \$2,916.66 for base rent for the month of March 2017. The balance of the base rent in the amount of \$5,916.67 will be due on March 1st. This balance is not included in the total amount due stated below.

- **Percentage Rent.** Lessee has failed to pay percentage rent due under the Lease. Based upon profit and loss statements provided by Lessee, outstanding Percentage Rent for the months of January through September 2016 remains due in the amount of \$22,054.56. (Please consult section 3.2 for Percentage Rent rates). To wit:

Percentage rent:

	Due Per Lease	Paid	Due
1/5/2015 - 1/4/2016	\$0.00	\$0.00	\$0.00
1/31/2016 - 2.2% of gross revenues	\$1,287.61	\$0.00	\$1,287.61
2/29/2016 - 2.2% of gross revenues	\$1,764.39	\$0.00	\$1,764.39
3/31/2016 - 2.2% of gross revenues	\$2,610.67	\$0.00	\$2,610.67
4/30/2016 - 2.2% of gross revenues	\$2,883.70	\$0.00	\$2,883.70
5/31/2016 - 2.2% of gross revenues	\$3,272.66	\$0.00	\$3,272.66
6/30/2016 - 2.2% of gross revenues	\$2,997.27	\$0.00	\$2,997.27
7/31/2016 - 2.2% of gross revenues	\$2,531.24	\$0.00	\$2,531.24
8/31/2016 - 2.2% of gross revenues	\$2,381.86	\$0.00	\$2,381.86
9/30/2016 - 2.2% of gross revenues	\$2,325.16	\$0.00	\$2,325.16

In addition, Lessee has failed to provide profit and loss statements for the months of October, November, December 2016 and January 2017 and further has failed to pay the applicable Percentage Rent due for those months. Pursuant to the Amendment to Lease dated January 11, 2016, particularly section 2 thereof, “by the 25th day of each month, Lessee shall provide . . . a signed copy of Lessee’s profit and loss statement for its operations . . . for the preceding month.” A \$50.00 late fee is due attendant with Lessee’s failure to provide the profit and loss statements as required under the Lease each month, totaling \$150.00.

- **Improvement Costs.** Pursuant to Section 1.2 of the Lease, Lessee is “responsible to pay fifty percent (50%) of the cost” of further improvements to the Premises after the Effective Date of the Lease. Lessee requested certain improvements to the locker rooms in the Premises, the costs for which totaled \$37,720. (Copies of the invoices are available upon request). Lessee’s fifty percent (50%) share of the same is \$18,860 and is due and owing under the terms of the Lease.

Pursuant to Section 9.1 of the Lease, Lessee is currently in default of the Lease for failing to provide the profit and loss statements since October 2016. Lessee is further in default of the Lease for failing to make the forgoing delineated payments due under the Lease. **The total amount due is \$52,897.90, plus the Percentage Rent for the months of October, November, December 2016 and January 2017.** If Lessee fails to provide the profit and loss statements, as well as all unpaid amounts owed under the Lease within



thirty (30) days, including all Percentage Rent accrued, Lessor will terminate this Lease and commence an action to recover possession of the Premises. Lessor will further commence proceedings to recover all amounts due under the Lease, plus attorneys' fee, interest and costs.

Please let me know if you have any questions.

Best regards,

/s/

Jessica A. duHoffmann

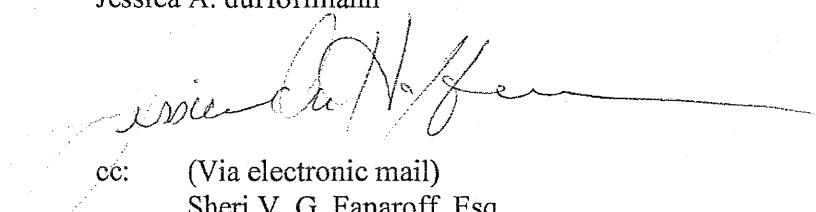

cc: (Via electronic mail)
Sheri V. G. Fanaroff, Esq.
Susan Krabbe
Michele L. Cohen, Esq.

EXHIBIT T

EXHIBIT T-1

Classes

The mind body movement classes at Haven on the Lake are taught only by certified professionals and will provide a fun, friendly and safe way to achieve your wellness goals. For detailed class descriptions, please visit HavenontheLake.org.

AQUA

Aqua mind body classes are designed to be soothing, calming and supportive in nature. These classes are appropriate for all levels including pregnant women, those recovering from injuries and participants with arthritis, fibromyalgia, other neurological conditions or weight issues.

YOGA

Yoga has been proven to reduce stress, relieve pain and increase strength when practiced under the guidance of an experienced professional as part of a regular regimen.

BARRE

Barre-based classes incorporate movements from a variety of disciplines such as ballet, Pilates® and yoga and have been found to be effective in strengthening and body shaping.

PILATES®

All Pilates® instruction seeks to create wellness by adhering to six basic principles: concentration, centering, control, breath, precision and flowing movement. At Haven on the Lake, you will find a quality of classical instruction in an environment that will encourage your mind and body to work together to achieve your wellness goals.

INTERNAL ENERGY

Research has shown that the regular practice of internal energy classes such as tai chi and QIGong can moderate blood pressure, reduce stress and generate overall well-being and physical harmony.

HAVEN TRX®

The ideal mix of support and mobility to build strength, balance, endurance, coordination and core stability all at once using your body weight with suspension straps. This class will also fuse movements from other Haven mind body classes such as yoga, barre and Pilates®.

 Small group and private Pilates®, yoga, aqua, TRX® and barre available on request.

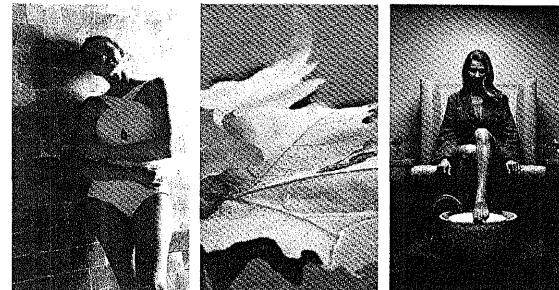
CLASS PACKAGES

Class Packages allow guests to sample a variety of mind body classes offered at Haven on the Lake. The packages include the following healing environments for you to enjoy: cold plunge, crystal salt room, steam bath, hot tub, movement and relaxation pool, sauna and tropical shower.

Class Package	Haven Member Price	Nonmember Price
One Pack	\$22	\$32
Five Pack	\$95	\$140
Ten Pack	\$180	\$260
Fifteen Pack	\$255	\$360



10275 Little Patuxent Parkway
Columbia, MD 21044
410-715-3020
HavenontheLake.org



Heal
the stress of
everyday life

Haven on the Lake is a 27,000 square foot wellness retreat right in the heart of Columbia, designed to stimulate your well-being and vitality through restorative and health enhancing experiences. Haven's approach is one of caring, positivity and empowerment. The environment at Haven on the Lake will invite you to get in touch with your inner spirit and relax.

H A V E N
ON THE LAKE
A partnership between
COLUMBIA ASSOCIATION and **THE STILL POINT**

Memberships & Pricing

ALL MEMBERSHIPS REQUIRE A MINIMUM 12-MONTH COMMITMENT



All memberships include unlimited enjoyment and relaxation in these co-ed healing environments:

- Movement and relaxation pool
- Hot tub overlooking Lake Kittamaqundi
- Crystal salt therapy room
- Steam bath
- Tropical shower
- Cold plunge
- Men's and women's saunas
- Men's and women's retreat areas
- Mind body lounge
- 7,000 sq ft veranda overlooking Lake Kittamaqundi
- Mind body movement studios specifically designed for Pilates®, yoga, tai chi, QiGong, barre and more *(not included in all memberships)*
- The Still Point wellness spa at Haven on the Lake *(additional fee required)*
- KidSpace child-care services *(additional fee required)*
- Café featuring fresh food and beverages prepared by Whole Foods Market
- Must be 18 years or older



REFRESH

Refresh provides unlimited access to Haven on the Lake's healing environments. Refresh members may also purchase mind body movement classes at member rates.

	CA Residents Monthly	Nonresidents Monthly
All CA Members Add-on Per Person	\$29	\$29
New Member Rate Per Person	\$49	\$69

REVIVE

Revive provides unlimited access to Haven on the Lake's healing environments and unlimited access to mind body movement classes plus a monthly \$15 credit toward specific wellness spa experiences.*

	CA Residents Monthly	Nonresidents Monthly
Package Plan Plus Add-on Per Person	\$59	\$59
New Member Rate Per Person	\$99	\$139

RESTORE

Restore provides unlimited access to Haven on the Lake's healing environments. It also includes one wellness spa experience per month, reduced prices on additional wellness spa experiences and a monthly \$20 credit toward specific wellness spa experiences.*

	CA Residents Monthly	Nonresidents Monthly
Package Plan Plus Add-on Per Person	\$109	\$109
New Member Rate Per Person	\$119	\$129

REJUVENATE

Rejuvenate is an all-inclusive membership which offers unlimited access to Haven on the Lake's healing environments. It also includes unlimited access to mind body movement classes, one wellness spa experience per month, special prices on additional wellness spa experiences and a monthly \$25 credit toward specific wellness spa experiences.*

	CA Residents Monthly	Nonresidents Monthly
Package Plan Plus Add-on Per Person	\$149	\$149
New Member Rate Per Person	\$189	\$229

* Must be redeemed within the month. Access to classes on a space-available basis.

EXHIBIT T-2

Classes

The mind body movement classes at Haven on the Lake are taught only by certified professionals and will provide a fun, friendly and safe way to achieve your wellness goals. For detailed class descriptions, please visit HavenontheLake.org.

AQUA

Aqua mind body classes are designed to be soothing, calming and supportive in nature. These classes are appropriate for all levels including pregnant women, those recovering from injuries and participants with arthritis, fibromyalgia, other neurological conditions or weight issues.

YOGA

Yoga has been proven to reduce stress, relieve pain and increase strength when practiced under the guidance of an experienced professional as part of a regular regimen.

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INTERNAL ENERGY

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HAVEN TRX®

The ideal mix of support and mobility to build strength, balance, endurance, coordination and core stability all at once using your body weight with suspension straps. This class will also fuse movements from other Haven mind body classes such as yoga, barre and Pilates.

Small group and private Pilates, yoga, aqua, TRX® and barre available on request.

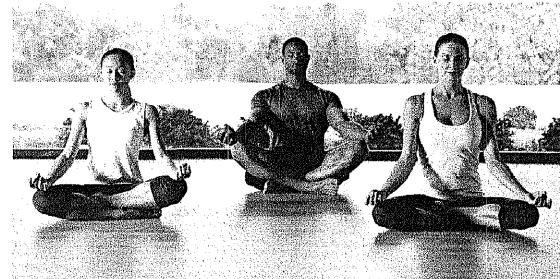
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H A V E N
ON THE LAKE

Memberships & Pricing

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- Steam bath
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- Men's and women's saunas
- Men's and women's retreat areas
- Mind body lounge
- 7,000 sq ft veranda overlooking Lake Kittamaqundi
- Mind body movement studios specifically designed for Pilates, yoga, tai chi, QiGong, barre and more
(not included in all memberships)
- Wellness spa at Haven on the Lake
(additional fee required)
- KidSpace child-care services
(additional fee required)
- Must be 18 years or older



REFRESH

Refresh provides unlimited access to Haven on the Lake's healing environments. Refresh members may also purchase mind body movement classes at member rates.

CA Residents Monthly Nonresidents Monthly

All CA Members Add-on Per Person	\$29	\$29
New Member Rate Per Person	\$49	\$69

REVIVE

Revive provides unlimited access to Haven on the Lake's healing environments and unlimited access to mind body movement classes, plus a monthly \$20 credit toward specific wellness spa experiences.*

CA Residents Monthly Nonresidents Monthly

Package Plan Plus Add-on Per Person	\$59	\$59
New Member Rate Per Person	\$99	\$139

RESTORE

Restore provides unlimited access to Haven on the Lake's healing environments. It also includes one wellness spa experience per month, reduced prices on additional wellness spa experiences and a monthly \$20 credit toward specific wellness spa experiences.*

CA Residents Monthly Nonresidents Monthly

Package Plan Plus Add-on Per Person	\$109	\$109
New Member Rate Per Person	\$119	\$129

REJUVENATE

Rejuvenate is an all-inclusive membership which offers unlimited access to Haven on the Lake's healing environments. It also includes unlimited access to mind body movement classes, one wellness spa experience per month, special prices on additional wellness spa experiences and a monthly \$25 credit toward specific wellness spa experiences.*

CA Residents Monthly Nonresidents Monthly

Package Plan Plus Add-on Per Person	\$149	\$149
New Member Rate Per Person	\$189	\$229

* Must be redeemed within the month. Access to classes on a space-available basis.

EXHIBIT U

EXHIBIT U-1

INVOICE



COLUMBIA ASSOCIATION
ATTN: PAM BEARY
6310 HILLSIDE COURT, SUITE 100
COLUMBIA, MD 21046
PAM.BEARY@COLUMBIAASSOCIATION.ORG
410 715-3145 EIN 52-0823992

STILL POINT HAVEN ON THE LAKE
5570 STERRETT PLACE
SUITE 202
Columbia, MD 21044

Customer 090
Invoice 7739

Trans. Date	Description	Billed 5916.67
2/28/17	STILL POINT ADDITIONAL RENT DUE FOR JANUARY 2017	5916.67

TOTAL 5916.67

***PLEASE PAY FROM THIS INVOICE INCLUDE ACCOUNT NUMBER WITH PAYMENT-Thank you**

EXHIBIT U-2

INVOICE



COLUMBIA ASSOCIATION
ATTN: PAM BEARY
6310 HILLSIDE COURT, SUITE 100
COLUMBIA, MD 21046
PAM.BEARY@COLUMBIAASSOCIATION.ORG
410 715-3145 EIN 52-0823992

STILL POINT HAVEN ON THE LAKE
5570 STERRETT PLACE
SUITE 202
Columbia, MD 21044

Customer 090
Invoice 7740

Trans. Date	Description	Billed 5916.67
2/28/17	STILL POINT ADDITIONAL RENT DUE FOR FEBRUARY 2017	5916.67

TOTAL 5916.67

*PLEASE PAY FROM THIS INVOICE INCLUDE ACCOUNT NUMBER WITH PAYMENT-Thank you