As filed with the Securities and Exchange Commission on January ___ , 2012
Registration No. _____

U. S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

_____

FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

_____

INSYNERGY, INC.
(Exact name of registrant as specified in its charter)

Nevada	**7311**	**27-1781753**
(State or other jurisdiction of Incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

Sandford Lang
4705 Laurel Canyon Blvd. Suite 2025
Studio City, CA 91604
(818) 760-1644
(Address and Telephone Number of Registrant's Principal Executive Offices and Principal Place of Business)

With Copies to:
Donald G. Davis, Esq.
Davis & Associates
PO Box 12009
Marina Del Rey, CA 90295
(310) 823-8300

Agent for Service: Camille Traino, 417 Lucy Street, Suite 100,
Henderson, NV 89015
(702)449-4497

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment that specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Approximate Date of Commencement of Proposed Sale to the Public: from time to time after the effective date of this Registration Statement as determined by market conditions and other factors.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. [X]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If delivery of the Prospectus is expected to be made pursuant to Rule 434, please check the following box. [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting Company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting Company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer (Do not check if a smaller reporting Company)	[ ]	Smaller reporting Company	[X]

CALCULATION OF REGISTRATION FEE

Title of each class of Securities to be Registered	**Amount of Shares to be Registered**	**Proposed Maximum offering Price per share**	**Proposed Maximum Aggregate offering Price**	**Amount of Registration Fee**
Common Stock	**2,155,130**	$0.50	$1,077,565.00	$123.49
Total		$0.50	$1,077,565.00	$123.49

(1)	These shares will be sold at this fixed price of $0.50 until the common stock becomes quoted on the Over-the-Counter ("OTC") Bulletin Board or listed on a securities exchange.

THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION

DATED ____ , 2012

PROSPECTUS

INSYNERGY, INC

2,155,130 Shares of Common Stock

This prospectus (the "Prospectus") relates to the sale of shares of 2,155,130 our common stock, par value of $0.001, by certain individuals and entities who beneficially own shares of our common stock. The initial offering price per share is a fixed price of $0.50. The shares will be sold at the fixed price of $0.50 until the common stock becomes quoted by a market maker on the Over-the-Counter Bulletin Board. We will file a post-effective amendment to reflect the change to a market price when the shares are quoted by a market maker on a securities exchange.

To be quoted on the Over-the-Counter Bulletin Board, a market maker must file an application on our behalf in order to make a market for our common stock. To date, we have not engaged a market maker to apply for quotation on the OTC Bulletin Board on our behalf.

The shares are not currently quoted by a market maker on any stock exchange. However we will seek to have the shares quoted by a market maker on the OTC Bulletin Board immediately following the effectiveness of this registration statement.

There is no guarantee our securities will ever trade on the OTC Bulletin Board or any other securities exchange. Assuming that a public market for our shares develops and is maintained, it is anticipated that the Selling Shareholders will offer shares in market transactions through FINRA member brokerage firms, and from time to time will sell some or all of the shares being offered. The initial offering price may not reflect the market price of our shares after the offering. There is no minimum purchase requirement for prospective Shareholders. We are paying the expenses of, but are not receiving any proceeds from, this Offering.

INVESTING IN OUR COMMON STOCK INVOLVES A HIGH DEGREE OF RISK. SEE "RISK FACTORS" BEGINNING ON PAGE 4 TO READ ABOUT FACTORS YOU SHOULD CONSIDER BEFORE BUYING SHARES OF OUR COMMON STOCK.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OF ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER OR SALE IS NOT PERMITTED.

The date of this Prospectus is __ , 2012

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GENERAL

As used in this Prospectus, references to “the Company,” “INSYNERGY” “we”, “our,” “ours” and “us” refer to INSYNERGY, INC., unless otherwise indicated. In addition, any references to our “financial statements” are to our consolidated financial statements except as the context otherwise requires.

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus. This summary does not contain all the information that you should consider before investing in the common stock. You should carefully read the entire Prospectus, including “Risk Factors,”“Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the Financial Statements, before making an investment decision.

Corporate Background and Our Business

The Company is a development stage company that has no revenues to date.

Insynergy, Inc. (the "Company") was incorporated in the State of Nevada on January 26, 2010 to engage in Direct Response retail marketing and sale of consumer products through Television and the Internet, followed up for successful products with more traditional distribution and sale of such products through traditional retail outlets once a brand for the product has been established.

Our current headquarters are located at 4705 Laurel Canyon Blvd., Suite 205, Studio City, CA 91607. Our website is located at www.insynergyproducts.com. Our telephone number is (818)-760-1644.

Going Concern

Our financial statements have been prepared assuming we will continue as a going concern. The Company has experienced a loss from operations during its development stage as a result of its investment necessary to achieve its operating plan, which is long-range in nature.

The Company's ability to continue as a going concern is contingent upon its ability to attain obtain additional capital to implement its business plan, and ultimately, to attain profitable operations. Management has been able, thus far, to finance the losses of the business through private placements of its common stock and the issuance of debt, but future sources for additional capital are uncertain at this date.

ABOUT THIS OFFERING

Common Stock outstanding prior to the offering 15,722,150

Common stock to be sold by the selling stockholders: 2,155,130 shares

Common Stock to be outstanding after the offering 15,722,150

Use of proceeds We will not receive any proceeds from the sale of the common stock hereunder.

SUMMARY FINANCIAL AND OPERATING INFORMATION

The following selected financial information is derived from the Company’s Financial Statements appearing elsewhere in this Prospectus and should be read in conjunction with the Company’s Financial Statements, including the notes thereto, appearing elsewhere in this Prospectus.

INSYNERGY PRODUCTS, INC.
BALANCE SHEETS
(A Development Stage Company)

	September 30, 2011 (Unaudited)	December 31, 2010
Assets:		
Cash & Cash Equivalents	**$ 35,849**	**$ -**
Prepaid Expenses	**-**	**389**
Total Current Assets	**35,849**	**389**
Fixed Assets:		
Furniture Fixtures & Equipment	**10,249**	**10,249**
Accumulated Depreciation	**(3,410)**	**(1,717)**
Total Fixed Assets	**6,839**	**8,532**
Total Assets	**$ 42,688**	**$ 8,921**
Liabilities:		
Current Liabilities		
Accounts Payable	**$ 13,670**	**$ 2,727**

Other Payable	**800**	**800**
Bank Overdraft	**-**	**24**
Stock Subscription Payable	**15,000**	**-**
Loan from Shareholder	**8,470**	**-**
Accrued Expenses	**202,500**	**-**
Total Current Liabilities	**240,440**	**3,551**
Non-Current Liabilities:		
Notes Payable, including accrued interest of $9,300	**109,300**	**94,950**
Total Non-Current Liabilities	**109,300**	**94,950**
Total Liabilities	**349,740**	**98,501**
Stockholders' Equity (Deficit):		
Common Stock par value .001 authorized 300,000,000 shares, Issued 15,220,970 and 200,000 shares, respectively	**15,221**	**200**
Additional Paid in Capital	**2,175,645**	**103,400**
Stock Subscription Receivable	**(170,000)**	**-**
Deficit Accumulated During the Development Stage	**(2,327,918)**	**(193,180)**
Total Stockholders' Deficit	**(307,052)**	**(89,580)**
Total Liabilities and Stockholders' Deficit	**$ 42,688**	**$ 8,921**

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The accompanying notes are an integral part of these financial statements

RISK FACTORS

Investment in our shares is speculative.

The shares of our common stock being offered for resale by the selling security holder are highly speculative in nature, involve a high degree of risk and should be purchased only by persons who can afford to lose the entire amount invested in the common stock. Before purchasing any of the shares of common stock, you should carefully consider the following factors relating to our business and prospects. If any of the following risks actually occurs, our business, financial condition or operating results could be materially adversely affected. In such case, the trading price of our common stock could decline and you may lose all or part of your investment.

We are dependent upon external financing to fund our ongoing operations and implement our business plan.

Currently, we are dependent upon external financing to fund our operations. It is imperative that we obtain this external financing to implement our business plan and to finance ongoing operations. We currently do not have commitments from third parties for additional capital. We cannot be certain that any such financing will be available on acceptable terms, or at all.

Failure to secure additional financing in a timely manner and on favorable terms would have a material adverse effect on our financial performance, results of operations and stock price and require us to curtail or cease operations, sell off our assets, and/or perhaps seek protection from our creditors through bankruptcy proceedings.

Furthermore, additional equity financing, if obtained, may be dilutive to the holders of our common stock, and debt financing, if available, may involve restrictive covenants, and strategic relationships, which may require that
we relinquish valuable rights.

No assurance Company will be Successful and Ultimately Operate Profitably.

The Company is currently operating at a loss, and there is no assurance that the business development plans and strategies of the Company will be successful, or that the Company will be able to operate profitably. If we cannot operate profitably, you could lose your entire investment. We likely will not generate revenues in the next twelve months sufficient to support our operations and therefore will have to rely solely on the cash we raise from the private sale of debt or equity securities. Our ability to privately sell our securities is uncertain, as are the future terms upon which they might be sold.

The Products We Select for Direct Response Marketing May Not Receive Favorable Market Response, or the Product Campaign May Fair For Other Reasons

Some of our future Direct Response Marketing Campaigns will no doubt fail. Direct Response Marketing products can fail due to many reasons, including no perceived need for the product, other competing products provide better solutions or are better priced, the product price is too high, the infomercial is unconvincing, the wrong time slot or market segment is selected for broadcast, and for a variety of other reasons. Larger trends, such as a recessionary economy, less discretionary purchasing power in the hands of consumers, more restrictive credit and higher rates on credit cards, also can discourage sales and cause a campaign to fail. Operational issues can also cause a campaign to fail, such as too low a price markup, poor quality resulting in high returns; a lack of sufficient capital to purchase sufficient inventory, or failure by sub contractors to properly carry out their responsibilities for manufacturer, order taking, and fulfillment.

Lack of Market acceptance for a product is a particularly significant risk in our business. We will no doubt have some failures which will result in loss, and some products will likely only break even, doing little more then return the costs expended to undertake product production and to pay for the campaign itself. It is up to management to select, test, and carefully place infomercials for those Products which in management's opinion have a good chance of being successful and generating significant revenues and profits in the Market place. There is no assurance that management will be successful in these efforts to the required degree so that the Company becomes profitable.

Going Concern Opinion

We have been the subject of a going concern opinion by our independent auditors who have raised substantial doubt as to our ability to continue as a going concern.

Our financial statements have been prepared assuming we will continue as a going concern. The Company has experienced a loss from operations during its current development stage as a result of its investment necessary to begin implementation of its operating plan, which is long-range in nature. For the period from inception to September 30, 2011, the Company incurred a net loss of approximately $2,327,918.

The Company's ability to continue as a going concern is contingent upon its ability to attain profitable operations by securing additional capital and implementing its business plan. In addition, the Company's ability to continue as a going concern must be considered in light of the problems, expenses and complications frequently encountered by entrance into established markets and the competitive environment in which the Company operates. The Company's financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern. The above factors, among others, raise substantial doubt about our ability to continue as a going concern. Our consolidated financial statements do not include any adjustment that might result from the outcome of this uncertainty. Assurances cannot be given that adequate financing can be obtained to meet our capital needs, which we estimate at from $500,000 to $1,500,000, or can be obtained on commercially reasonable terms. If we are unable to generate profits and unable to obtain future financing to meet our working capital requirements, we will have to curtail our business sharply or cease operations altogether. Ultimately, our continuation as a going concern is dependent upon our ability to generate sufficient cash flow to meet our continuing obligations on a timely basis.

No significant operating history makes our Company difficult to evaluate

As a development stage company, our business and prospects are difficult to evaluate because we have minimal operating history and our business model is still being implemented. An investment in us should be considered a high-risk investment where you could lose your entire investment.

We Face Intense Competition From Competitors with more experience, long track records, larger staffs, and better funding.

We will face intense competition in our industry from other established Companies once we begin product campaigns. We will compete to obtain licenses for products, for air time, and for the attention of the consumer and the consumer's discretionary dollar spent in this market. Many of our competitors have significantly greater financial, technological, marketing and distribution resources than we do. Their greater capabilities in these areas enable them to better withstand periodic product campaign failures, and more general downturns in the industry, compete more effectively on the basis of price and production and more quickly develop or locate and license new products. In addition, new companies may enter the markets in which we expect to compete, further increasing competition in our industry.

Our Product Liability Insurance May not be Sufficient to cover claims.

We intend to carry product liability insurance in such amounts as management deems appropriate, but there is no assurance that such insurance will be sufficient to cover claims if one of our products does not perform as described and causes damage. The Company could in the future become liable for substantial claims which in the aggregate materially exceed the limits of the Company product liability insurance, with that result that the Company suffers substantial losses, with a resulting loss in value of our stock.

We have arbitrarily determined the offering price of our common stock and the value of our stock does not necessarily reflect our book value.

We arbitrarily selected the offering price for the common stock. Our establishment of the offering price of the shares has not been determined by negotiation with an underwriter as is customary in underwritten public offerings. The offering price does not bear any relationship whatsoever to our assets, earnings, book value or any other objective standard of value. Therefore, investors may be unable to recoup their investment if the value of our securities does not materially increase. Among the factors we considered in determining the offering price were our lack of operating history, our succession of losses to date, or lack of liquid assets, and our continuing need for outside capital through the sale of equity or creation of debt in order to keep operating our business.

There is currently no market for our common stock.

Our common stock is not currently traded on an exchange; there is no guarantee that our shares will ever trade on the OTC Bulletin Board or on any other securities exchange. The shares will be sold at the fixed price of $0.50 until the common stock becomes quoted by a market maker on the Over-the-Counter Bulletin Board. We will file a post-effective amendment to reflect the change to a market price when the shares are quoted by a market maker on a securities exchange.

To be quoted on the Over-the-Counter Bulletin Board, a market maker must file an application on our behalf in order to make a market for our common stock. To date, we have not engaged a market maker to apply for quotation on the OTC Bulletin Board on our behalf. The shares are not currently quoted by a market maker on any stock exchange. However we will seek to have the shares quoted by a market maker on the OTC Bulletin Board immediately following the effectiveness of this registration statement.

Because of this limited liquidity, stockholders may be unable to sell their shares. Moreover, once and if our shares are registered on the OTC Bulletin Board, sales or purchases of relatively small blocks of common stock could have a significant impact on the price at which our common stock is traded. The trading price of our common stock may be affected by a number of factors, including events described in the Risk Factors set forth in this Prospectus, as well as our operating results, financial condition, public announcements by us, general conditions in the Direct Response Marketing industry, and other events or factors. In a volatile market, we may experience wide fluctuations in the market price of our common stock. These fluctuations may have a negative effect on the market price of our common stock.

We could fail to retain one or both of our two Principle Officers, which could be detrimental to our operations.

Our success largely depends on the efforts and abilities of our Chief Executive Officer Sanford Lang, and our Chief Operating Officer, Martin Goldrod. We have employment agreements with Messrs Lang and Goldrod, but we do not carry key man insurance on their lives. The loss of either ones services could materially harm our business because of the cost and time necessary to find a successor.

Trading of our stock may be restricted by the Securities Exchange Commission's penny stock regulations, which may limit a stockholder's ability to buy and sell our stock.

The Securities and Exchange Commission has adopted regulations which generally define "penny stock" to be any equity security that has a market price (as defined) less than $5.00 per share or an exercise price of less than $5.00 per share, subject to certain exceptions. Our securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and "accredited investors". The term "accredited investor" refers generally to institutions with assets in excess of $5,000,000 or individuals with a net worth

exclusive of home in excess of $1,000,000 or annual income exceeding $200,000 or $300,000 jointly with their spouse. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the Securities and Exchange Commission, which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the stock that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities. We believe that the penny stock rules discourage investor interest in and limit the marketability of our common stock.

FORWARD LOOKING STATEMENTS

This prospectus and the documents incorporated by reference in this prospectus contain certain forward-looking statements and are based on the beliefs of our management as well as assumptions made by and information currently available to our management. Statements that are not based on historical facts, which can be identified by the use of such words as "likely," "will," "suggests," "target," "may," "would," "could," "anticipate," "believe," "estimate," "expect," "intend," "plan," "predict," and similar expressions and their variants, are forward-looking. Such statements reflect our judgment as of the date of this prospectus and they involve many risks and uncertainties, including those described under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", and elsewhere herein. These risks and uncertainties could cause actual results to differ materially from those predicted in any forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. We undertake no obligation to update forward-looking statements.

USE OF PROCEEDS

All shares of our common stock offered by this prospectus are being registered for the account of the selling stockholders. We will not receive any of the proceeds from the sale of these shares.

DIVIDEND POLICY

We have never declared dividends or paid cash dividends on our common stock and our board of directors does not intend to distribute dividends in the near future. The declaration, payment and amount of any future dividends will be made at the discretion of the board of directors, and will depend upon, among other things, the results of our operations, cash flows and financial condition, operating and capital requirements, and other factors as the board of directors considers relevant. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividend.

DETERMINATION OF OFFERING PRICE

Our common stock is presently not traded on any market or securities exchange. The fixed offering price of $0.50 may not reflect the market price of our shares after the offering. The offering price does not bear any relationship whatsoever to our assets, earnings, book value or any other objective standard of value. We selected the price for the common stock based upon the size of our market, our perception of our own uniqueness in the market and our beliefs about trends in our industry. Among the other factors we considered in determining the offering price that served to decrease it significantly were our lack of operating history, our succession of losses to date, or lack of liquid assets, and our continuing need for outside capital through the sale of equity or debt securities assumption in order to keep operating our business.

DILUTION

The shares that are currently being registered under this registration statement have already been issued and are currently outstanding. Therefore, there will be no dilutive impact on the Company's current shareholders as a result of re-sales by the selling shareholders of their shares under this registration statement.

However, on the Company's books, the value of the shares issued to all shareholders by the Company to date, including the shares registered for resale hereunder, has been valued at $0.21 to $0.40 per share.

Purchasers of the Shares registered by this offering will initially pay $0.50 per share acquired, resulting in an immediate gain to selling shareholders of $0.10 to $0.29 per share based on the book value of their shares of $0.21-$0.40.

If the company finds it necessary to raise additional funds, dilution may occur to some or all existing shareholders, including purchasers of shares offered in this offering, depending upon the price at which such shares are sold in the future.

SELLING STOCKHOLDERS

The following table presents information regarding the Selling Security Holders and their relationship to the Company.

(A) Selling Securities Holders	Relationship to Issuer	(B) Shares Beneficially Owned Before the Offering	(C) Percentage of Outstanding Shares Beneficially Owned Before the Offering (1)	(D) Shares to be sold in the Offering (2)
Alan Diamante	**Shareholder**	**753,350**	**4.80%**	**753,350**
Philip Miller	**Shareholder**	**368,000**	**2.34%**	**25,000**
Michelle Lang	**Shareholder**	**590,000**	**3.76%**	**10,000**
Joshua Lang	**Shareholder**	**10,000**	**0.06%**	**10,000**
Jeffrey Goldrod	**Shareholder**	**20,000**	**0.13%**	**10,000**
Mary Goldrod	**Shareholder**	**10,000**	**0.06%**	**10,000**
Rebecca Goldrod	**Shareholder**	**10,000**	**0.06%**	**10,000**
Sarah Goldrod	**Shareholder**	**10,000**	**0.06%**	**10.000**

Carol Lee Goldrod	Shareholder	10,000		0.06%		10,000
Kathryn Falsey	Shareholder	10,000		0.06%		10,000
Wolf Aulenbacher	Shareholder	3,800		0.02%		3,800
Kal Liebowitz	Shareholder	2,500		0.02%		2,500
Harold Cohen	Shareholder	1,000		0.01%		1,000
Matt Greenfield	Shareholder	1,000		0.01%		1,000
Christine Babiak	Shareholder	1,000		0.01%		1,000
Healthy Living Communications,LLC	Shareholder	22,800		0.15%		22,800
Charles Perez	Shareholder	20,000		0.13%		20,000
The Blue Chip Financial Gp.	Shareholder	100,000		0.64%		5,000
Rarefield Technology, Inc.	Shareholder	100,000		0.64%		5,000
Business Placement Assoc, Inc	Shareholder	100,000		0.64%		5,000
21st Century Science Data, Inc.	Shareholder	100,000		0.64%		5,000
Performance Assets, Inc.	Shareholder	100,000		0.64%		5,000
ANP Industries, Inc.	Shareholder	100,000		0.64%		5,000
NBN Enterprises, Inc	Shareholder	100,000		0.64%		5,000
The 124 Group, Inc.	Shareholder	100,000		0.64%		5,000
Facts, Inc.	Shareholder	100,000		0.64%		5,000
John Rhees	Shareholder	22,800		0.15%		22,800
Joel Crannell	Shareholder	1,000		0.01%		1,000
Thane Fisher	Shareholder	3,800		0.02%		3,800
James Lotta	Shareholder	9,500		0.06%		9,500
Frank Bredice	Shareholder	11,400		0.07%		11,400
Owen McKibbin	Shareholder	76,000		0.48%		10,000
Elke Miller	Shareholder	1,000		0.01%		1,000
Stephanie Miller	Shareholder	1,000		0.01%		1,000
Jessica Miller	Shareholder	1,000		0.01%		1,000
Philip J. Miller	Shareholder	1,000		0.01%		1,000
Janice Miller	Shareholder	1,000		0.01%		1,000
Christy Miller	Shareholder	1,000		0.01%		1,000
Declan Creed	Shareholder	1,000		0.01%		1,000
Jack Creed	Shareholder	1,000		0.01%		1,000
Wendy Miller	Shareholder	1,000		0.01%		1,000
Alexander Olapade	Shareholder	1,000		0.01%		1,000
Aaron Joseph Olapade	Shareholder	1,000		0.01%		1,000
Bruce Logan	Shareholder	1,000		0.01%		1,000
Robert Heller	Shareholder	3,000		0.02%		3,000
Nutrition Innovation, Inc.	Shareholder	80,000		0.51%		80,000
Richard J. Redlich Jr.	Shareholder	100,000		0.64%		100,000
Scott & Debra Weiss Family Trust	Shareholder	25,000		0.16%		25,000
Wilfred R. Von Der Ahe	Shareholder	25,000		0.16%		25,000
Strathmore Partnership	Shareholder	25,000		0.16%		25,000
The Haviva Feder Revocable Trust	Shareholder	25,000		0.16%		25,000
Raul Gomez	Shareholder	50,000		0.32%		50,000
Scott Hamilton	Shareholder	30,000		0.19%		30,000
Greg Meister	Shareholder	25,000		0.16%		25,000
Paul Bershin	Shareholder	240,000		1.53%		240,000
Rama Fox	Shareholder	140,000		0.89%		140,000
Maria Conchita Fournier	Shareholder	11,400		0.07%		11,400
Kenneth Chang	Shareholder	40,000		0.25%		40,000
Fred Gibson	Shareholder	10,000		0.06%		10,000
John –Michael Migliori	Shareholder	2,280		0.01%		2,280
Patricia Migliori	Shareholder	1,000		0.01%		1,000
Francesca Da Sacco	Shareholder	1,000		0.01%		1,000
Cynthia Boccia	Shareholder	1,000		0.01%		1,000
John Boccia	Shareholder	1,000		0.01%		1,000
John Petrone	Shareholder	1,000		0.01%		1,000
Elliot Slutsky	Shareholder	10,000		0.06%		10,000
Cody Joseph Diamante Rosario	Shareholder	95,000		0.60%		95,000
Jay Romero	Shareholder	1,000		0.01%		1,000
Elizabeth Mendoza	Shareholder	1,000		0.01%		1,000
Nerina Castro	Shareholder	1,000		0.01%		1,000
SergioMuleiro	Shareholder	1,000		0.01%		1,000
Emin Bagdasaryan	Shareholder	1,000		0.01%		1,000
Andrea Corso	Shareholder	1,000		0.01%		1,000
Gary Brandt	Shareholder	15,000		0.10%		15,000
Sherrye Schwarz	Shareholder	2,500		0.02%		2,500
Marjorie B. Melendez	Shareholder	5,000		0.03%		5,000
John A. Svenson	Shareholder	3,000		0.02%		3,000
George Lopez	Shareholder	10,000		0.06%		10,000
Michael Stephen Martin	Shareholder	100,000		0.64%		100,000
Benjamin Wayne Fletcher	Shareholder	22,500		0.14%		22,500
Sam Gevshenian	Shareholder	1,000		0.01%		1,000

~~Bonnie Link~~	~~Shareholder~~	~~5,000~~	~~0.03%~~		~~5,000~~
Ron Wallach	Shareholder	5,000	0.03%		5,000
Daniel A. Ditlof	Shareholder	12,500	0.08%		12,500
TOTALS		4,009,130	24.73%		2,155,130

(1)	Applicable percentage of ownership is based on 15,722,150 shares of our common stock outstanding as of December 31, 2011. Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Note that affiliates are subject to Insider trading regulations - percentage computation is for form purposes only.

PLAN OF DISTRIBUTION

The shares will be sold at the fixed price of $0.50 until the common stock becomes quoted by a market maker on the Over-the-Counter Bulletin Board. We will file a post-effective amendment to reflect the change to a market price if and when the shares are quoted by a market maker on the Over the Counter Bulletin Board.

To be quoted on the Over-the-Counter Bulletin Board, a market maker must file an application on our behalf in order to make a market for our common stock. To date, we have not engaged a market maker to apply for quotation on the OTC Bulletin Board on our behalf.

The shares are not currently quoted by a market maker on any stock exchange. However we will seek to have the shares quoted by a market maker on the Over-the-Counter-Bulletin Board immediately following the effectiveness of this registration statement. Each selling stockholder and any of its pledgees, assignees and successors-in-interest may, from time to time, sell any or all of the shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These sales may be at fixed or negotiated prices. The selling stockholder may use any one or more of the following methods when selling shares.

-ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
-block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
-purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
-an exchange distribution in accordance with the rules of the applicable exchange;
-privately negotiated transactions;
-settlement of short sales;
-broker-dealers may agree with the selling stockholder to sell a specified number of such shares at a stipulated price per share;
-a combination of any such methods of sale;
-through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise; or
-Any other method permitted pursuant to applicable law.

The selling stockholder may also sell shares under Rule 144 under the Securities Act, if available, rather than under this prospectus.

Broker-dealers engaged by the selling stockholder may arrange for other brokers-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the selling stockholder (or, if any broker-dealer acts as for the purchaser of shares, from the purchaser) in amounts to be negotiated. The selling stockholder does not expect these commissions and discounts relating to its sales of shares to exceed what are customary in the types of transactions involved.

In connection with the sale of our common stock or interests therein, the selling stockholder may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The selling stockholder may also sell shares of our common stock short and deliver these securities to close out its short positions, or loan or pledge the common stock to broker-dealers that in turn may sell these securities. The selling stockholder may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more derivative
securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this

prospectus (as supplemented or amended to reflect such transaction).

The shares will be sold only through registered or licensed brokers or dealers if required under applicable state securities laws. In addition, in certain states, the shares may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

The selling stockholder and any broker-dealers that act in connection with the sale of the shares might be deemed to be “underwriters” within the meaning of Section 2(11) of the Securities Act of 1933, and any commissions received by such broker-dealers and any profit on the resale of the shares sold by them while acting as principals might be deemed to be underwriting discounts or commissions under the Securities Act. The selling stockholder may agree to indemnify any agent, dealer or broker-dealer that participates in transactions involving sales of the shares against certain liabilities, including liabilities arising under the Securities Act. If the selling stockholder is deemed to be an “underwriter” within the meaning of Section 2(11) of the Securities Act, the selling stockholder will be subject to the prospectus delivery requirements of the Securities Act.

Under applicable rules and regulations under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), any person engaged in the distribution of the resale shares may not simultaneously engage in market making activities with respect to our common stock for a period of two business days prior to the commencement of the distribution. In addition, the selling stockholder may be subject to applicable provisions of the Exchange Act and the rules and regulations there under, including Regulation M, which may limit the timing of purchases and sales of shares of our common stock by the selling stockholder or any other person. We will make copies of this prospectus available to the selling stockholder and have informed the selling stockholder of the need to deliver a copy of this prospectus to each purchaser at or prior to the time of the sale.

We will not receive any proceeds from the sale of the shares by the selling stockholders.

LEGAL PROCEEDINGS

The Company is not a party to any legal proceedings.

DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS

The following table sets forth the names and ages of our current directors and executive officers. Also the principal offices and positions with us held by each person and the date such person became our director, executive officer. Our executive officers are appointed by our Board of Directors. Our directors serve until the earlier occurrence of the election of his or her successor at the next meeting of stockholders, death, resignation or removal by the Board of Directors. There are no family relationships among our directors, executive officers, director nominees.

Name		Age		Position with the Company
Sanford Lang		**66**		**Director, Chairman & CEO**
Martin Goldrod		**70**		**Director, President & COO**
Steven John Corso		**48**		**CFO and Principle Accounting Officer**

Sanford Lang, Age 66 is a co-founder of Insynergy,, and has served as its Chief Executive Officer and as Chairman of its Board of Directors from November 2009 to the present. From January 2007 to October 2009, Mr. Lang was President of Xstatic Corporation, a company involved in the development, marketing and sale of retail products designed to improve strength, balance and flexibility. Mr Lang was responsible for planning and implementation of all marketing for products, including the scripting and shooting of video campaigns for the Products. Mr. Lang was previously for approximately 30 years an executive in the movie industry.

Martin Goldrod, Age 70, is a co-founder of Insynergy, and has served as its President and Chief Operating Officer, as well as on the Board of Directors, from November, 2009 to the present. From January 2007 to October 2009, Mr. Goldrod was Vice President of Xstatic Corporation, a company involved in the development, marketing and sale of retail products designed to improve strength, balance and flexibility. Mr Goldrod was responsible for accounting and budgeting for Xstatic Corporation. Mr. Goldrod has an Associate of Arts degree from City College of San Francisco along with a certificate in Financial Planning from UCLA Extension.

Steven John Corso, age 48, is the Chief Financial Officer for the Company. Mr. Corso is a licensed CPA, and from January 1, 2006 to the present, Mr. Corso as operated his own consulting and accounting Practice. Mr Corso is a graduate of George Washington Univeristy with a JD in law, and obtained his accounting degree from New York University. Mr Corso also received his Bachelor of Arts Degree from Cornell University.

Involvement in Certain Legal Proceedings

None of our officer nor directors, promoters or control persons have been involved in the past ten years in any of the following:

	(1)	Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
	(2)	Any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);
	(3)	Being subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, or any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; or
	(4)	Being found by a court of competent jurisdiction (in a civil action), the Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

Committees: Audit Committee Financial Expert.

The Company does not currently have an Audit Committee.

Code of Ethics

The Company has not adopted a Code of Ethics.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information, as of September 30, 2011, 2011, with respect to the beneficial ownership (1) of the Company's outstanding Common Stock by (i) any holder of more than five (5%) percent; (ii) the Company's executive officer and directors; and (iii) the Company's directors and executive officer as a group. Except as otherwise indicated, each of the stockholders listed below has sole voting and investment power over the shares beneficially owned. Unless otherwise indicated, the address of each stockholder listed in the table is c/o Insynergy Products Inc., 4705 Laurel Canyon Blvd., Suite 205, Studio City, CA 91607

Stock Class		Name		Number of Shares		Percent
		Officers and Directors				
Common		**Sanford Lang, Chairman, CEO, Director**		**8,601,320**		**55.34%**
Common		**Martin Goldrod, COO, Director**		**1,442,500**		**9.18%**
Common		**Steven John Corso CFO**		**700,000**		**4.46%**
		Officers and Directors as a Group				**%**
		Sanford Lang		**10,243,820**		**65.21%**
		Martin Goldrod				
		Steven J. Corso				

		5% or More Shareholders				
Common		**Sanford Lang**		**8,101,320**		**51.57%**
Common		**Martin Goldrod**		**1,442,500**		**9.18%**

*	Less than 1% of the outstanding common stock.

(1)	Beneficial Ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. No shares that are beneficially held by beneficial owners or management are attributable to any convertible securities, option or warrant, as there are none outstanding.., Unless otherwise indicated, to our knowledge based upon information produced by the persons and entities named in the table, each person or entity named in the table has sole voting power and investment power, or shares voting and/or investment power with his or her spouse, with respect to all shares of capital stock listed as owned by that person or entity.

Certain Relationships and Related Transactions and Director Independence

Related Party Transactions

None.

Director Independence

At this time the Company does not have a policy that it's directors or a majority be independent of management. The Company has at this time only 2 directors. It is the intention of the Company to implement a policy in the future that a majority of the Board member be independent of the Company's management as the member's of the board of director's increases after implementation of the Company's business plan. A Director is considered independent if the Board affirmatively determines that the Director (or an immediate family member) does not have any direct or indirect material relationship with the Company or its affiliates or any member of senior management of the Company or his or her affiliates. The term "affiliate" means any corporation or other entity that controls, is controlled by, or under common control with the Company, evidenced by the power to elect a majority of the Board of Directors or comparable governing body of such entity. The term "immediate family member" means spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in law, brothers- and sisters-in-laws and anyone (other than domestic employees) sharing the Director's home.

Committees: Audit Committee Financial Expert.

The Company does not currently have an Audit Committee.

DESCRIPTION OF SECURITIES TO BE REGISTERED

General

The following description of our capital stock and the provisions of our Articles of Incorporation and By-Laws, each as amended, is only a summary.

Our Articles of Incorporation authorize the issuance of 300,000,000 shares of common stock, $0.001 par value per share. As of December 31, 2011 there were 15,722,150 outstanding shares of common stock. We are not authorized to issue shares of preferred stock and to date we have not issued any shares of preferred stock. Set forth below is a description of certain provisions relating to our capital stock.

Common Stock

Each outstanding share of common stock has one vote on all matters requiring a vote of the stockholders. There is no right to cumulative voting; thus, the holder of fifty percent or more of the shares outstanding can, if they choose to
do so, elect all of the directors. In the event of a voluntary or involuntary liquidation, all stockholders are entitled to a pro rata distribution after payment of liabilities and after provision has been made for each class of stock, if any, having preference over the common stock. The holders of the common stock have no preemptive rights with respect to future offerings of shares of common stock. Holders of common stock are entitled to dividends if, as and when declared by the Board out of the funds legally available therefore. It is our present intention to retain earnings, if any, for use in its business. The payment of dividends on the common stock is, therefore, unlikely in the
foreseeable future.

Preferred Stock

We have no shares of preferred stock authorized.

Dividend Policy

We currently intend to retain any earnings for use in our business, and therefore do not anticipate paying cash dividends in the foreseeable future

Anti-Takeover Effects Of Provisions of the Articles of Incorporation Authorized and Unmissed Stock

The authorized but unmissed shares of our common stock are available for future issuance without our stockholders' approval. These additional shares may be utilized for a variety of corporate purposes including but not limited to future public or private offerings to raise additional capital, corporate acquisitions and employee incentive plans. The issuance of such shares may also be used to deter a potential takeover of the Company that may otherwise be beneficial to stockholders by diluting the shares held by a potential suitor or issuing shares to a stockholder that will vote in accordance with the Company's Board of Directors' desires. A takeover may be beneficial to stockholders because, among other reasons, a potential suitor may offer stockholders a premium for their shares of stock compared to the then-existing market price.

INTERESTS OF NAMED EXPERTS AND COUNSEL

No expert or counsel named in this prospectus as having prepared or certified any part of this prospectus or having given an opinion upon the validity of the securities being registered or upon other legal matters in connection with the registration or offering of the common stock was employed on a contingency basis or had, or is to receive, in connection with the offering, a material interest, in the registrant or any of its parents or subsidiaries.

DISCLOSURE OF SEC POSITION OF INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

Our Articles of Incorporation include an indemnification provision under which we have agreed to indemnify our directors and officers of from and against certain claims arising from or related to future acts or omissions as a director or officer of the Company. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. If a claim for indemnification against such liabilities (other than the payment by us of expenses incurred or paid by a director, officer or controlling person of the Company in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered) we will, unless in the opinion of our counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by us is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

EXPERTS

The audited financial statements included in this prospectus and elsewhere in the registration statement for the fiscal year ended December 31, 2010 have been audited by HJ Associates & Consultants, LLP. The reports of HJ Associates & Consultants, LLP are included in this prospectus in reliance upon the authority of this firm as experts in accounting and auditing.

VALIDITY OF SECURITIES

The opinion solely regarding validity of the shares offered herein has been provided by Donald G. Davis of the Law Offices of Davis & Associates, and has been filed with the Registration Statement.

DESCRIPTION OF BUSINESS

Corporation Organization

Insynergy, Inc. is a Nevada corporation, which was formed in January 2010.

Business of the Company

Insynergy Products Inc. (the "Company") is a development stage company, organized with a business plan to initiate and develop a business in Direct Response marketing and sales of unique consumer products through Television and the Internet. Products that are successfully established, sold, and branded through Direct Response marketing, may subsequently be marketed and distributed through more traditional brick and mortar retail outlets.

The Market.

The Company's management believes the Direct Response market to be a booming business that has evolved during the past two decades from an entrepreneurial industry to one that now encompasses the marketing efforts of a vast number of companies to produce sales of a myriad of products. According to Wikipedia, in 2010, the Direct Response industry generated more $300 Billion in retail sales.

Direct Response Marketing

Direct Response Marketing generally takes the form of the marketing and sale of products utilizing infomercials which are broadcast over local television channels, paired with a Call Response Center which takes the calls generated by potential purchasers who call in after viewing the infomercial, and a fulfillment center, which ships out the product.

The infomercial is designed to solicit a direct response in the target audience which is specific and quantifiable. The delivery of the response is directly between the viewer and the advertiser, that is, the customer responds to the marketer or its agent directly. In direct marketing (such as telemarketing), there is no intermediary broadcast media involved. In Direct "Response" Marketing, marketers use broadcast media to encourage customers to contact them directly. This direct response marketing seeks to elicit action. Marketing results from a Direct Response Marketing Program can be tracked, measured, and quantified.

Direct Response Marketing is characterized by:

- An offer of a specific product or combination of products
- Sufficient information for the consumer to make a decision whether to act and buy
- An explicit "call to action"
- Provision of a means for buy response (typically multiple options such as toll free number, web page, and email)

Direct Response Marketing Products

Direct Response Marketing is often used is for new and innovative products that can be demonstrated and shown to make life easier or better, or products which solve a specific problem the target audience may have.

Health and fitness products, skin, hair and personal care products, nutritional supplements, house wares and appliances, have all been successfully marketed. Anti-aging products are a category of product which is generating successful sales. An idea for a new product comes usually from an inventor, who then approaches a company such as ours for development and implementation of a Direct Marketing Program or campaign for the product.

Initially our Company will be selecting products invented by others for use in a Direct Marketing Program, but our management plans to eventually develop its own products for sale as well. We will analyze each product presented to us to see if it looks like it would be an attractive candidate for a direct marketing campaign. We look for products which satisfy a specific need that can be concretely presented in the infomercial, lend themselves to generation of a call for action motivation in the target audience, provide for a substantial markup on the sales price over their cost (typically some where in the realm of a 5 to 1 markup), have a lower range target price in order to encourage immediate discretionary purchase, and have anticipated staying power as a useful product which the Company can sell over and over again.

We will license products from the inventor or owner of the product, with license fees paid only on actual sales of the product, net of returns and allowances. Typical license fees run between 3% and 5% of net sales for sales generated over television, and if the Company is able to then take the product for distribution to traditional brick and mortar outlets for further sales, an increased license fee of between 5% and 7% is typically paid. The license rights run for typically between 24 and 36 months, and are generally renewable. Products may or may not have patent protection, copyright protection, and/or trademark protection.

Initial Products To Be Marketed

The Company has a variety of products which have been presented to it and are available for it to license and use in its initial Direct Response Marketing activities. Our first two products which management proposes to release are in the area of fitness and footwear and we have executed licensing agreements for both products.

Our first product will be a fitness product called the Kruncher. The Kruncher is designed to give a man or woman an abdominal workout without ever having to leave their chair. The Kruncher is designed for abs and obliques. The design allows you to start at a point that's most comfortable for you and then helps you gradually advance as your strength increases.

Our License Agreement for the Kruncher covers US direct response sales, and worldwide sales to wholesalers and/or retailers for resale through traditional means. The Licensor's receives a royalty of six percent (6%) of Direect Response Gross Sales Revenues and eight percent (8%) of any Retail/Wholesale Gross Sales Revenues, net of returns, refunds, bad debts, chargeback's, credit card fees, shipping expenses, and taxes. The license agreement has a term which extends through 12/31/2012, with an option on the Company's part to renew the license for additional one year period based upon minimum sales.

The second product to be released by Insynergy is a footwear product called Xsize. Xsize is an adjustable sandal product that can be quickly adjusted over a range of five sizes, permitting the use of the sandal by several people with different size feet, or use by a child user over a period in which their feet grow. It can also be adjusted to accommodate more support, or more lose support, for a particular occasion. Xsize is very comfortable and also waterproof. In many cases the same sandal will fit both a child and an adult. Xsize comes in many beautiful colors.

Our License Agreement for Xsize covers US direct response sales, and worldwide sales to wholesalers and/or retailers for resale through traditional means. The Licensor's receives a royalty of six percent (5%) of Direct Response Gross Sales Revenues and eight percent (7.5%) of any Retail/Wholesale Gross Sales Revenues, net of returns, refunds, bad debts, chargeback's, credit card fees, shipping expenses, and taxes. The license agreement has a term which extends through November 15, 2012 , with an option on the Company's part to renew the license for an additional 48 months on the same terms.

Production of Infomercials.

Demonstrating the appeal and uniqueness of the product in an sales video infomercial is critical in creating a buying response. An offer must be presented in the video such that its appeal is relevant to the wants or needs of the audience.

Short form direct response video commercials have time lengths ranging from 30 seconds to 2 minutes. Long form infomercials are 30 minutes in length. Direct Response ads can be contrasted with normal television commercials because traditional commercials normally do not solicit a direct immediate response from the viewer, but instead try to brand their product in the market place.

The typical direct response spot of two minutes consists of a spokesperson or dominant voice over footage showing the product being demonstrated, solving a problem and/or making life easier and better. An 800 phone number will be shown on screen a few seconds into the spot along with a website address. The last few seconds of the spot will show a blue screen with all the information to make a purchase and provide a call to action.

Insynergy will write, produce, hire the talent, direct, shoot and edit all of its infomercials in house. Management estimates the cost of in house shooting the typical shorter 30 second programs will run from $10,000 to $25,000, while the cost to shoot a typical 2 minute show will run from $40,000 to $80,000.

Test Marketing

We test all our products with a retail sales group before we execute a License Agreement, in order to gauge the likely reaction in the market place. Once a License Agreement is executed, we will typically create the video, and then spend small amounts of money on media air time over test stations and test air segments that have what management considers the right demographics for a particular product. If a product successfully generates sales in these test spots, we will then expand the campaign for the product over additional TV markets. During the test marketing stage we also tweak the video infomercial as to dialogue, and as to order of presentment of material.

Purchasing of Air Time

The products and demographics will dictate which TV market management selects for a particular campaign. We expect most of our spots to run approximately 2 minutes. The cost per spot will depend on which market it is shown, and at what time the spot shows. We may also use radio and/or a direct mailing campaigns, and will provide a website over which a product can be purchased.

Telephone Marketing Functions

Once a customer has decided to buy our product, they either call an 800 phone number or go to a website to conclude the purchase. In today's marketing climate, order taking for many products sold under $20 is done by an interactive voice recognition telephone application ("IVR") which electronically takes the customer's name and address, phone number, credit card information and orders for products. Order information will be in a file format to be batched and sent daily to a fulfillment facility.

Using the IVR application is perhaps half the cost of using live agents to respond to calls, but for some products with higher price points, live sales agents provided by independent 3rd party contractors will be used.

The Company will subcontract out to independent third parties the telephone marketing functions associated with a campaign for each product. Initially, the Company has contracted for Ignite Media Solutions to provide this function, although many other companies are available to undertake this roll at competitive pricing, and the Company may use others in the future.

Based on our contract with IMS, inbound calls are billed at $0.15 per connect minute with a $0.35 per order processing fee for all phone orders. There is also a set-up and development fee of $750 for the IVR application and a one-time programming, training and set-up fee of $1,000 for live operator services. All live operator calls are billed at $0.80 per connect minute.

Manufacture of Products

Insynergy will out source the manufacture of products it markets to independent 3 rd party companies. The Company has had discussions with several Mainland China manufacturers, but has not entered into any contracts to date for the manufacture of products due to a lack of capital. Management believes there are many sources for manufacturing in China, and elsewhere offshore, which are generally dependable and reasonably priced.

Fulfillment of Orders

Fulfillment involves the storage of inventory, acceptance of order information, boxing and shipping out of products, and dealing with questions, order status, complaints, returns and allowances on products , and maintaining proper records. The fulfillment function on each product will be sub contracted out to independent 3rd party companies on each product.

Initially, the Company has contracted for Moulton Logistics to provide this function, although many other companies are available to undertake this role at competitive prices, and the Company may use others in the future.

Moulton Logistics is headquartered in Van Nuys, CA, close to the Los Angeles and Long Beach ports and is also close to Insynergy's offices, and specializes in order taking and fulfillment for Direct Marketing Response Products. Moulton can provide a full range of fulfillment services including a full call center, full service direct mail, real-time online inventory reports, database management, continuity programs, EDI for retail fulfillment and drop shipping, among others.

The Company's contract with Moulton Logistics provides for a Data Base/Order Processing/Maintenance Fee of $.72 on each customer transaction, a $0.10 per transaction fee on credit card and e-check transactions, and a $0.55 per transaction fee plus separate SKU fees and per Cubic foot fees for packaging and shipping.

Credit Card Transactions.

Sales orders for Direct Response Marketing Programs are typically taken using credit cards. Insynergy has contracted for credit card processing of sales orders on initial products with Moneris Solutions, an independent 3rd party company. Moneris Solutions was established in December of 2000 as a joint investment between the Royal Bank of Canada and the Bank of Montreal. Moneris owns and operates its own payment processing and technology development platforms.

Pursuant to our agreement with Moneris, it will process VISA, MasterCard, Discovery and American Express at a cost of $0.16 per transactions plus 2.49% of the amount of the transaction.

Campaign Failure

Some of our future Direct Response Marketing Campaigns Will no doubt Fail.

Direct response products can fail due to many reasons, including no perceived need for the product, other competing products provide better solutions or are better priced, the product price is too high, the infomercial is unconvincing, the wrong time slot or market segment is selected for broadcast, and for a variety of other reasons. Larger trends, such as a recessionary economy, less discretionary purchasing power in the hands of consumers, more restrictive credit or higher rates on credit cards, also can discourage sales and cause a campaign to fail. Other issues can also cause a campaign to fail, such as too low a price markup, poor quality resulting in high returns, a lack of sufficient capital to purchase sufficient airtime, or to purchase sufficient inventory, or failure by 3rd party contractors to properly carry out their responsibilities for manufacturer, order taking, and fulfillment.

Management will endeavor to avoid these pitfalls in selection of a product, production of the TV spot, test marketing, purchasing of air time, and other aspects of running of the campaign, but there are significant risks in conducting a direct response marketing business, and we will no doubt have some product failures which will result in loss, while other products may barely break even and return the costs laid out to undertake product production and the campaign.

Transition from Direct Response Marketing to Brick and Mortar Distribution

If a product is financially successful in our direct marketing response campaign, management will consider marketing and distributing the product to big box retail stores, building off the product branding that has occurred by running the television campaign.

Competition

There is significant competition in the Direct Response industry from both small and large companies since there are really no barriers to entry. As a result, there are literally hundreds of direct response companies that operate in the US and off a wide variety of products across all categories of consumer goods.

The Company will have to rely on the skills of its management to pick products which produce successful direct response marketing campaigns and ultimately profits to the Company.

Insurance

The Company carries general liability insurance through CNA with an occurrence limit of $1,000,000 with a general aggregate of $2,000,000 and a deductible of $500. Bershin Properties 1, LLC, the Company's landlord, is listed as an Additional Insured.

The Company plans to purchase product liability insurance to insure against liability on the products its sells, once additional capital is obtained.

Need For Additional Capital To Finance Operations

The Company needs to locate investment capital sources and raise privately between $500,000 and $1,500,000 before it can initiate a Direct Marketing Campaign for its first product. These funds will be used for product testing, product manufacture, video production, air time purchase, and operation of the initial Marketing Campaign, and for overhead expenses and working capital. The source and availability of such capital, and whether it can be obtained, and obtained on commercially reasonable terms, is uncertain at this date.

Going Concern Qualification

Our financial statements have been prepared assuming we will continue as a going concern. The Company has experienced a loss from operations so far during its current development stage as a result of its investment in leasehold fixtures and equipment necessary to implement its business plan, and its funding of staff who have undertaken to set up the various contractual relationships with 3rd party contractors, and have identified the first products to be marketed. For the period from inception to September 30, 2011, the Company incurred a net loss of approximately $2,327,918. The Company is dependent on obtaining additional working capital in order to continue to implement its business plan and initiate its first product campaign, and the source, availability and terms for such additional capital are uncertain at this date. If such additional capital is not obtained, and/or if the products selected for marketing prove to be unsuccessful, the Company may fail and be unable to continue as a going concern.

The Company's financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern. This need for additional capital, and the uncertainty of obtaining such capital, along with other factors, raise substantial doubt about our ability to continue as a going concern. Our financial statements do not include any adjustment that might result from the outcome of this uncertainty. Assurances cannot be given that adequate financing can be obtained to meet our capital needs, which we estimate at a minimum of $500,000 .

Patents, Trademarks, Copyrights

The Company may file registrations for such patents, trademarks, or copyrights, as it deems commercially prudent from time to time, but has made no such filings as of this date.

Regulatory

The Company's industry is not regulated by any government agencies

Employees

The Company has three full-time employees but will use independent contractors when we shoot our direct response marketing TV spots.

Properties

Our offices are located at 4705 Laurel Canyon Blvd., Suite 205, Studio City, CA 91607 where we maintain, under lease, a total of 2,500 square feet of office and studio space. The lease has a 38 month unexpired term, and provides for a triple net rent of $5,000 per month.

Litigation

None.

Reports to Security Holders

We have filed a registration statement on Form S-1 under the Securities Act with the SEC with respect to the securities offered by this prospectus. This prospectus does not include all of the information contained in the registration statement or the exhibits and schedules filed therewith. You should refer to the registration statement and its exhibits for additional information. Whenever we make reference in this prospectus to any of our contracts, agreements or other documents, the references are not necessarily complete and you should refer to the exhibits attached to the registration statement for copies of the actual contract, agreement or other document.

We will file annual, quarterly and special reports and other information with the Securities and Exchange Commission. You can read these SEC filings and reports, including the registration statement, over the Internet at the SEC's website at http://www.sec.gov. The public may also read and copy materials at the Public Reference Room of the SEC at 100 F Street, NE, Washington DC 20549, on official business days between the hours of 10:00 am and 3:00 pm. Please call the SEC at (800) SEC-0330 for further information on the operations of the public reference facilities. We will provide a copy of our annual report to security holders, including audited financial statements, at no charge upon receipt of your written request to us addressed to us at:

4705 Laurel Canyon Blvd.
Suite 205
Studio City, CA 91607

NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain matters discussed herein are forward-looking statements. Such forward-looking statements contained in this prospectus which is a part of our registration statement involve risks and uncertainties, including statements as to:

- ·our future operating results;
- ·our business prospects;
- ·our contractual arrangements and relationships with third parties;
- ·the dependence of our future success on the general economy;
- ·our possible future financing's; and
- ·The adequacy of our cash resources and working capital.

These forward-looking statements can generally be identified as such because the context of the statement will include words such as we "believe,"

“anticipate,” “expect,” “estimate” or words of similar meaning. Similarly, statements that describe our future plans, objectives or goals are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties which are described in close proximity to such statements and
which could cause actual results to differ materially from those anticipated as of the date of this prospectus. Shareholders, potential investors and other readers are urged to consider these factors in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements included herein are only made as of the date of this prospectus, and we undertake no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following information should be read in conjunction with our consolidated financial statements and related notes thereto included elsewhere in our financial statements and notes thereto and the related "Management's Discussion and Analysis of Financial Condition and Results of Operations". We also urge you to review and consider our disclosures describing various risks that may affect our business, which are set forth under the heading "Risk Factors".

Summary and Outlook of the Business

The Company is a development stage company with plans to conduct an Direct Response Marketing business selling at retail a variety of products it licenses from inventors and owners of such products, and utilizing television infomercials as its principle method of marketing and sales. The Company has not initiated any Direct Response Marketing campaign for a product yet, and will not be able to do so until it obtains additional working capital. The potential sources, availability and terms for such additional working capital are unknown at this time. If the Company is unable to obtain additional working capital it will not be able to implement its business plan.

The Company was formed in January of 2010. The Company has a net loss of approximately $2,327,918 from inception to September 30, 2011, 2011. To date management has been able to finance the initial phase of implementation of the Company’s business plan via private placements of its common stock and the issuance of debt. Management plans to initiate and grow the Company’s business of Direct Response Marketing of a variety of products on an aggressive basis, provided we are able to obtain the necessary capital.

Revenues

The Company has recorded zero revenue since inception.

Operating Expenses

We have accrued officer compensation to our CEO and COO totaling $202,500 for 2011. A majority of our costs were non cash expenses as the result of the private issuance of common stock in payment for services. Such non cash expenses totaled $1,887,228 for the nine months ended September 2011.

Going Concern

Our financial statements have been prepared assuming we will continue as a going concern. The Company has experienced a loss from operations so far during its current development stage as a result of its investment necessary to create its business plan and negotiate product licensing arrangements and 3rd party contractor arrangements for telephone sales and product fulfillment.

For the period from inception to September 30, 2011, the Company incurred a net loss of approximately $2,327,918. The Company's ability to continue as a going concern is contingent upon its ability to attain profitable operations by securing additional working capital and implementing its business plan. In addition, the Company's ability to continue as a going concern must be considered in light of the problems, expenses and complications frequently encountered by entrance into established markets and the competitive environment in which the Company plans to operate. The Company’s financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern. These factors, among others, raise substantial doubt about our ability to continue as a going concern. Our financial statements do not include any adjustment that might result from the outcome of this uncertainty.

Assurances cannot be given that adequate financing can be obtained to meet our capital needs, which we estimate at between $500,000 and $1,500,000. If we are unable to generate profits and to continue to obtain financing to meet our working capital requirements, we may have to sharply curtail implementation of our business plan or cease operations altogether.

Management has been able, thus far, to finance the losses and the expenses of the implementation of the Company’s business plan through this date, by private placements of its common stock and loans(The Company does not currently have, nor has it had, business revenues.

Liquidity and Capital Resources

The Company is currently illiquid. The ability of the Company to continue as a going concern is dependent on the Company’s ability to raise additional capital, as well as successful implementation of its business plan which contemplates generating revenues through initiation of several Direct Response Marketing campaigns for specific products. Since its inception, the Company has been funded by its Chairman and, Chief Executive Officer, Board members and persons related to or acquainted with these. To remedy the current deficiency in our liquidity position, we plan to raise additional capital through additional private equity offerings, and perhaps private debt placement. Whether we will be successful in obtaining additional capital, or obtaining such capital on commercially reasonable terms, and whether we can begin to generate and then significantly increase revenues, is uncertain.

As of September 30, 2011, 2011, total current assets were $35,849, which consisted of $35,849 of cash. As of December 31, 2010, total current assets were $389, which consisted of $389 of prepaid expenses.

As of September 30, 2011, total current liabilities were $240,440, which consisted of $216,970 of accounts payable and accrued expenses. $15,000 of stock subscription payable and $8,470 of loans from shareholder.

As of December 31, 2010, total current liabilities were $3,551, which consisted of $3,551 of accounts payable and accrued expenses.

During the period from January 1 to September 30, 2011, 2011, net cash used by operating activities was $(27,597), and from January 26 to December 31, 2010, net cash used by operating activities was $(79,343).

Cash flows from financing activities represented the Company's principal source of cash for the period from inception through September 30, 20111. Cash flows from financing activities for the period from January 1 to September 30, 2011, were $63,446 consisting of proceeds in the amount of $18,470 from shareholder loans, and $45,000 in proceeds from the private sale of common shares and $24 in payments on a bank overdraft from 2010. Cash flows from financing activities during the period from January 26 to December 31, 2010, were $90,000 consisting of proceeds in the amount of $90,000 from shareholder loans and $0 in proceeds from private placement of common shares.

Set forth below is a table indicating the amount from loans and the amounts from Private placement of common stock, received by the Company from inception, with the identity of each lender or share purchaser set forth. The Company has no commitments from such persons for further funding, and it is unknown whether such persons might lend further sums or purchase additional share in the Company if needed in the future.

		Shares		
Name	Address	Purchased	Price	Consideration
Nutrition Innovation, Inc.	1507 7th St., #325, Santa Monica, CA 90401	80,000	0.38	Cash
Richard J. Redlich	10506 Eastborne Ave., #2, Los Angeles, CA 90024	100,000	0.40	Cash
Scott & Debra Family Trust	16217 Kittridge St. Van Nuys, CA 91406	25,000	0.40	Cash
Wilfred F. Von Der Ahe	16218 Kittridge St. Van Nuys, CA 91406	25,000	0.40	Cash
Strathmore Partnership	20910 Pacific Coast Hwy, Malibu, CA 90265	25,000	0.40	Cash
The Haviva Feder Rev. Trust	5200 White Oak Ave, #4, Los Angeles, CA 91316	25,000	0.40	Cash
Raul Gomez	1100 Wilshire Blvd., #2911, Los Angeles, CA 90017	50,000	0.40	Cash
Scott Hamilton	905 N. Grederic St., Burbank, CA 91505	30,000	0.33	Cash
Greg Meister	715 Gateshead Court, Foster City, CA 94404	25,000	0.40	Cash
Paul Bershin	7309 Van Nuys Blvd., Van Nuys, CA 91403	240,000	0.42	Cash
Rama Fox	4441 Saugus Ave, Sherman Oaks, CA 91403	140,000	0.43	Cash
Bonnie Link	9565 Bianca Ave, Northridge, CA 91826	5,000	0.40	Cash
Ron Wallach	33395 Mulholland Hwy., Malibu, CA 90265	5,000	0.40	Cash
Daniel A. Ditlof	7309 Van Nuys Blvd., Van Nuys, CA 91405	12,500	0.40	Cash
Kenneth Chang	13015 San Salvador Place, Cerritos, CA 90703	40,000	0.38	Cash
Michael Stephen Martin	1319 State Route 147, Amsterdam, NY 12010	100,000	0.40	Cash
Benjamin Wayne Fletcher	16101 Ventura Blvd., #238, Encino, CA 91436	22,500	0.36	Cash

In each case the recipients of the above shares were accredited investors, and the Company relied on the exemption from registration provided by Section 4(2) of the Securities Act of 1933. All shares were issued with a restrictive legend.

Critical Accounting Policies

Revenue Recognition

In general, the Company records revenue when persuasive evidence of an arrangement exists, services have been rendered or product delivery has occurred, the sales price to the customer is fixed or determinable, and collectability is reasonably assured. The following policies reflect specific criteria for the various revenues streams of the Company:

Revenue will be recognized at the time a product is shipped. Provision for sales returns will be estimated based on the Company's historical return experience. Revenue is presented net of returns.

Financial Instruments

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2011. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values. These financial instruments include cash and accounts payable and accrued expenses. Fair values were assumed to approximate carrying values for these financial instruments because they are short term in nature and their carrying amounts approximate fair values.

Net Income (Loss) Per Common Share

Basic net (loss) income per common share is calculated using the weighted average common shares outstanding during each reporting period. Diluted net (loss) income per common share adjusts the weighted average common shares for the potential dilution that could occur if common stock equivalents (convertible debt and preferred stock, warrants, stock options and restricted stock shares and units) were exercised or converted into common stock. There were no common stock equivalents at September 30,2011,

Income Taxes

Deferred income taxes are recognized for the tax consequences related to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for tax purposes at each year end, based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. A valuation allowance is recognized when, based on the weight of all available evidence, it is considered more likely than not that all, or some portion, of the deferred tax assets will not be realized. Income tax expense is the sum of current income tax plus the change in deferred tax assets and liabilities.

ASC 740, Income Taxes, requires a company to first determine whether it is more likely than not (which is defined as a likelihood of more than fifty

percent) that a tax position will be sustained based on its technical merits as of the reporting date, assuming that taxing authorities will examine the position and have full knowledge of all relevant information. A tax position that meets this more likely than not threshold is then measured and recognized at the largest amount of benefit that is greater than fifty percent likely to be realized upon effective settlement with a taxing authority.

Stock-Based Compensation

The Company accounts for equity instruments issued to employees in accordance with ASC 718, Compensation - Stock Compensation. ASC 718 requires all share-based compensation payments to be recognized in the financial statements based on the fair value using an option pricing model. ASC 718 requires forfeitures to be estimated at the time of grant and revised in subsequent periods if actual forfeitures differ from initial estimates.

Equity instruments granted to non-employees are accounted for in accordance with ASC 505, Equity. The final measurement date for the fair value of equity instruments with performance criteria is the date that each performance commitment for such equity instrument is satisfied or there is a significant disincentive for non-performance.

Off-Balance Sheet Arrangements

None.

Recent Accounting Pronouncements

In September 2009, Accounting Standards Codification ("ASC") became the source of authoritative GAAP recognized by the Financial Accounting Standards Board ("FASB") for nongovernmental entities, except for certain FASB Statements not yet incorporated into ASC. Rules and interpretive releases of the SEC under federal securities laws are also sources of authoritative GAAP for registrants.

DESCRIPTION OF PROPERTY

Our principal offices are located at 4705 Laurel Canyon Blvd., Suite 205, Studio City, California, 91607. The property is leased from an unaffiliated third party on a long term lease basis with 38 remaining months to run. The monthly lease payments are approximately $5,000.

We maintain fire and casualty insurance on our leased property in an amount deemed adequate by management.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Payments to majority stockholder and Chief Executive Officer for compensation at September 30, 2011 and December 31, 2010 consisted of the following:

		September 30, 2011			December 31, 2010
Sanford Lang		$ -		$	-
Martin Goldrod		$ -		$	6,600

In 2010, Martin Goldrod received $6,600 in salary payments.

Free office space from its majority stockholder and Chief Executive Officer

The Company was provided office space by its majority stockholder and Chief Executive Officer at no cost, from January 2010 to November 2011. The management determined that such cost was nominal and did not recognize the rent expense in its financial statements.

EXECUTIVE COMPENSATION

Overview

The following is a discussion of our program for compensating our named executive officer and directors. Currently, we do not have a compensation committee, and as such, our board of directors is responsible for determining the compensation of our named executive officer.

Compensation Program Objectives and Philosophy

The primary goals of our policy of executive compensation are to attract and retain the most talented and dedicated executive possible, to assure that our executive is compensated effectively in a manner consistent with our strategy and competitive practice and to align executive compensation with the achievement of our short- and long-term business objectives.

The board of directors considers a variety of factors in determining compensation of our named executive officer, including the particular background and circumstances, such as training and prior relevant work experience, success in attracting and retaining savvy and technically proficient managers and employees, increasing revenues, broadening product line offerings, and managing costs.

In the near future, we expect that our board of directors will form a compensation committee charged with the oversight of executive compensation plans, policies and programs of our Company and with the full authority to determine and approve the compensation of our Chief Executive Officer. We expect that our compensation committee will continue to follow the general approach to executive compensation that we have followed to date, rewarding superior individual and company performance with commensurate cash compensation.

Elements of Compensation

Our compensation program for the named executive officer consists primarily of base salary. There is no retirement plan, long-term incentive plan or other such plans. We have not yet obtained a revenue stream with which to fund employee salaries and bonus plans. The base salary we provide is intended to equitably compensate the named executive officer based upon the level of responsibility, complexity and importance of role, leadership and growth potential, and experience.

Base Salary

Our named executive officer receives base salary commensurate with the role and responsibility. Base salary and subsequent adjustments, if any, are reviewed and approved by our board of directors annually, based on an informal review of relevant market data and the executive's performance for the prior year, as well as the executive's experience, expertise and position. The base salary paid to our named executive officers in 2011 and 2010 is reflected in the Summary Compensation Table below.

Executive Compensation

	September 30, 2011	December 31, 2010
Martin Goldrod	$ 67,500	$ 45,000
Sanford Lang	$135,000	$ 65,000
	$202,500	$110,000

Employment Agreements

We have separate employment agreements with our two principle officers as follows:

The Company has entered into a five year employment contract with Sanford (Sandy) Lang, providing for his services as Chief Executive Officer of the Company. The employment Agreement provides for a salary of $180,000 per year, and for additional bonus compensation each year at the discretion of the Board of Directors. It also provides for a car allowance of $900 per month, reimbursement for all business expenses, and for participation in all employee benefit programs offered to other employees from time to time to other employees of the Company.

The Company has entered into a five year employment contract with Martin (Marty) Goldrod, providing for his services as President and Chief Operating Officer of the Company. The employment Agreement provides for a salary of $90,000 per year, and for additional bonus compensation each year at the discretion of the Board of Directors. It also provides for reimbursement for all business expenses, and for particpation in all employee benefit programs offered to other employees from time to time to other employees of the Company.

Retirement Benefits

Currently, we do not provide any company sponsored retirement benefits to the named executive officers.

Perquisites

Historically, we have not provided our named executive officer with any perquisites and other personal benefits. We do not view perquisites as a significant element of our compensation structure, but do believe that perquisites can be useful in attracting, motivating and retaining the executive talent for which we will compete. It is expected that our historical practices regarding perquisites will continue and will be subject to periodic review by our by our board of directors.

COMPENSATION OF DIRECTORS

Director Compensation for all periods was zero.

The Company has not adopted a "Plan" for compensation of directors in the future, other than this annual review of the contributions by each member of the Board to the Company's business for each year, and consideration of fair
compensation for such contributions, with the subject Board member abstaining from any vote upon proposals for compensation to the Board member for serving on the Board.

There is no standard compensation arrangement for serving on the Board of Directors, and no member of the Board has any different or special compensation arrangement for his service on the Board.

We did not have a compensation committee during the periods ended 2010 and 2011.

FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

HJ ASSOCIATES & CONSULTANTS, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

50 West Broadway, Suite 600
Salt Lake City, Utah 84101
(801) 328-4408
Fax (801) 328-4461
www.hjcpafirm.com

Report of Independent Registered Public Accounting Firm

To the Board of Directors
Insynergy, Inc. (A Development Stage Company)
Studio City, California

We have audited the accompanying balance sheet of Insynergy, Inc. (A Development Stage Company) as of December 31, 2010, and the related statement of operations, stockholders' equity, and cash flows for the period from inception through December 31, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Insynergy, Inc. (A Development Stage Company) as of December 31, 2010, and the results of its operations and its cash flows from inception through December 31, 2010, in conformity with U.S. generally accepted accounting principles.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company has suffered losses from operations since inception and its current cash flow is not enough to meet current needs. This raises substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to this matter are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

HJ Associates & Consultants, LLP
HJ Associates & Consultants, LLP
Salt Lake City, Utah
November 22, 2011

INSYNERGY PRODUCTS, INC.
BALANCE SHEET
(A Development Stage Company)

	December 31, 2010
Assets:	
Cash & Cash Equivalents	-
Prepaid Expenses	$ 389

Total Current Assets	389
Fixed Assets:	
Furniture Fixtures & Equipment	10,249
Accumulated Depreciation	(1,717)
Total Fixed Assets	8,532
Total Assets	$ 8,921
Liabilities:	
Accounts Payable	$ 2,727
Bank Overdraft	24
Other Payable	800
Total Current Liabilities	3,551
Non-Current Liabilities:	
Notes Payable, including accrued interest of $4,950	94,950
Total Non-Current Liabilities	94,950
Total Liabilities	98,501
Stockholders' Equity (Deficit):	
Common Stock par value $0.001 authorized 5,000,000 shares, Issued 200,000 shares respectively	200
Additional Paid in Capital	103,400
Deficit Accumulated During the Development Stage	(193,180)
Total Stockholders' Deficit	(89,580)
Total Liabilities and Stockholders' Equity	$ 8,921

The accompanying notes are an integral part of these financial statements.

INSYNERGY PRODUCTS, INC.
STATEMENT OF OPERATIONS
(A Development Stage Company)

	From Inception (January 26, 2010) to December 31, 2010
Revenues	$ -
Costs of Services	-
Gross Margin	-
Operating Expenses:	
Salaries & Wages	110,000
Consulting	4,055
General and Administrative	95,917
Total Operating Expenses	209,972
Operating Loss	(209,972)
Other Income (Expense):	
Interest, Net	(4,950)
Other Income	40,000
Other Expenses	(18,258)
	16,792
Net Loss Before Taxes	(193,180)
Income and Franchise Tax	-
Net Loss	$ (193,180)
Loss per Share, Basic &	

Diluted	$ (0.97)
Weighted Average Shares Outstanding	200,000

The accompanying notes are an integral part of these financial statements.

INSYNERGY PRODUCTS, INC.
STATEMENTS OF CASH FLOWS
(A Development Stage Company)

	From Inception (January 26, 2010) to December 31, 2010
CASH FLOW FROM OPERATING ACTIVITES:	
Net Loss for the Period	$ (193,180)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Share issued for Services	200
Contributed Services-Officers	103,400
Depreciation and Amortization	1,717
Changes in Operating Assets and Liabilities	
Increase in Prepaids	(389)
Increase in Accounts Payable	2,727
Increase in Other Payable	800
Increase in Interest Payable	4,950
Net Cash (Used) in Operating Activities	(79,775)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of Property and Equipment	(10,249)
Net cash provided by Investing Activities	(10,249)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Bank Overdraft	24
Proceeds from Notes	90,000
Net Cash Provided by Financing Activities	90,024
Net (Decrease) Increase in Cash	-
Cash at Beginning of Period	-
Cash at End of Period	$ -
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:	
Cash paid during the year for:	
Interest	$0
Franchise and Income Taxes	$0

The accompanying notes are an integral part of these financial statements.

INSYNERGY, INC.
STATEMENTS OF STOCKHOLDERS EQUITY
(Unaudited)

	Common Shares	Common Stock	Additional Paid in Capital	Retained Earnings (Deficit)	Total
Common Shares issued for services	200,000	$ 200	$ -	$ -	$ 200
Contributed Services-Officers	-	-	103,400	-	103,400
Net Loss from inception (1/26/10) to 12/31/10				(193,180)	(193,180)
Balance December 31, 2010	200,000	$ 200	$ 103,400	$ (193,180)	$ (89,580)

INSYNERGY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

Insynergy, Inc. (the "Company") was incorporated in the State of Nevada on January 26, 2010 to engage in Direct Response marketing that has the ability to take a product from the drawing board to the ultimate consumer via sales through television or retail. Direct Response marketing is a booming $300 billion-per-year business that has evolved during the past two decades from an entrepreneurial industry to one that now encompasses the marketing efforts of a vast majority of Fortune 500 companies.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Development stage company

The Company is a development stage company as defined by section 915-10-20 of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification. Although the Company has recognized some nominal amount of revenues since inception, the Company is still devoting substantially all of its efforts on establishing the business and, therefore, still qualifies as a development stage company. All losses accumulated since inception have been considered as part of the Company's development stage activities.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the estimated useful lives of property and equipment. Actual results could differ from those estimates.

Cash equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Fair value of financial instruments

The Company follows paragraph 825-10-50-10 of the FASB Accounting Standards Codification for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB Accounting Standards Codification ("Paragraph 820-10-35-37") to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in accounting principles generally accepted in the United States of America (U.S. GAAP), and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three (3) broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three (3) levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

Level 1	Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.
Level 2	Pricing inputs other than quoted prices in active markets included in Level PersonName1, which are either directly or indirectly observable as of the reporting date.
Level 3	Pricing inputs that are generally observable inputs and not corroborated by market data.

The carrying amount of the Company's financial assets and liabilities, such as cash, prepaid expenses and accrued expenses approximate their fair value because of the short maturity of those instruments. The Company's line of credit and notes payable approximate the fair value of such instruments based upon management's best estimate of interest rates that would be available to the Company for similar financial arrangements at December 31, 2010.

The Company does not have any assets or liabilities measured at fair value on a recurring or a non-recurring basis, consequently, the Company did not have any fair value adjustments for assets and liabilities measured at fair value at December 31, 2010; no gains or losses are reported in the consolidated statements of operations that are attributable to the change in unrealized gains or losses relating to those assets and liabilities still held at the reporting date ended December 31, 2010.

Equipment

Equipment is recorded at cost. Expenditures for major additions and betterments are capitalized. Maintenance and repairs are charged to operations as incurred. Depreciation of equipment is computed by the straight-line method (after taking into account their respective estimated residual values) over the assets estimated useful life of seven (7) years. Upon sale or retirement of computer equipment, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in statements of operations.

Impairment of long-lived assets

The Company follows paragraph 360-10-05-4 of the FASB Accounting Standards Codification for its long-lived assets. The Company's long-lived assets, which includes computer equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of

the asset may not be recoverable.

The Company assesses the recoverability of its long-lived assets by comparing the projected undiscounted net cash flows associated with the related long-lived asset or group of long-lived assets over their remaining estimated useful lives against their respective carrying amounts. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable. If long-lived assets are determined to be recoverable, but the newly determined remaining estimated useful lives are shorter than originally estimated, the net book values of the long-lived assets are depreciated over the newly determined remaining estimated useful lives.

The Company determined that there were no impairments of long-lived assets as of December 31, 2010 .

Commitments and contingencies

The Company follows subtopic 450-20 of the FASB Accounting Standards Codification to report accounting for contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated.

Revenue recognition

The Company follows paragraph 605-10-S99-1 of the FASB Accounting Standards Codification for revenue recognition. The Company will recognize revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped or the services have been rendered to the customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured.

Income taxes

The Company follows Section 740-10-30 of the FASB Accounting Standards Codification, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the fiscal year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Income and Comprehensive Income in the period that includes the enactment date.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification ("Section 740-10-25") with regards to uncertainty income taxes. Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures. The Company had no material adjustments to its liabilities for unrecognized income tax benefits according to the provisions of Section 740-10-25.

Net income (loss) per common share

Net income (loss) per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock and potentially outstanding shares of common stock during the period. The weighted average number of common shares outstanding and potentially outstanding common shares assumes that the Company incorporated as of the beginning of the first period presented.

There were no potentially dilutive shares outstanding as of December 31, 2010

Cash flows reporting

The Company adopted paragraph 230-10-45-24 of the FASB Accounting Standards Codification for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category, and uses the indirect or reconciliation method ("Indirect method") as defined by paragraph 230-10-45-25 of the FASB Accounting Standards Codification to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments. The Company reports the reporting currency equivalent of foreign currency cash flows, using the current exchange rate at the time of the cash flows and the effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents and separately provides information about investing and financing activities not resulting in cash receipts or payments in the period pursuant to paragraph 830-230-45-1 of the FASB Accounting Standards Codification.

Subsequent events

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company will evaluate subsequent events through the date when the financial statements were issued. Pursuant to ASU 2010-09 of the FASB Accounting Standards Codification, the Company as an SEC filer considers its financial statements issued when they are widely distributed to users, such as through filing them on EDGAR.

Recently issued accounting pronouncements

In January 2010, the FASB issued the FASB Accounting Standards Update No. 2010-06 *"Fair Value Measurements and Disclosures (Topic 820) Improving Disclosures about Fair Value Measurements"*, which provides amendments to Subtopic 820-10 that requires new disclosures as follows:

1. Transfers in and out of Levels 1 and 2. A reporting entity should disclose separately the amounts of significant transfers in and out of Level 1 and Level

2 fair value measurements and describe the reasons for the transfers.

2. Activity in Level 3 fair value measurements. In the reconciliation for fair value measurements using significant unobservable inputs (Level 3), a reporting entity should present separately information about purchases, sales, issuances, and settlements (that is, on a gross basis rather than as one net number).

This Update provides amendments to Subtopic 820-10 that clarify existing disclosures as follows:

1. Level of disaggregation. A reporting entity should provide fair value measurement disclosures for each class of assets and liabilities. A class is often a subset of assets or liabilities within a line item in the statement of financial position. A reporting entity needs to use judgment in determining the appropriate classes of assets and liabilities.

2. Disclosures about inputs and valuation techniques. A reporting entity should provide disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements. Those disclosures are required for fair value measurements that fall in either Level 2 or Level 3.

This Update also includes conforming amendments to the guidance on employers' disclosures about postretirement benefit plan assets (Subtopic 715-20). The conforming amendments to Subtopic 715-20 change the terminology from *major categories* of assets to *classes* of assets and provide a cross reference to the guidance in Subtopic 820-10 on how to determine appropriate classes to present fair value disclosures. The new disclosures and clarifications of existing disclosures are effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years.

In April 2010, the FASB issued ASU No. 2010-13, " *Compensation—Stock Compensation (Topic 718): Effect of Denominating the Exercise Price of a Share-Based Payment Award in the Currency of the Market in Which the Underlying Equity Security Trades" ("ASU 2010-13").* This update provides amendments to Topic 718 to clarify that an employee share-based payment award with an exercise price denominated in the currency of a market in which a substantial portion of the entity's equity securities trades should not be considered to contain a condition that is not a market, performance, or service condition. Therefore, an entity would not classify such an award as a liability if it otherwise qualifies as equity. The amendments in ASU 2010-13 are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2010.

In August 2010, the FASB issued ASU 2010-21, *"Accounting for Technical Amendments to Various SEC Rules and Schedules: Amendments to SEC Paragraphs Pursuant to Release No. 33-9026: Technical Amendments to Rules, Forms, Schedules and Codification of Financial Reporting Policies"* ("ASU 2010-21"), was issued to conform the SEC's reporting requirements to the terminology and provisions in *ASC 805, Business Combinations* , and in *ASC 810-10, Consolidation*. ASU No. 2010-21 was issued to reflect SEC Release No. 33-9026, "Technical Amendments to Rules, Forms, Schedules and Codification of Financial Reporting Policies," which was effective April 23, 2009. The ASU also proposes additions or modifications to the XBRL taxonomy as a result of the amendments in the update.

In August 2010, the FASB issued ASU 2010-22, *"Accounting for Various Topics: Technical Corrections to SEC Paragraphs"* ("ASU 2010-22"), which amends various SEC paragraphs based on external comments received and the issuance of SEC Staff Accounting Bulletin (SAB) No. 112, which amends or rescinds portions of certain SAB topics. The topics affected include reporting of inventories in condensed financial statements for Form 10-Q, debt issue costs in conjunction with a business combination, sales of stock by subsidiary, gain recognition on sales of business, business combinations prior to an initial public offering, loss contingent and liability assumed in business combination, divestitures, and oil and gas exchange offers.

In December 2010, the FASB issued the FASB Accounting Standards Update No. 2010-28 *"Intangibles—Goodwill and Other (Topic 350): When to Perform Step 2 of the Goodwill Impairment Test for Reporting Units with Zero or Negative Carrying Amounts" ("ASU 2010-28").* Under ASU 2010-28, if the carrying amount of a reporting unit is zero or negative, an entity must assess whether it is more likely than not that goodwill impairment exists. To make that determination, an entity should consider whether there are adverse qualitative factors that could impact the amount of goodwill, including those listed in ASC 350-20-35-30. As a result of the new guidance, an entity can no longer assert that a reporting unit is not required to perform the second step of the goodwill impairment test because the carrying amount of the reporting unit is zero or negative, despite the existence of qualitative factors that indicate goodwill is more likely than not impaired. ASU 2010-28 is effective for public entities for fiscal years, and for interim periods within those years, beginning after December 15, 2010, with early adoption prohibited.

In December 2010, the FASB issued the FASB Accounting Standards Update No. 2010-29 *"Business Combinations (Topic 805): Disclosure of Supplementary Pro Forma Information for Business Combinations" ("ASU 2010-29").* ASU 2010-29 specifies that if a public entity presents comparative financial statements, the entity should disclose revenue and earnings of the combined entity as though the business combination(s) that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period only. The amendments in this Update also expand the supplemental pro forma disclosures under Topic 805 to include a description of the nature and amount of material, nonrecurring pro forma adjustments directly attributable to the business combination included in the reported pro forma revenue and earnings. The amended guidance is effective prospectively for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2010. Early adoption is permitted.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying consolidated financial statements.

NOTE 3 – GOING CONCERN

As reflected in the accompanying consolidated financial statements, the Company had an accumulated deficit of $193,180 at December 31, 2010 and had a net loss of $193,180 and net cash used in operating activities of $79,775 for the year then ended, respectively.

While the Company is attempting to commence operations and generate revenues, the Company's cash position may not be significant enough to support the Company's daily operations. Management intends to raise additional funds by way of a public or private offering. Management believes that the actions presently being taken to further implement its business plan and generate revenues provide the opportunity for the Company to continue as a going concern. While the Company believes in the viability of its strategy to generate revenues and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and generate revenues.

The consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

NOTE 4 – EQUIPMENT

Equipment, stated at cost, less accumulated depreciation at December 31, 2010 a consisted of the following:

	December 31, 2010
Equipment	$ 10,249
Less accumulated depreciation	(1,717)
	$ 8,532

Depreciation expense

Depreciation expense for the period ended December 31, 2010 was $1,717.

NOTE 5 – NOTE PAYABLE

The Company has a note payable to an unrelated third party. The notes are unsecured, bear interest at 6% and is payable in 2013..

Notes payable at December 31, 2010 including interest consisted of:

	December 31, 2010
Notes payable	$ 90,000
Accrued interest	4,950
	$ 94,950

NOTE 6 – RELATED PARTY TRANSACTIONS

Expenses to majority stockholders and Chief Executive Officer

Payments to majority stockholder and Chief Executive Officer at December 31, 2010 consisted of the following:

	December 31, 2010
Salary	$ 6,600
	$ 6,600

Free office space from its majority stockholder and Chief Executive Officer

The Company has been provided office space by its majority stockholder and Chief Executive Officer at no cost. The management determined that such cost is nominal and did not recognize the rent expense in its financial statements.

NOTE 7 – STOCKHOLDERS' DEFICIT

Shares authorized

The Company is authorized to issue 1,000,000 shares of common stock with a par value of $0.001 per share.

The Company was incorporated on January 26, 2010 at which time 200,000 shares of common stock were issued to the Company's two founders. No value was given to the stock issued by the newly formed corporation. Therefore, the shares were recorded to reflect the $.001 par value and charged to expense.

The company estimated the fair value of services performed by its officers at $10,000 per month for 11 months or $110,000 less amounts paid of $6,600.

NOTE 8 – INCOME TAX

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Net deferred tax liabilities consist of the following components as of December 31, 2010:

	December 31, 2010
Deferred Tax Assets – Non-current:	

NOL Carryover	$ 23,107
Less valuation allowance	(23,107)
Deferred tax assets, net of valuation allowance	$ -

The income tax provision differs from the amount of income tax determined by applying the U.S. federal income tax rate to pretax income from continuing operations for the period ended December 31, 2010 due to the following:

	For the Period from January 26, 2010 (inception) through December 31, 2010
Book Income	$ (53,866)
Meals and Entertainment	1,807
Contributed Capital-officers	28,952
Valuation Allowance	23,107
Effective income tax rate	$ -

At December 31, 2010, the Company had net operating loss carryforwards of 83,000 that may be offset against future taxable income from the year 2011 to 2031.

No tax benefit has been reported in the December 31, 2010 financial statements since the potential tax benfit is offset by a valuation allowance of the same amount.

Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carryforwards for Federal Income tax reporting purposes are subject to annual limitations. Should a change in ownership occur, net operating loss carryforwards may be limited as to use in future years.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated subsequent events pursuant to the requirements of ASC Topic 855 and determined that other than listed below, no material subsequent events exist.

1. The Company in 2011 received $10,000 in a loan with terms identical to the current debt.

INSYNERGY PRODUCTS, INC.
BALANCE SHEETS
(A Development Stage Company)

Assets:	September 30, 2011 (unaudited)	December 31, 2010
Cash	$ 35,849	$ -
Prepaid Expenses	-	389
Total Current Assets	35,849	389
Fixed Assets:		
Furniture Fixtures & Equipment	10,249	10,249
Accumulated Depreciation	(3,410)	(1,717)
Total Fixed Assets	6,839	8,532
Total Assets	$ 42,688	$ 8,921
Liabilities:		
Current Liabilities		
Accounts Payable	$ 13,670	$ 2,727
Other Payable	800	800
Bank Overdraft	-	24
Stock Subscription Payable	15,000	-
Loan from Shareholders	8,470	-
Accrued Expenses	202,500	-

Total Current Liabilities	240,440	3,551
Non-Current Liabilities:		
Notes Payable, including accrued interest of $9,300	109,300	94,950
Total Non-Current Liabilities	109,300	94,950
Total Liabilities	349,740	98,501
Stockholders' Equity (Deficit):		
Common Stock par value .001 authorized 300,000,000 shares, Issued 15,220,970 and 200,000 shares, respectively	15,221	200
Additional Paid in Capital	2,175,645	103,400
Stock Subscription Receivable	(170,000)	-
Deficit Accumulated During the Development Stage	(2,327,918)	(193,180)
Total Stockholders' Deficit	(307,052)	(89,580)
Total Liabilities and Stockholders' Deficit	$ 42,688	$ 8,921

The accompanying notes are an integral part of these financial statements.

INSYNERGY PRODUCTS, INC.
STATEMENTS OF OPERATIONS
(A Development Stage Company)
(Unaudited)

	For the Nine Months Ended September 30, 2011	From Inception (January 26, 2010) to September 30, 2010	From Inception (January 26, 2010) to September 30, 2011
Revenues	$ -	$ -	$ -
Costs of Services	-	-	-
Gross Margin	-	-	-
Operating Expenses:			
Consulting	12,787	3,200	16,842
Stock for Services	1,877,884	-	1,877,884
Officer Compensation	211,844	80,000	321,844
General and Administrative	24,510	92,456	120,427
Operating Expenses	2,127,025	175,656	2,336,997
Operating (Loss)	(2,127,025)	(175,656)	(2,336,997)
Other Income (Expense):			
Other Income	-	40,000	40,000
Other Expenses	(3,325)	(18,258)	(21,583)
Interest Expense	(4,388)	(3,600)	(9,338)
Total Other Income (Expense)	(7,713)	18,142	9,079
Loss Before Taxes	(2,134,738)	(157,514)	(2,327,918)
Income Tax	-	-	-
Net Loss	$ (2,134,738)	$ (157,514)	$ (2,327,918)
Loss per Share, Basic & Diluted	$ (0.22)	$ (0.79)	
Weighted Average Shares Outstanding	9,649,201	200,000	

The accompanying notes are an integral part of these financial statements.

INSYNERGY PRODUCTS, INC.
STATEMENTS OF CASH FLOWS
(A Development Stage Company)
(Unaudited)

	For the Nine Months Ended September 30, 2011	From Inception (January 26, 2010) to September 30, 2010	From Inception (January 26, 2010) to September 30, 2011
CASH FLOW FROM OPERATING ACTIVITES:			
Net Loss for the Period	$ (2,134,738)	$ (157,514)	$ (2,327,918)
Adjustments to reconcile net loss to net cash used by operating activities:			
Shares Issued to Founders	9,344	-	9,344
Shares Issued for Services	1,877,884	200	1,878,084
Depreciation and Amortization	1,693	217	3,410
Interest Expense on Shareholder loan	38	-	38
Changes in Operating Assets and Liabilities:			
Decrease (Increase) in Prepaids	389	(389)	-
Increase in Accounts Payable	10,943	1,143	13,670
Increase in Accrued Expenses	202,500	73,400	305,900
Increase in Other Accounts Payable	-	-	800
Increase in Interest Payable	4,350	3,600	9,300
Net Cash (Used) in Operating Activities	(27,597)	(79,343)	(107,372)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Property and Equipment	-	(10,249)	(10,249)
Net Cash Used by Investing Activities	-	(10,249)	(10,249)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Bank Overdraft	(24)	-	-
Proceeds from Issuance of Stock	45,000	-	45,000
Proceeds from Notes Payable	18,470	90,000	108,470
Net Cash Provided by Financing Activities	63,446	90,000	153,470
Net (Decrease) Increase in Cash	35,849	408	35,849
Cash at Beginning of Period	-	-	-
Cash at End of Period	$ 35,849	$ 408	$ 35,849
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid during the year for:			
Interest	$0	$0	$0
Franchise and Income Taxes	$0	$0	$0

The accompanying notes are an integral part of these financial statements.

INSYNERGY PRODUCTS, INC
STATEMENTS OF STOCKHOLDERS EQUITY (DEFICIT)
(A Development Stage Company)

	Common Shares	Stock Amount	Additional Paid in Capital	Stock Subscription Receivable	Deficit Accumulated During Development Stage	Total
Common Shares issued for services	200,000	$ 200	$ -	$ -	$ -	$ 200
Contributed Services-Officers	-	-	103,400	-	-	103,400
Net Loss from Inception 1/26/10 to 12/31/10	-	-	-	-	(193,180)	(193,180)
Balance December 31, 2010	200,000	$ 200	$ 103,400	$ -	$ (193,180)	$ (89,580)
Stock issued to officers (unaudited)	9,343,820	9,344	-	-	-	9,344
Stock issued for cash (unaudited)	625,000	625	199,375	(170,000)	-	30,000

Stock issued for services (unaudited)	5,052,150	5,052	1,872,832	-	-	1,877,884
Interest on officer loans (unaudited)	-	-	38	-	-	38
Net Loss for the nine months ended September 30, 2011 (unaudited)					(2,134,738)	(2,134,738)
		$	$	$	$	$
	15,220,970	15,221	2,175,645	(170,000)	(2,327,918)	(307,052)

The accompanying notes are an integral part of these financial statements.

INSYNERGY PRODUCTS, INC.
(A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

Insynergy, Inc. (the "Company") was incorporated in the State of Nevada on January 26, 2010 to engage in Direct Response marketing that has the ability to take a product from the drawing board to the ultimate consumer via sales through television or retail. Direct Response marketing is a booming $300 billion per year business that has evolved during the past two decades from an entrepreneurial industry to one that now encompasses the marketing efforts of a vast majority of Fortune 500 companies.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

UNAUDITED INTERIM FINANCIAL INFORMATION

The accompanying statements of operations for the nine months ended September 30, 2011 and from inception (January 26, 2010) to September 30, 2010, consolidated statement of owner's equity for the nine months ended September 30, 2011, and consolidated statements of cash flows for the nine months ended September 30, 2011 and from inception (January 26, 2010) to September 30, 2010, are unaudited. These unaudited interim financial statements have been prepared in accordance with accounting principles accepted in the United States of America ("GAAP"). In the opinion of the company's management, the unaudited interim financial statements have been prepared on the same basis as the audited financial statements and included all adjustments necessary for the fair presentation of the company's statement of financial position at September 30, 2011 and its results of operations and its cash flows for the nine months ended September 30, 2011 and from inception (January 26, 2010) to September 20, 2010. The results for the nine months ended September 30, 2011, are not necessarily indicative of the results to be expected for the fiscal year ending December 31, 2011.

Development stage company

The Company is a development stage company as defined by section 915-10-20 of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification. Although the Company has recognized some nominal amount of income since inception, the Company is still devoting substantially all of its efforts on establishing the business and, therefore, still qualifies as a development stage company. All losses accumulated since inception have been considered as part of the Company's development stage activities.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and

liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the estimated useful lives of property and equipment. Actual results could differ from those estimates.

Cash equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Fair value of financial instruments

The Company follows paragraph 825-10-50-10 of the FASB Accounting Standards Codification for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB Accounting Standards Codification ("Paragraph 820-10-35-37") to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in accounting principles generally accepted in the United States of America (U.S. GAAP), and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three (3) broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three (3) levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

Level 1	Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.
Level 2	Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.
Level 3	Pricing inputs that are generally observable inputs and not corroborated by market data.

The carrying amount of the Company's financial assets and liabilities, such as cash, prepaid expenses and accrued expenses approximate their fair value because of the short maturity of those instruments. The Company's notes payable approximate the fair value of such instruments based upon management's best estimate of interest rates that would be available to the Company for similar financial arrangements at September 30, 2011.

The Company does not have any assets or liabilities measured at fair value on a recurring or a non-recurring basis.

Equipment

Equipment is recorded at cost. Expenditures for major additions and betterments are capitalized. Maintenance and repairs are charged to operations as incurred. Depreciation of equipment is computed by the straight-line method (after taking into account their respective estimated residual values) over the assets estimated useful life of three (3) or seven (7) years. Upon sale or retirement of equipment, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in statements of operations.

Impairment of long-lived assets

The Company follows paragraph 360-10-05-4 of the FASB Accounting Standards Codification for its long-lived assets. The Company's long-lived assets, which includes computer equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

The Company assesses the recoverability of its long-lived assets by comparing the projected undiscounted net cash flows associated with the related long-lived asset or group of long-lived assets over their remaining estimated useful lives against their respective carrying amounts. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable. If long-lived assets are determined to be recoverable, but the newly determined remaining estimated useful lives are shorter than originally estimated, the net book values of the long-lived assets are depreciated over the newly determined remaining estimated useful lives.

The Company determined that there were no impairments of long-lived assets as of September 30, 2011.

Commitments and contingencies

The Company follows subtopic 450-20 of the FASB Accounting Standards Codification to report accounting for contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated.

Revenue recognition

The Company follows paragraph 605-10-S99-1 of the FASB Accounting Standards Codification for revenue recognition. The Company will recognize revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped or the services have been rendered to the customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured.

Income taxes

The Company follows Section 740-10-30 of the FASB Accounting Standards Codification, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the fiscal year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Income and Comprehensive Income in the period that includes the enactment date.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification ("Section 740-10-25") with regards to uncertainty income taxes. Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial

statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures. The Company had no material adjustments to its liabilities for unrecognized income tax benefits according to the provisions of Section 740-10-25.

Net income (loss) per common share

Net income (loss) per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock and potentially outstanding shares of common stock during the period. The weighted average number of common shares outstanding and potentially outstanding common shares assumes that the Company incorporated as of the beginning of the first period presented.

There were no potentially dilutive shares outstanding as of September 30, 2011

Cash flows reporting

The Company adopted paragraph 230-10-45-24 of the FASB Accounting Standards Codification for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category, and uses the indirect or reconciliation method ("Indirect method") as defined by paragraph 230-10-45-25 of the FASB Accounting Standards Codification to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments. The Company reports the reporting currency equivalent of foreign currency cash flows, using the current exchange rate at the time of the cash flows and the effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents and separately provides information about investing and financing activities not resulting in cash receipts or payments in the period pursuant to paragraph 830-230-45-1 of the FASB Accounting Standards Codification.

Advertising Costs

The Company expenses the cost of advertising and promotional materials when incurred. Total Advertising costs were $48,115 from inception (January 26, 2010) to September 30, 2010. For the nine months ended September 30, 2011 advertising costs were $1,698.

Subsequent events

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company will evaluate subsequent events through the date when the financial statements were issued. Pursuant to ASU 2010-09 of the FASB

Accounting Standards Codification, the Company as an SEC filer considers its financial statements issued when they are widely distributed to users, such as through filing them on EDGAR.

Recently issued accounting pronouncements

In January 2010, the FASB issued the FASB Accounting Standards Update No. 2010-06 *"Fair Value Measurements and Disclosures (Topic 820) Improving Disclosures about Fair Value Measurements"*, which provides amendments to Subtopic 820-10 that requires new disclosures as follows:

1. Transfers in and out of Levels 1 and 2. A reporting entity should disclose separately the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements and describe the reasons for the transfers.
2. Activity in Level 3 fair value measurements. In the reconciliation for fair value measurements using significant unobservable inputs (Level 3), a reporting entity should present separately information about purchases, sales, issuances, and settlements (that is, on a gross basis rather than as one net number).

This Update provides amendments to Subtopic 820-10 that clarify existing disclosures as follows:

1. Level of disaggregation. A reporting entity should provide fair value measurement disclosures for each class of assets and liabilities. A class is often a subset of assets or liabilities within a line item in the statement of financial position. A reporting entity needs to use judgment in determining the appropriate classes of assets and liabilities.
2. Disclosures about inputs and valuation techniques. A reporting entity should provide disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements. Those disclosures are required for fair value measurements that fall in either Level 2 or Level 3.

This Update also includes conforming amendments to the guidance on employers' disclosures about postretirement benefit plan assets (Subtopic 715-20). The conforming amendments to Subtopic 715-20 change the terminology from *major categories* of assets to *classes* of assets and provide a cross reference to the guidance in Subtopic 820-10 on how to determine appropriate classes to present fair value disclosures. The new disclosures and clarifications of existing disclosures are effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years.

In April 2010, the FASB issued ASU No. 2010-13, "*Compensation—Stock Compensation (Topic 718): Effect of Denominating the Exercise Price of a Share-Based Payment Award in the Currency of the Market in Which the Underlying Equity Security Trades" ("ASU 2010-13").* This update provides amendments to Topic 718 to clarify that an employee share-based payment award with an exercise price denominated in the currency of a market in which a substantial portion of the entity's equity securities trades should not be considered to contain a condition that is not a market, performance, or service condition. Therefore, an entity would not classify such an award as a liability if it otherwise qualifies as equity. The amendments in ASU 2010-13 are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2010.

In August 2010, the FASB issued ASU 2010-21, *"Accounting for Technical Amendments to Various SEC Rules and Schedules: Amendments to SEC Paragraphs Pursuant to Release No. 33-9026: Technical*

Amendments to Rules, Forms, Schedules and Codification of Financial Reporting Policies"("ASU 2010-21"), was issued to conform the SEC's reporting requirements to the terminology and provisions in *ASC 805, Business Combinations*, and in *ASC 810-10, Consolidation*. ASU No. 2010-21 was issued to reflect SEC Release No. 33-9026, "Technical Amendments to Rules, Forms, Schedules and Codification of Financial Reporting Policies," which was effective April 23, 2009. The ASU also proposes additions or modifications to the XBRL taxonomy as a result of the amendments in the update.

In August 2010, the FASB issued ASU 2010-22, *"Accounting for Various Topics: Technical Corrections to SEC Paragraphs"* ("ASU 2010-22"), which amends various SEC paragraphs based on external comments received and the issuance of SEC Staff Accounting Bulletin (SAB) No. 112, which amends or rescinds portions of certain SAB topics. The topics affected include reporting of inventories in condensed financial statements for Form 10-Q, debt issue costs in conjunction with a business combination, sales of stock by subsidiary, gain recognition on sales of business, business combinations prior to an initial public offering, loss contingent and liability assumed in business combination, divestitures, and oil and gas exchange offers.

In December 2010, the FASB issued the FASB Accounting Standards Update No. 2010-28 *"Intangibles—Goodwill and Other (Topic 350): When to Perform Step 2 of the Goodwill Impairment Test for Reporting Units with Zero or Negative Carrying Amounts" ("ASU 2010-28").*Under ASU 2010-28, if the carrying amount of a reporting unit is zero or negative, an entity must assess whether it is more likely than not that goodwill impairment exists. To make that determination, an entity should consider whether there are adverse qualitative factors that could impact the amount of goodwill, including those listed in ASC 350-20-35-30. As a result of the new guidance, an entity can no longer assert that a reporting unit is not required to perform the second step of the goodwill impairment test because the carrying amount of the reporting unit is zero or negative, despite the existence of qualitative factors that indicate goodwill is more likely than not impaired. ASU 2010-28 is effective for public entities for fiscal years, and for interim periods within those years, beginning after December 15, 2010, with early adoption prohibited.

In December 2010, the FASB issued the FASB Accounting Standards Update No. 2010-29 *"Business Combinations (Topic 805): Disclosure of Supplementary Pro Forma Information for Business Combinations" ("ASU 2010-29").* ASU 2010-29 specifies that if a public entity presents comparative financial statements, the entity should disclose revenue and earnings of the combined entity as though the business combination(s) that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period only. The amendments in this Update also expand the supplemental pro forma disclosures under Topic 805 to include a description of the nature and amount of material, nonrecurring pro forma adjustments directly attributable to the business combination included in the reported pro forma revenue and earnings. The amended guidance is effective prospectively for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2010. Early adoption is permitted.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying consolidated financial statements.

NOTE 3 – GOING CONCERN

As reflected in the accompanying consolidated financial statements, the Company had an accumulated deficit of $2,327,918 at September 30, 2011 and had a net loss of $2,134,738 and net cash used in operating activities of $27,597 for the nine months ended September 30, 2011.

While the Company is attempting to commence operations and generate revenues, the Company's cash position may not be significant enough to support the Company's daily operations. Management intends to raise additional funds by way of a public or private offering. Management believes that the actions presently being taken to further implement its business plan and generate revenues provide the opportunity for the Company to continue as a going concern. While the Company believes in the viability of its strategy to generate revenues and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and generate revenues.

The consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

NOTE 4 – EQUIPMENT

Equipment, stated at cost, less accumulated depreciation at September 30, 2011 and December 31, 2010 consisted of the following:

	September 30, 2011	December 31, 2010
Equipment	$ 10,249	$ 10,249
Less accumulated depreciation	(3,410)	(1,717)
	$ 6,839	$ 8,532

S

Depreciation expense

Depreciation expense for the nine months ended September 30, 2011 and Inception (January 26, 2010) to September 30, 2010 was $1,693 and $1,288.

NOTE 5 – NOTES PAYABLE

The Company has two non-collateral notes payable that bear simple interest at 6%. One note is for $90,000 dated 2/3/2010 and the other is for $10,000 dated 4/5/2011. The notes principle and interest are due three years from the date of issuance.

Notes payable at September 30, 2011 and December 31, 2010 including interest consisted of:

	September 30, 2011	December 31, 2010
Notes Payable	$ 100,000	$ 90,000
Accrued interest	9,300	4,950
	$ 109,300	$ 94,950

NOTE 6 – RELATED PARTY TRANSACTIONS

Expenses to majority stockholders and Chief Executive Officer

Payments to majority stockholder and Chief Executive Officer at September 30, 2011 and September 30, 2010 consisted of the following:

	September 30, 2011	September 30, 2010
Salary	$ -	$ 6,600
	$ -	$ 6,600

Loans from Shareholders

Occasionally, officers will loan money at 6% interest rate to the Company to support working capital. The loan from shareholders balance is $8,470 at September 30, 2011 and $-0- at September 30, 2010. The Company recognized $38 interest expense in the period on the loans from shareholders which was offset to additional paid in capital.

Free office space from its majority stockholder and Chief Executive Officer

The Company has been provided office space by its majority stockholder and Chief Executive Officer at no cost. The management determined that such cost is nominal and did not recognize the rent expense in its financial statements.

NOTE 7 – OFFICERS COMPENSATION

For the fiscal year 2011, the Company estimates and accrued the fair value of services performed by its officers at $22,500 per month. The officers' compensation expense for the nine months ended September 30, 2011 is $202,500 less amounts paid of $0. For the fiscal year 2010, the Company estimated and accrued the fair value of services performed by its officers at $10,000 per month. The accrued officers' compensation expense from inception (January 26, 2010) to September 30, 2010

was $80,000 less amounts paid of $6,600.

In March of 2011, the Company issued 9,343,820 common shares to its founding officers. The compensation expense related to the issuance of shares is $9,344. The total officer compensation for the nine months ended September 30, 2011 is $211,844.

NOTE 8 – STOCKHOLDERS' DEFICIT

Shares authorized

At the time of incorporation, the Company was authorized to issue 1,000,000 shares of common stock with a par value of $0.001 per share.

The Company was incorporated on January 26, 2010 at which time 200,000 shares of common stock were issued to the Company's two founders. No value was given to the stock issued by the newly formed Corporation. Therefore, the shares were recorded to reflect the $.001 par value and charged to expense.

The Company increased its authorized shares of common stock to 300,000,000 shares at .001 par.

In the nine months ended September 30, 2011, the Company issued 15,020,970 common shares. The Company issued 5,052,150 shares for services which resulted in an expense of $1,877,884 (fair market value $.3717/share). Fair market value was determined by taking the average share price for each cash-for-stock purchase in the period. The Company issued 9,343,820 shares at par value $.001 to its founding officers which resulted in an expense of $9,344. The shares issued to the officers were valued at par $.001 because the officers started the Company at inception. The Company issued 625,000 shares for $200,000 cash, $30,000 deposited in period, $170,000 deposited in following months which resulted in a stock subscription receivable of $170,000. The Company received $15,000 cash for stock in the period but later refunded the money in the following month. No stock was issued relating to the $15,000 deposit, the Company classified it as a stock subscription payable. As of September 30, 2011 the Company has 15,220,970 shares issued and outstanding.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated subsequent events pursuant to the requirements of ASC Topic 855 and has determined that other than listed below, no material subsequent events exist.

1. In the following months, the Company received deposits in the sum of $170,000 for the stock subscription receivable.
2. In October, the Company repaid $15,000 to an investor. No stock was ever issued with regards to this investment. The repayment reversed the stock subscription payable.
3. In October, the Company issued 501,180 shares of common stock which included 176,180 shares for services and 325,000 shares for $132,000 cash.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13.OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The estimated expenses of this offering in connection with the issuance and distribution of the securities being registered, all of which are to be paid by the Registrant, are as follows:

Registration Fee $123.50
Legal Fees and Expenses $500.00
Accounting Fees and Expenses $10,000
Total $10,623.50

ITEM 14.INDEMNIFICATION OF DIRECTORS AND OFFICERS

Our Bylaws include an indemnification provision under which we have agreed to indemnify our directors and officers from and against certain claims arising from or related to future acts or omissions as a director or officer of the Company. Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Company pursuant to the foregoing, or otherwise, we have been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable.

ITEM 15.RECENT SALES OF UNREGISTERED SECURITIES

Since inception on January 26, 2010, the Company has had the following unregistered sales of its securities, in each case in reliance on the exemption from registration provided by section 4(2) of the Securities Act of 1933.

A, A total of 950,000 shares were issued to a total of 17 sophisticated investors for cash, at prices per share of between $ 0.21 and $ 0.40 , for a total of $ 3323,000 , between September 20, 2011 and October 7, 2011 , in private placement transactions relying on the exemption from registration provided by Section 4(2) of the Securities Act of 1933, and all shares were issued with a restrictive legend.

B. A total of 14,572,150 shares were issued to a total of 84 sophisticated investors in exchange for services rendered to the Company between March 1, 2011 and October 7, 2011 , and the Company recognized consulting and services expenses in the aggregate amount of $1,996,109, in connection with such issuances of shares for services. Of the total aggregate expense, $9,344 resulted from the issuance of 9,343,820 shares to founding officers at par and the remaining $1,986,765 expense resulted from 5,228,330 shares issued at an average of $.38 per share. All shares were privately issued with a restrictive legend, in reliance on the. Exemption from registration provided by Section 4(2) of the Securities Act of 1933.

In instances described above where we issued securities in reliance upon Section 4(2) under, the Securities Act, our reliance was based upon the following factors: (a) the issuance of the securities was an isolated private transaction
by us which did not involve a public offering; (b) there were only a limited number of offerees; (c) there were no subsequent or contemporaneous public offerings of the securities by us; (d) the securities were not broken down into
smaller denominations; (e) the negotiations for the sale of the stock took place directly between the offeree and us, (f) the offeree in each cash was sophisticated, able to bear the risks of investment, and able to fend for himself; (g) all shares were taken for investment and not with a view to distribution, and appropriate legends were placed on all share certificates., (h) in each case the Company has a significant and long lasting relationship
with the investor prior to issuance.

ITEM 16. EXHIBITS

Exhibit

3.0 Articles of Incorporation
3.2 Bylaws
5.1 Opinion of Legal Counsel, Donald G Davis, of Davis & Associate
10.0 Commercial Lease Agreement by and between Insynergy Products Inc. and Bershin Properties I, LLC
10.1 Agreement re Telephone Call Center, by and between Insynergy Products Inc. and Ignite Media Solutions
10.2 Agreement re Fulfillment, by and between Insynergy Products Inc. and Moulton Logistics
10.3. License Agreement for Meister Management, Inc. and Insynergy Products Inc.
10.4 License Agreement for Fit, LLC
10.5 Agreement re Merchant Services, by and between Insynegy Products Inc. and Moneris Solutions
10.6 Executive Compensation Agreement between Sanford (Sandy) Lang and Insynergy Products Inc.
10.7 Executive Compensation Agreement Between Martin (Marty) Goldrod and Insynergy Products Inc.
10.8 Engagement Letter , by and between Insynergy Products Inc. and NBN Enterprises to provide Consulting and the Services of the Law Firm of Don Davis & Associates.
23.1 Consent of HJ Associates & Consultants, LLP.
23.2 Consent of Legal Counsel, Donald G Davis, Esq. (Contained in Exhibit 5.0)

ITEM 17. UNDERTAKINGS

(A) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment of the Registration Statement) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii)To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement.

(2)That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3)To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) For the purpose of determining liability under the Securities Act of 1933 to any purchaser, if the registrant is subject to Rule 430C, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to the purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(B) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the provisions described under Item 14 above or
otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim
for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized.

INSYNERGY, INC.

Date: January 31, 2012

By:/s/ Sanford Lang

Sanford Lang
Chief Executive Officer, Principal Executive Officer

By:/s/Steven J. Corso
Steven J. Corso
Principal Financial Officer and Principal Accounting Officer

ROSS MILLER
Secretary of State
204 North Carson Street, Suite 4
Carson City, Nevada 89701-4520
(775) 684 5708
Website: www.nvsos.gov

Filed in the office of	Document Number
Ross Miller Secretary of State State of Nevada	20100042830-50
	Filing Date and Time 01/26/2010 12:30 PM
	Entity Number E0027712010-2

Articles of Incorporation
(PURSUANT TO NRS CHAPTER 78)

USE BLACK INK ONLY - DO NOT HIGHLIGHT — ABOVE SPACE IS FOR OFFICE USE ONLY

1. Name of Corporation: Insynergy, Inc.

2. Registered Agent for Service of Process: (check only one box)
☐ Commercial Registered Agent: Name
☒ Noncommercial Registered Agent (name and address below) OR ☐ Office or Position with Entity (name and address below)
Camille Traino
Name of Noncommercial Registered Agent OR Name of Title of Office or Other Position with Entity
417 Lucy St. — Henderson — Nevada — 89015
Street Address — City — Zip Code
Mailing Address (if different from street address) — City — Nevada — Zip Code

3. Authorized Stock: (number of shares corporation is authorized to issue)
Number of shares *with par value:* 5 Million — Par value per share: $ .001 — Number of shares *without par value:*

4. Names and Addresses of the Board of Directors/Trustees: (each Director/Trustee must be a natural person at least 18 years of age; attach additional page if more than two directors/trustees)
1) Christina Polston
Name
PO Box 12009 — Marina del Rey — CA — 90292
Street Address — City — State — Zip Code
2)
Name
Street Address — City — State — Zip Code

5. Purpose: (optional; see instructions)
The purpose of the corporation shall be:
Any and all legal activity

6. Name, Address and Signature of Incorporator: (attach additional page if more than one incorporator)
Christina Polston — X [signature] — Incorporator Signature
Name
P.O. Box 12009 — Marina del Rey — CA — 90292
Address — City — State — Zip Code

7. Certificate of Acceptance of Appointment of Registered Agent:
I hereby accept appointment as Registered Agent for the above named Entity.
X Camille Traino — 1/26/2010
Authorized Signature of Registered Agent or On Behalf of Registered Agent Entity — Date

This form must be accompanied by appropriate fees.

Nevada Secretary of State NRS 78 Articles
Revised: 4-10-09

ROSS MILLER
Secretary of State
204 North Carson Street, Suite 1
Carson City, Nevada 89701-4520
(775) 684-5708
Website: www.nvsos.gov

090201

Filed in the office of	Document Number
Ross Miller Secretary of State State of Nevada	20110365571-71
	Filing Date and Time 05/16/2011 4:45 PM
	Entity Number E0027712010-2

Certificate of Amendment
(PURSUANT TO NRS 78.385 AND 78.390)

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Certificate of Amendment to Articles of Incorporation
For Nevada Profit Corporations
(Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock)

1. Name of corporation:

INSYNERGY, INC.

2. The articles have been amended as follows: (provide article numbers, if available)

Article 1 is hereby amended as follows:

The name of this corporation is: INSYNERGY PRODUCTS, INC.

3. The vote by which the stockholders holding shares in the corporation entitling them to exercise a least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation* have voted in favor of the amendment is: 100%

4. Effective date of filing: (optional)

(must not be later than 90 days after the certificate is filed)

5. Signature: (required)

X Marty Goldrod

Signature of Officer

*If any proposed amendment would alter or change any preference or any relative or other right given to any class or series of outstanding shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless to limitations or restrictions on the voting power thereof.

IMPORTANT: Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Amend Profit-After
Revised: 3-6-09

ROSS MILLER
Secretary of State
204 North Carson Street, Suite 1
Carson City, Nevada 89701-4520
(775) 684-5708
Website: www.nvsos.gov

090201

Filed in the office of	Document Number
Ross Miller Secretary of State State of Nevada	20110680695-48
	Filing Date and Time 09/20/2011 2:19 PM
	Entity Number E0027712010-2

Certificate of Amendment
(PURSUANT TO NRS 78.385 AND 78.390)

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ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Amendment to Articles of Incorporation
For Nevada Profit Corporations
(Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock)

1. Name of corporation:

Insynergy Products, Inc.

2. The articles have been amended as follows: (provide article numbers, if available)

Article 3 of the Articles of Incorporation authorizing 5 million shares at a par value of .001 is to be increased to a total of 300 million shares authorized at a par value of .001

3. The vote by which the stockholders holding shares in the corporation entitling them to exercise a least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation* have voted in favor of the amendment is: 100%

4. Effective date of filing: (optional) 9/20/11
(must not be later than 90 days after the certificate is filed)

5. Signature: (required)

X Marty Goldrod
Signature of Officer

*If any proposed amendment would alter or change any preference or any relative or other right given to any class or series of outstanding shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless to limitations or restrictions on the voting power thereof.

IMPORTANT: Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Amend Profit-After
Revised: 3-6-09

BY-LAWS
OF
Insynergy, Inc.

ARTICLE I . NAME AND LOCATION

SECTION 1. The name of this corporation shall be Insynergy, Inc.

SECTION 2. The Principal office of the corporation in the State of StateNevada shall be addressStreet417 Lucy Street CityHenderson, StateNevada and its initial registered office in the State of StateNevada shall be placeCityCarson City. The corporation may have such other offices, either within or without the State of placeStateNevada as the Board of Directors may designate or as the business of the corporation may require from time to time.

ARTICLE II. SHAREHOLDERS

SECTION 1. Annual Meeting. The annual meeting of the shareholders shall be held on the last Friday of the month of August in each year, beginning with the year 2010 at the time designated by the Board f Directors, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of placeStateNevada, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting 0 the shareholders, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the shareholders as soon thereafter as convenient.

SECTION 2. Special Meeting. Special meetings of the shareholders, for any purpose or purposes, unless otherwise prescribed by statute, may be called by resolution of the Board of Directors or by the President at he request of the holders of not less than a majority of all the outstanding shares of the corporation entitled to vote on any issue proposed to be considered at the meeting, provided said shareholders sign, date and deliver to the corporate Secretary one or more written demands for the meting describing the purpose or purposes for which it is to be held. Only business within the purpose or purposes described in the meeting notice required by Article II, Section 5 of these Bylaws may be conducted at a special shareholders meeting. In addition, such meeting may be held at any time without call or notice upon unanimous consent of shareholders.

SECTION 3. Place of Meeting. The Board of Directors may designate any place, either within or without the State of placeStateNevada unless otherwise prescribed by statute as the place of meeting for any annual meeting for any special meeting of shareholders. A waiver of notice signed by all shareholders entitle to vote at a meeting may designate any place, either within or without the State of Nevada, unless otherwise prescribed by statute, as the place for the holding of such meeting. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal office of the corporation in the State of placeStateNevada.

SECTION 4. Notice Of Meeting. Written or printed notice stating the place, day and hour of the meeting shall be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary, or the officer or persons calling the meeting, to each shareholder of record entitled to vote at such meeting. If mailed such notice shall be deemed to be delivered when deposited in the placecountry-regionUnited States mail, address d to the shareholder at his address as it appears on the stock transfer books of the corporation, with postage thereon prepaid. Notice of a special meeting shall include a description of the purpose or purposes for which the meeting is called.

SECTION 5. Closing Of Transfer Books or Fixing of Record Date. For the purpose of determining shareholders entitle to notice of or to vote at any meeting of shareholders or any adjournment thereof, or shareholders entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors of the corporation may provide that the stock transfer books shall be closed for a stated period but not to exceed, in any case, seventy (70) days. If the stock transfer books shall be closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at east ten (10) days immediately preceding such meeting. In lieu of closing the stock transfer books, the Board of Directors may fix in advance a date as the record date for any determination of shareholders, such date in any case to b_ not more than seventy (70) days and, in case 0 a meeting of shareholders, not less than ten (10) days prior to the date on which the particular action, requiring such determination of shareholders, is to be taken. If the stock transfer book are not closed and no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of

shareholders, or shareholders entitled to receive payment of a dividend, the date on which notice of the meeting is mailed or the date on which resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof.

SECTION 6. Shareholders' List. After fixing a record date, the officer or agent having charge of the share ledger of t corporation shall prepare an alphabetical list of all persons entitled to notice and to represent shares at such meeting, or any adjournment thereof, and said list shall be arranged by voting group and shall show the address of and the number of shares held by each shareholder or representative. The shareholders' list shall be available for inspection and copying during usual business hours by any shareholder beginning two (2) business days after notice of the meeting is given for which the list was prepared and continuing through the meeting, at the corporation's principal office or at a place identified in the meeting notice. Such list shall be available during the meeting and any shareholder, his agent or attorney is entitled to inspect the list at a y time during the meeting or any adjournment thereof. The original stock transfer book shall be prime facial evidence as to who are the shareholders entitled to examine such list or transfer b ok or to vote at any meeting of shareholders.

SECTION 7. Quorum, majority of the outstanding shares of the corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. If less than a majority of the shares are represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting in which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding e withdrawal of enough shareholders to leave less than a quorum.

SECTION 8. Proxies. At all meetings of shareholders, a shareholder may vote by proxy executed in writing by the shareholder or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the corporation before or at the time of the meeting.

SECTION 9. Voting of Shares. Subject to the provisions of Section 12 of this Article II, each outstanding share entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of shareholders. The affirmative vote of a majority of the outstanding shares represented at a shareholders' meeting at which a quorum is present shall be the act of the shareholders of the corporation.

SECTION 10. Voting of Shares by Certain Holders. Shares standing in the name of another corporation may be voted by such officer, agent or proxy as the By-Laws of such corporation may preserve, or, in he absence of such provision, as the Board of Directors of such corporation may determine. Shares held by an administrator, executor, guardian or conservatory may be voted by him either in person or by proxy, wit out a transfer of such shares into his name. Shares standing in the name of a trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote shares held by hi without a transfer of such shares into his name. Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name if authority so to 0 be contained in appropriate order of the court by which such receiver was appointed. A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred in the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred. Shares of its own stock belonging to the corporation or held by it in a fiduciary capacity shall not be voted, directly or indirectly, at any meeting, and shall not be counted in determining the total number of outstanding shares at any given time.

SECTION 11. Information by Shareholders. Unless otherwise provided by law, any action required to be taken at a meeting of the shareholders, or any other action which may be taken at a meeting of the shareholders, may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the shareholders entitled to vote with respect to the subject matter there.

SECTION 12. Cumulative Voting. Unless otherwise provided by law, at each election for Directors every shareholder entitled to vote, in person or by proxy, shall have the right to vote at such election the numb r of shares owned by him for as many persons as there are Directors to be elected and for hose election he has a right to vote, or to cumulate his votes by giving one candidate as many v91es as the number of such Directors multiplied by the number of his shares shall equal, or by distributing such votes on the same principle among any number of candidates.

ARTICLE III. BOARD OF DIRECTORS

SECTION 1. General owners. The business and affairs of the corporation shall be managed by its Board of Directors except as otherwise herein provided.

SECTION 2. Number Tenure and qualifications. The number of Directors of the corporation shall be three, (3) each Director shall hold office until the next annual meeting of shareholders and until his successor shall have been elected and qualified. Directors may be reelected. The Directors need not e a resident of this state or a shareholder
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SECTION 3. Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than his By-Law immediately after, and at the same place as the annual meeting of shareholders. The Board of Directors may also provide, by resolution, the time and place for the holding f additional regular meetings without other notice than such resolution.

SECTION 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any Director. The person or persons authorized to call special meetings of the Boar of Directors may fix the place for holding any special meeting of the Board of Directors called them.

SECTION 5. Notice. Notice of any special meeting shall be given at least five (5) days previously thereto by notice personally given or mailed to each Director at his business address, or by telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to e delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened, and does not thereafter vote for or assent to action taken at the meeting.

SECTION 6. Quorum. Majority of the number of Directors fixed by Section 2 of this Article III shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than a majority is present at a meeting, a majority of the Directors present may adjourn the meeting !Tom tile to time without further notice.

SECTION 7. Manner Of Action. The act of the majority of the Directors present at a meeting at which a quorum is pr sent shall be the act or the Board of Directors.

SECTION 8. Compensation. By resolution of the Board of Directors, the Directors may be paid their expenses, if any, 0 attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as Director. No such payment shall preclude any Director from serving the corporation in any other capacity and receiving compensation therefore.

SECTION 9. Presumption of Assent. A Director of the corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent does **not** apply to a Director who voted in favor of such action.

SECTION 10. Informal Action by Board of Directors. Unless otherwise provided by law, any action required to be taken at a meeting of the Directors, or any other action which may be taken at a meeting of the Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, hall be signed by each director, and included in the minutes or filed with the corporate records reflecting the action taken.

ARTICLE IV. OFFICERS

SECTION 1. Number. The officers of the corporation shall be Sandy Lang, Martin Goldrod, and Michael Queenan, one or more Vice-Presidents and a Secretary, each of whom shall be elected y the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors.

SECTION 2. Election and Term of Office. The officers of the corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held at each annual meeting of the shareholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected and shall have qualified 0 until he shall resign or shall have been removed in the manner hereinafter provided. The initial officers may be elected at the first meeting of the Board of Directors.

SECTION 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment, the best interest of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filed by the Board of Directors for the unexpired portion of the term.

SECTION 5. President. The President shall be the principal executive officer of the corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and fairs of the corporation. He shall, when present, preside at all meetings of the shareholders an. of the Board of Directors. He may sign certificates for shares of the corporation, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to e executed except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors, or by these By-Laws, to some other officer or agent of the co oration, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by t e Board of Directors from time to time.

SECTION 6. Vice-President. The Board of Directors may determine when there is a need for a Vice-President or Vice-Presidents. In the absence of the President or in event of his death, unavailability of or re al to act, a Vice-President shall perform the duties of the President, and when so acting, s all have all the powers of and be subject to all the restrictions upon the President. A Vice-President shall perform such other duties as from time to time may be assigned to him by the President or the Board of Directors.

SECTION 7. Secretary. The Secretary shall: (a) keep the minutes of the shareholders and of the Board of Directors meetings in one or more books provided for the purpose; (b) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized (c) see that all notices are duly given in accordance with the provisions of these By-Laws or s required by law; (d) keep a register of the post office address of each shareholder which shall be furnished to the Secretary by such shareholder; (e) have general charge of the stock trans r books of the corporation; (f) have charge and custody of and be responsible for all funds and securities of the corporation, receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article V of these By-Laws; and (g) in general perform all of the duties incident of the Office of Secretary and such other duties as from time to time may be assigned to him by he President or by the Board of Directors. If required by the Board of Directors, the Secretary shall give a bond for the faithful discharge of his duties in such sum with such surety or sureties s the Board of Directors shall determine.

SECTION 8. Salaries. The salaries, compensation and other benefits, if any, of the officers shall be fixed from time to time by the Board of Directors, and no officer shall be prevented from receiving such alary by reason of the fact that he is also a Director of the corporation.

SECTION 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into a contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

SECTION 2. Loans. No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

SECTION 3. Checks Drafts etc. All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officer, agent or agents of the corporation and in such manner as shall from time to time be determined y resolution of the Board of Directors.

SECTION 4. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to e credit of the corporation in such banks, trust companies or other depositories as the Board 0 Directors may select.

ARTICLE VI. CERTIFICATES FOR SHARES AND THEIR TRANSFER

SECTION 1. Certificates for Shares. Certificates representing shares of the corporation shall be in such form as shall be determined by the Board of Directors. Such certificates shall be signed by the President and by t e Secretary or by such other officers authorized by law and by the Board of Directors so to do. All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued, with the number of shares and date of issuance, shall be entered on the stock transfer books of the corporation. All certificates surrendered to the corporation for transfer shall be canceled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and canceled, except that in case of a lost, destroyed or mutilated certificate, a new one ay be issued therefore upon such terms and indemnity to the corporation as the Board of Directors may prescribe.

SECTION 2. Transfer of Shares. Transfer of shares of the corporation shall be made only on the stock transfer books f the corporation by the holder of record thereof or by his legal representative, who shall furnish proper evidence of authority to transfer, or by his attorney thereunto authorized by power f attorney duly executed and filed with the Secretary of the corporation, and on surrender for cancellation of the certificate of such shares, and also, any transfer is subject to the limitations set forth in the Articles of Incorporation, reference to which is hereby made. The person in whose name shares stand on the books of the corporation shall be deemed by the corporation to be t e owner thereof for all purposes.

ARTICLE VII. FISCAL YEAR

The fiscal year of the corporation shall begin on the 1 st day of January and end on the 31 st day of December in each year.

ARTICLE VIII. DIVIDENDS

The Board of Directors may from time to time declare, and the corporation may pay dividends on its outstanding shares in the manner and upon the terms and conditions provided by law and its Articles of Incorporation.

ARTICLE IX. SEAL

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation and the state of incorporation and the words "Corporate Seal." Unless otherwise Provided by law, whenever any notice is required to be given to any shareholder or Director of the corporation under the provisions of these By-Laws or under the provisions of the Articles of Incorporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

ARTICLE XI. AMENDMENTS

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by a majority vote of the Board f Directors at any annual Board of Directors meeting or at any special Board of Directors meeting when the proposed amendment has been set out in the notice of such meeting. These By-Laws may also be altered, amended or repealed by a majority vote of the shareholders notwithstanding that these By-Laws may also be amended or repealed by the Board of Directors.

OPINION OF THE LAW OFFICES OF DAVIS & ASSOCIATES

Exhibit 5.1& 23.2

DAVIS & ASSOCIATES
PO BOX 12009
MARINA DEL REY, CA 90295

January 26, 2012

INSYNERGY, INC..
4705 Laurel Canyon Blvd.
Suite 205
Studio City, CA 91604

Re: Registration Statement on Form S-1

Ladies and Gentlemen:

We are acting as counsel for INSYNERGY, INC.., a Nevada corporation (the "Company"), in connection with the Registration Statement on Form S-1 relating to the registration under the Securities Act of 1933 (the "Act") of shares of 2,155,130 common stock, par value $.001 per share (the "Common Stock"), of the Company, all of which are to be offered and sold by certain stockholders of the Company (the "Selling Stockholders"). (Such Registration Statement, as amended, is herein referred to as the "Registration Statement.")

We have reviewed and are familiar with such corporate proceedings and other matters as we have deemed necessary for the opinions expressed in this letter. Based upon the foregoing, we are of the opinion that the shares of Common Stock to be offered and sold by the Selling Stockholders have been duly authorized and validly issued and are fully paid and non-assessable. The opinions set forth in this letter are limited to the General Corporation Law of the State of Nevada, as in effect on the date hereof.

We hereby consent to the filing of this opinion letter as Exhibit 5.1 to the Registration Statement and to the use of our name under the caption "Legal Matters" in the Registration Statement and in the Prospectus included therein. In giving this consent, we do not thereby admit that we are within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Securities and Exchange Commission promulgated there under.

Very truly yours,

/s/ Davis & Associates

DRAFT

STANDARD MULTI-TENANT OFFICE LEASE - GROSS
AIR COMMERCIAL REAL ESTATE ASSOCIATION

1. **Basic Provisions ("Basic Provisions").**

1.1 **Parties**: This Lease ("**Lease**"), dated for reference purposes only October 24, 2011, is made by and between Bershin Properties, I, LLC ("**Lessor**") and Insynergy Products, Inc., a Nevada corporation ("**Lessee**"), (collectively the "**Parties**", or individually a "**Party**").

1.2(a) **Premises**: That certain portion of the Project (as defined below), known as Suite Numbers(s) 205, 2nd floor(s), consisting of approximately 2,500 rentable square feet and approximately N/A useable square feet("**Premises**"). The Premises are located at: 4705 Laurel Canyon Boulevard, in the City of Studio City, County of Los Angeles, State of California, with zip code 91607. In addition to Lessee's rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to the Common Areas (as defined in Paragraph 2.7 below) as hereinafter specified, but shall not have any rights to the roof, the exterior walls, the area above the dropped ceilings, or the utility raceways of the building containing the Premises ("**Building**") or to any other buildings in the Project. The Premises, the Building, the Common Areas, the land upon which they are located, along with all other buildings and improvements thereon, are herein collectively referred to as the "**Project**." The Project consists of approximately 34,997 rentable square feet. (See also Paragraph 2)

~~1.2(b) **Parking**: ____ unreserved and ____ reserved vehicle parking spaces at a monthly cost of $____ per unreserved space and $____ per reserved space. (See Paragraph 2.6)~~ *Lessee shall hve the right to rent up to ten (10) parking spaces at the then Building prevailing rates. parking type is subject to availability. Current Building prevailing rates are $65.00 surface tandem reserved, $75.00 covered tandem reserved & $100.00 covered reserved. In addition, Lessee shall have a 30% discount on parking validation booklets & employee parking for the first 12 months of the Lease term. Notwithstanding, Lessee shall receive free parking for the first three (3) months of the Lease.*

free months

1.3 **Term**: three (3) years and three (3) months ("**Original Term**") commencing December 1, 2011 ("**Commencement Date**") and ending November 30, 2014 ("**Expiration Date**"). (See also Paragraph 3)

1.4 **Early Possession**: If the Premises are available Lessee may have non-exclusive possession of the Premises commencing See Paragraph 50 ("**Early Possession Date**"). (See also Paragraphs 3.2 and 3.3)

1.5 **Base Rent**: $5,000.00 per month ("**Base Rent**)", payable on the first (1st) day of each month commencing December 1, 2011. (See also Paragraph 4)

☑ If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See Paragraph ____

1.6 **Lessee's Share of Operating Expense Increase**: seven percent (7.00%) ("**Lessee's Share**"). In the event that that size of the Premises and/or the Project are modified during the term of this Lease, Lessor shall recalculate Lessee's Share to reflect such modification.

1.7 **Base Rent and Other Monies Paid Upon Execution**:

(a) **Base Rent**: $5,000.00 for the period December 2011

(b) **Security Deposit**: $10,610.00 ("**Security Deposit**"). (See also Paragraph 5)

(c) **Parking**: $ TBD for the period ____

(d) **Other**: $20,000.00 for ~~prepaid~~ rent for months 2, 3, 4 and 5.

(e) **Total Due Upon Execution of this Lease**: $35,610.00

1.8 **Agreed Use**: General Office. (See also Paragraph 6)

1.9 **Base Year; Insuring Party**. The Base Year is 2012. Lessor is the "**Insuring Party**". (See also Paragraphs 4.2 and 8)

1.10 **Real Estate Brokers**: (See also Paragraph 15 and 25)

(a) **Representation**: The following real estate brokers (the "**Brokers**") and brokerage relationships exist in this transaction (check applicable boxes):

☐ ____ represents Lessor exclusively ("**Lessor's Broker**");

☐ ____ represents Lessee exclusively ("**Lessee's Broker**"); or

☑ Lee & Associates - LA North/Ventura, Inc. represents both Lessor and Lessee ("**Dual Agency**").

(b) **Payment to Brokers**: Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Brokers for the brokerage services rendered by the Brokers the fee agreed to in the attached separate written agreement or if no such agreement is attached, the sum of $12,085.00 or 6½ % of the total Base Rent payable for the Original Term, the sum of ____ or ____ of the total Base Rent payable during any period of time that the Lessee occupies the Premises subsequent to the Original Term, and/or the sum of ____ or ____ % of the purchase price in the event that the Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises.

1.11 **Guarantor**. The obligations of the Lessee under this Lease shall be guaranteed by ____

INITIALS INITIALS

_____ ("**Guarantor**"). (See also Paragraph 37)

1.12 **Business Hours for the Building:** 8:00 a.m. to 6:00 p.m., Mondays through Fridays (except Building Holidays) and 9:00 a.m. to 1:00 p.m. on Saturdays (except Building Holidays). "**Building Holidays**" shall mean the dates of observation of New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and N/A .

1.13 **Lessor Supplied Services**. Notwithstanding the provisions of Paragraph 11.1, Lessor is NOT obligated to provide the following within the Premises:

☐ Janitorial services
☐ Electricity
☐ Other (specify): _____

1.14 **Attachments**. Attached hereto are the following, all of which constitute a part of this Lease:

☑ an Addendum consisting of Paragraphs _____ through _____;
☐ a plot plan depicting the Premises;
☑ a current set of the Rules and Regulations;
☑ a Work Letter;
☐ a janitorial schedule;
☑ other (specify): Rent Adjustments (59), Option to Extend (60), Construction Floor Plan and Disclosure for Lease

2. **Premises**.

2.1 **Letting**. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is not subject to adjustment should the actual size be determined to be different. **Note: Lessee is advised to verify the actual size prior to executing this Lease.**

2.2 **Condition**. Lessor shall deliver the Premises to Lessee in a clean condition on the Commencement Date or the Early Possession Date, whichever first occurs ("**Start Date**"), and warrants that the existing electrical, plumbing, fire sprinkler, lighting, heating, ventilating and air conditioning systems ("**HVAC**"), and all other items which the Lessor is obligated to construct pursuant to the Work Letter attached hereto, if any, other than those constructed by Lessee, shall be in good operating condition on said date, that the structural elements of the roof, bearing walls and foundation of the Unit shall be free of material defects, and that the Premises do not contain hazardous levels of any mold or fungi defined as toxic under applicable state or federal law. A/C

2.3 **Compliance**. Lessor warrants to the best of its knowledge that the improvements comprising the Premises and the Common Areas comply with the building codes that were in effect at the time that each such improvement, or portion thereof, was constructed, and also with all applicable laws, covenants or restrictions of record, regulations, and ordinances ("**Applicable Requirements**") in effect on the Start Date. Said warranty does not apply to the use to which Lessee will put the Premises, modifications which may be required by the Americans with Disabilities Act or any similar laws as a result of Lessee's use (see Paragraph 49), or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. **NOTE: Lessee is responsible for determining whether or not the zoning and other Applicable Requirements are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed.** If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Premises, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Premises ("**Capital Expenditure**"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof, provided, however that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months' Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee's termination notice that Lessor has elected to pay the difference between the actual cost thereof and the amount equal to 6 months' Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lessee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease or any extension thereof, on the date that on which the Base Rent is due, an amount equal to 1/144th of the portion of such costs reasonably attributable to the Premises. Lessee shall pay Interest on the balance but may prepay its obligation at any time. If, however, such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor's termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, and fails to tender its share of any such Capital Expenditure, Lessee may advance such funds and deduct same, with Interest, from Rent until Lessor's share of such costs have been fully paid. If Lessee is unable to finance Lessor's share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to nonvoluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not have any right to terminate this Lease.

2.4 **Acknowledgements**. Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises, (b) Lessee has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements), and their suitability for Lessee's intended use, (c) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor, (e) the square footage of the Premises was not material to Lessee's decision to lease the Premises and pay the Rent stated herein, and (f) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed tenants.

2.5 **Lessee as Prior Owner/Occupant**. The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately prior to the Start Date, Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work. A/C

2.6 **Vehicle Parking**. So long as Lessee is not in default, and subject to the Rules and Regulations attached hereto, and as established by Lessor from time to time, Lessee shall be entitled to rent and use the number of parking spaces specified in Paragraph 1.2(b) at the rental rate applicable from time to time for monthly parking as set by Lessor and/or its licensee.

(a) If Lessee commits, permits or allows any of the prohibited activities described in the Lease or the rules then in effect, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

(b) The monthly rent per parking space specified in Paragraph 1.2(b) is subject to change upon 30 days prior written notice to Lessee. The rent for the parking is payable one month in advance prior to the first day of each calendar month.

2.7 **Common Areas - Definition**. The term "**Common Areas**" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Project and interior utility raceways and installations within the Premises that are provided and designated by the Lessor from time to time for the general nonexclusive use of Lessor, Lessee and other tenants of the Project and their respective employees, suppliers, shippers, customers, contractors and invitees, including, but not limited to, common entrances, lobbies, corridors, stairwells, public restrooms,

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elevators, parking areas, loading and unloading areas, trash areas, roadways, walkways, driveways and landscaped areas.

2.8 **Common Areas - Lessee's Rights**. Lessor grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the nonexclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.9 **Common Areas - Rules and Regulations**. Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to adopt, modify, amend and enforce reasonable rules and regulations ("**Rules and Regulations**") for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or tenants of the Building and the Project and their invitees. The Lessee agrees to abide by and conform to all such Rules and Regulations, and shall use its best efforts to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the noncompliance with said Rules and Regulations by other tenants of the Project.

2.10 **Common Areas - Changes**. Lessor shall have the right, in Lessor's sole discretion, from time to time:

(a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of the lobbies, windows, stairways, air shafts, elevators, escalators, restrooms, driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;

(b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;

(c) To designate other land outside the boundaries of the Project to be a part of the Common Areas;

(d) To add additional buildings and improvements to the Common Areas;

(e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Project, or any portion thereof; and

(f) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Project as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

3. **Term**.

3.1 **Term**. The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 **Early Possession**. Any provision herein granting Lessee Early Possession of the Premises is subject to and conditioned upon the Premises being available for such possession prior to the Commencement Date. Any grant of Early Possession only conveys a non-exclusive right to occupy the Premises. If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such Early Possession. All other terms of this Lease (including but not limited to the obligations to pay Lessee's Share of the Operating Expense Increase) shall be in effect during such period. Any such Early Possession shall not affect the Expiration Date.

3.3 **Delay In Possession**. Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession by such date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or change the Expiration Date. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession is not delivered within 60 days after the Commencement Date, as the same may be extended under the terms of any Work Letter executed be Parties, Lessee may, at its option, by notice in writing within 10 days after the end of such 60 day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee's right to cancel shall terminate. If possession of the Premises is not delivered within 120 days after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 **Lessee Compliance**. Lessor shall not be required to deliver possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. **Rent**.

4.1. **Rent Defined**. All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("**Rent**").

4.2 **Operating Expense Increase.** Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent, Lessee's Share of the amount by which all Operating Expenses for each Comparison Year exceeds the amount of all Operating Expenses for the Base Year, such excess being hereinafter referred to as the "**Operating Expense Increase**", in accordance with the following provisions:

(a) "**Base Year**" is as specified in Paragraph 1.9.

(b) "**Comparison Year**" is defined as each calendar year during the term of this Lease subsequent to the Base Year; provided, however, Lessee shall have no obligation to pay a share of the Operating Expense Increase applicable to the first 12 months of the Lease Term (other than such as are mandated by a governmental authority, as to which government mandated expenses Lessee shall pay Lessee's Share, notwithstanding they occur during the first twelve (12) months). Lessee's Share of the Operating Expense Increase for the first and last Comparison Years of the Lease Term shall be prorated according to that portion of such Comparison Year as to which Lessee is responsible for a share of such increase.

(c) The following costs relating to the ownership and operation of the Project, calculated as if the Project was at least 95% occupied, are defined as "**Operating Expenses**":

(i) Costs relating to the operation, repair, and maintenance in neat, clean, safe, good order and condition, but not the replacement (see subparagraph (g)), of the following:

(aa) The Common Areas, including their surfaces, coverings, decorative items, carpets, drapes and window coverings, and including parking areas, loading and unloading areas, trash areas, roadways, sidewalks, walkways, stairways, parkways, driveways, landscaped areas, striping, bumpers, irrigation systems, Common Area lighting facilities, building exteriors and roofs, fences and gates;

(bb) All heating, air conditioning, plumbing, electrical systems, life safety equipment, communication systems and other equipment used in common by, or for the benefit of, tenants or occupants of the Project, including elevators and escalators, tenant directories, fire detection systems including sprinkler system maintenance and repair.

(cc) All other areas and improvements that are within the exterior boundaries of the Project but outside of the Premises and/or any other space occupied by a tenant.

(ii) The cost of trash disposal, janitorial and security services, pest control services, and the costs of any environmental inspections;

(iii) The cost of any other service to be provided by Lessor that is elsewhere in this Lease stated to be an "Operating Expense";

(iv) The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 and any deductible portion of an insured loss concerning the Building or the Common Areas;

(v) The amount of the Real Property Taxes payable by Lessor pursuant to paragraph 10;

(vi) The cost of water, sewer, gas, electricity, and other publicly mandated services not separately metered;

(vii) Labor, salaries, and applicable fringe benefits and costs, materials, supplies and tools, used in maintaining and/or cleaning the Project and accounting and management fees attributable to the operation of the Project;

(viii) The cost of any capital improvement to the Building or the Project not covered under the provisions of Paragraph 2.3 provided; however, that Lessor shall allocate the cost of any such capital improvement over a 12 year period and Lessee shall not be required to pay more than Lessee's Share of 1/144th of the cost of such Capital Expenditure in any given month;

(ix) The cost to replace equipment or improvements that have a useful life for accounting purposes of 5 years or less.

(x) Reserves set aside for maintenance, repair and/or replacement of Common Area improvements and equipment.

(d) Any item of Operating Expense that is specifically attributable to the Premises, the Building or to any other building in the

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Project or to the operation, repair and maintenance thereof, shall be allocated entirely to such Premises, Building, or other building. However, any such item that is not specifically attributable to the Building or to any other building or to the operation, repair and maintenance thereof, shall be equitably allocated by Lessor to all buildings in the Project.

(e) The inclusion of the improvements, facilities and services set forth in Subparagraph 4.2(c) shall not be deemed to impose an obligation upon Lessor to either have said improvements or facilities or to provide those services unless the Project already has the same, Lessor already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.

(f) Lessee's Share of Operating Expense Increase is payable monthly on the same day as the Base Rent is due hereunder. The amount of such payments shall be based on Lessor's estimate of the Operating Expense Expenses. Within 60 days after written request (but not more than once each year) Lessor shall deliver to Lessee a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses for the preceding year. If Lessee's payments during such Year exceed Lessee's Share, Lessee shall credit the amount of such over-payment against Lessee's future payments. If Lessee's payments during such Year were less than Lessee's Share, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of said statement. Lessor and Lessee shall forthwith adjust between them by cash payment any balance determined to exist with respect to that portion of the last Comparison Year for which Lessee is responsible as to Operating Expense Increases, notwithstanding that the Lease term may have terminated before the end of such Comparison Year.

(g) Operating Expenses shall not include the costs of replacement for equipment or capital components such as the roof, foundations, exterior walls or a Common Area capital improvement, such as the parking lot paving, elevators, fences that have a useful life for accounting purposes of 5 years or more.

(h) Operating Expenses shall not include any expenses paid by any tenant directly to third parties, or as to which Lessor is otherwise reimbursed by any third party, other tenant, or by insurance proceeds.

4.3 **Payment**. Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States on or before the day on which it is due, without offset or deduction (except as specifically permitted in this Lease). All monetary amounts shall be rounded to the nearest whole dollar. In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of $25 in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent and Common Area Operating Expenses, and any remaining amount to any other outstanding charges or costs.

5. **Security Deposit**. Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount already due Lessor, for Rents which will be due in the future, and/ or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within 90 days after the expiration or termination of this Lease, Lessor shall return that portion of the Security Deposit not used or applied by Lessor. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease.

6. **Use**.

6.1 **Use**. Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the improvements of the Building, will not adversely affect the mechanical, electrical, HVAC, and other systems of the Building, and/or will not affect the exterior appearance of the Building. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

6.2 **Hazardous Substances**.

(a) **Reportable Uses Require Consent**. The term **"Hazardous Substance"** as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, byproducts or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. **"Reportable Use"** shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use such as ordinary office supplies (copier toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) **Duty to Inform Lessor**. If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) **Lessee Remediation**. Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) **Lessee Indemnification**. Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from areas outside of the Project not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) **Lessor Indemnification**. Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its

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employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which result from Hazardous Substances which existed on the Premises prior to Lessee's occupancy or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations**. Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to Lessee's occupancy, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) **Lessor Termination Option**. If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds 12 times the then monthly Base Rent or $100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or $100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 **Lessee's Compliance with Applicable Requirements**. Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said requirements are now in effect or become effective after the Start Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises.

6.4 **Inspection; Compliance**. Lessor and Lessor's "**Lender**" (as defined in Paragraph 30) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times, after reasonable notice, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a Hazardous Substance Condition (see paragraph 9.1e) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (**MSDS**) to Lessor within 10 days of the receipt of written request therefor.

7. **Maintenance; Repairs; Utility Installations; Trade Fixtures and Alterations**.

7.1 **Lessee's Obligations**. Notwithstanding Lessor's obligation to keep the Premises in good condition and repair, Lessee shall be responsible for payment of the cost thereof to Lessor as additional rent for that portion of the cost of any maintenance and repair of the Premises, or any equipment (wherever located) that serves only Lessee or the Premises, to the extent such cost is attributable to abuse or misuse. In addition, Lessee rather than the Lessor shall be responsible for the cost of painting, repairing or replacing wall coverings, and to repair or replace any similar improvements within the Premises. Lessor may, at its option, upon reasonable notice, elect to have Lessee perform any particular such maintenance or repairs the cost of which is otherwise Lessee's responsibility hereunder."

7.2 **Lessor's Obligations**. Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 4.2 (Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, fire sprinkler system, fire alarm and/or smoke detection systems, fire hydrants, and the Common Areas. Lessee expressly waives the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 **Utility Installations; Trade Fixtures; Alterations**.

(a) **Definitions**. The term "**Utility Installations**" refers to all floor and window coverings, air lines, vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, and plumbing in or on the Premises. The term "**Trade Fixtures**" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term " **Alterations**" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "**Lessee Owned Alterations and/or Utility Installations**" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).

(b) **Consent**. Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Alterations or Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof, ceilings, floors or any existing walls, will not affect the electrical, plumbing, HVAC, and/or life safety systems, and the cumulative cost thereof during this Lease as extended does not exceed $2000. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with asbuilt plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

(c) **Liens; Bonds**. Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than 10 days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.4 **Ownership; Removal; Surrender; and Restoration**.

(a) **Ownership**. Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal**. By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration**. Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear

excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice.

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Notwithstanding the foregoing, if this Lease is for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises) even if such removal would require Lessee to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 26 below.

8. **Insurance; Indemnity.**

8.1 **Insurance Premiums.** The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 are included as Operating Expenses (see paragraph 4.2 (c)(iv)). Said costs shall include increases in the premiums resulting from additional coverage related to requirements of the holder of a mortgage or deed of trust covering the Premises, Building and/or Project, increased valuation of the Premises, Building and/or Project, and/or a general premium rate increase. Said costs shall not, however, include any premium increases resulting from the nature of the occupancy of any other tenant of the Building. If the Project was not insured for the entirety of the Base Year, then the base premium shall be the lowest annual premium reasonably obtainable for the required insurance as of the Start Date, assuming the most nominal use possible of the Building and/or Project. In no event, however, shall Lessee be responsible for any portion of the premium cost attributable to liability insurance coverage in excess of $2,000,000 procured under Paragraph 8.2(b).

8.2 **Liability Insurance.**

(a) **Carried by Lessee.** Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than $1,000,000 per occurrence with an annual aggregate of not less than $2,000,000. Lessee shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured-Managers or Lessors of Premises" Endorsement and coverage shall also be extended to include damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an **"insured contract"** for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

(b) **Carried by Lessor.** Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 **Property Insurance - Building, Improvements and Rental Value.**

(a) **Building and Improvements.** Lessor shall obtain and keep in force a policy or policies of insurance in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Building and/or Project. The amount of such insurance shall be equal to the full insurable replacement cost of the Building and/or Project, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed $5,000 per occurrence.

(b) **Rental Value.** Lessor shall also obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days **("Rental Value insurance").** Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period.

(c) **Adjacent Premises.** Lessee shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas or other buildings in the Project if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.

(d) **Lessee's Improvements.** Since Lessor is the Insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

8.4 **Lessee's Property; Business Interruption Insurance; Worker's Compensation Insurance.**

(a) **Property Damage.** Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed $1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations. Lessee shall provide Lessor with written evidence that such insurance is in force.

(b) **Worker's Compensation Insurance.** Lessee shall obtain and maintain Worker's Compensation Insurance in such amount as may be required by Applicable Requirements.

(c) **Business Interruption.** Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

(d) **No Representation of Adequate Coverage.** Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 **Insurance Policies.** Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, VII, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates with copies of the required endorsements evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 10 days prior written notice to Lessor. Lessee shall, at least 30 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 **Waiver of Subrogation.** Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 **Indemnity.** Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use

and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 **Exemption of Lessor and its Agents from Liability**. Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Project, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in

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the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

8.9 **Failure to Provide Insurance.** Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor with the required binders or certificates evidencing the existence of the required insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or $100, whichever is greater. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. **Damage or Destruction**.

9.1 **Definitions**.

(a) **"Premises Partial Damage"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 3 months or less from the date of the damage or destruction, and the cost thereof does not exceed a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) **"Premises Total Destruction"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) **"Insured Loss"** shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved.

(d) **"Replacement Cost"** shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

(e) **"Hazardous Substance Condition"** shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance, in, on, or under the Premises which requires restoration.

9.2 **Partial Damage - Insured Loss**. If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is $5,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 **Partial Damage - Uninsured Loss**. If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 **Total Destruction**. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.

9.5 **Damage Near End of Term**. If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 **Abatement of Rent; Lessee's Remedies**.

(a) **Abatement**. In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.

damage, destruction, remediation, repair or restoration except as provided herein.

(b) **Remedies**. If Lessor is obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.7 **Termination; Advance Payments**. Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

10. **Real Property Taxes**.

10.1 **Definitions**. As used herein, the term **"Real Property Taxes"** shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Project, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Project address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Project is located. **"Real Property Taxes"** shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Project, (ii) a change in the improvements thereon, and/or (iii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease.

10.2 **Payment of Taxes**. Except as otherwise provided in Paragraph 10.3, Lessor shall pay the Real Property Taxes applicable to the

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Project, and said payments shall be included in the calculation of Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.3 **Additional Improvements**. Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Project by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.2 hereof, Lessee shall, however, pay to Lessor at the time Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations placed upon the Premises by Lessee or at Lessee's request or by reason of any alterations or improvements to the Premises made by Lessor subsequent to the execution of this Lease by the Parties.

10.4 **Joint Assessment**. If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.5 **Personal Property Taxes**. Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. **Utilities and Services**.

11.1 **Services Provided by Lessor.** Lessor shall provide heating, ventilation, air conditioning, reasonable amounts of electricity for normal lighting and office machines, water for reasonable and normal drinking and lavatory use in connection with an office, and replacement light bulbs and/or fluorescent tubes and ballasts for standard overhead fixtures. Lessor shall also provide janitorial services to the Premises and Common Areas 5 times per week, excluding Building Holidays, or pursuant to the attached janitorial schedule, if any. Lessor shall not, however, be required to provide janitorial services to kitchens or storage areas included within the Premises.

11.2 **Services Exclusive to Lessee.** Lessee shall pay for all water, gas, light, power, telephone and other utilities and services specially or exclusively supplied and/or metered exclusively to the Premises or to Lessee, together with any taxes thereon. If a service is deleted by Paragraph 1.13 and such service is not separately metered to the Premises, Lessee shall pay at Lessor's option, either Lessee's Share or a reasonable proportion to be determined by Lessor of all charges for such jointly metered service.

11.3 **Hours of Service.** Said services and utilities shall be provided during times set forth in Paragraph 1.12. Utilities and services required at other times shall be subject to advance request and reimbursement by Lessee to Lessor of the cost thereof.

11.4 **Excess Usage by Lessee.** Lessee shall not make connection to the utilities except by or through existing outlets and shall not install or use machinery or equipment in or about the Premises that uses excess water, lighting or power, or suffer or permit any act that causes extra burden upon the utilities or services, including but not limited to security and trash services, over standard office usage for the Project. Lessor shall require Lessee to reimburse Lessor for any excess expenses or costs that may arise out of a breach of this subparagraph by Lessee. Lessor may, in its sole discretion, install at Lessee's expense supplemental equipment and/or separate metering applicable to Lessee's excess usage or loading.

11.5 **Interruptions.** There shall be no abatement of rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Lessor's reasonable control or in cooperation with governmental request or directions.

12. **Assignment and Subletting**.

12.1 **Lessor's Consent Required.**

(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, **"assign or assignment"**) or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.

(b) Unless Lessee is a corporation and its stock is publicly traded on a national stock exchange, a change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. **"Net Worth of Lessee"** shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.

(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(c), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.

(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

(f) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Default at the time consent is requested.

(g) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, i e. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 **Terms and Conditions Applicable to Assignment and Subletting.**

(a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by

(a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefore to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of $500 as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 36)

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)

12.3 **Additional Terms and Conditions Applicable to Subletting**. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists,

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notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.

(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.

(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. **Default; Breach; Remedies**.

13.1 **Default; Breach**. A "**Default**" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "**Breach**" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, where such actions continue for a period of 3 business days following written notice to Lessee.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate or financial statements, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41, (viii) material data safety sheets (MSDS), or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.9 hereof, other than those described in subparagraphs 13.1(a), (b) or (c), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "**debtor**" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 **Remedies**.. If Lessee fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessee shall pay to Lessor an amount equal to 115% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had

Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover damages under Paragraph 12. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 **Inducement Recapture**. Any agreement for free or abated rent or other charges, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "**Inducement Provisions**", shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 **Late Charges**. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall immediately pay to Lessor a one-time late charge equal to 10% of each such overdue amount or $100, whichever is greater. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then

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notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 **Interest**. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due as to scheduled payments (such as Base Rent) or within 30 days following the date on which it was due for nonscheduled payment, shall bear interest from the date when due, as to scheduled payments, or the 31st day after it was due as to nonscheduled payments. The interest ("**Interest**") charged shall be computed at the rate of 10% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.4.

13.6 **Breach by Lessor**.

(a) **Notice of Breach**. Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; *provided, however, that if the nature* of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

(b) **Performance by Lessee on Behalf of Lessor**. In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent the actual and reasonable cost to perform such cure, provided however, that such offset shall not exceed an amount equal to the greater of one month's Base Rent or the Security Deposit, reserving Lessee's right to seek reimbursement from Lessor for any such expense in excess of such offset. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. **Condemnation**. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "**Condemnation**"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the rentable floor area of the Premises, or more than 25% of Lessee's Reserved Parking Spaces, if any, are taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation paid by the condemnor for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. **Brokerage Fees**.

15.1 **Additional Commission**. If a separate brokerage fee agreement is attached then in addition to the payments owed pursuant to Paragraph 1.10 above, and unless Lessor and the Brokers otherwise agree in writing, Lessor agrees that: (a) if Lessee exercises any Option, (b) if Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises or other premises owned by Lessor and located within the Project, (c) if Lessee remains in possession of the Premises, with the consent of Lessor, after the expiration of this Lease, or (d) if Base Rent is increased, whether by agreement or operation of an escalation clause herein, then, Lessor shall pay Brokers a fee in accordance with the schedule attached to such brokerage fee agreement.

15.2 **Assumption of Obligations**. Any buyer or transferee of Lessor's interest in this Lease shall be deemed to have assumed Lessor's obligation hereunder. Brokers shall be third party beneficiaries of the provisions of Paragraphs 1.10, 15, 22 and 31. If Lessor fails to pay to Brokers any amounts due as and for brokerage fees pertaining to this Lease when due, then such amounts shall accrue Interest. In addition, if Lessor fails to pay any amounts to Lessee's Broker when due, Lessee's Broker may send written notice to Lessor and Lessee of such failure and if Lessor fails to pay such amounts within 10 days after said notice, Lessee shall pay said monies to its Broker and offset such amounts against Rent. In addition, Lessee's

Broker shall be deemed to be a third party beneficiary of any commission agreement entered into by and/or between Lessor and Lessor's Broker for the limited purpose of collecting any brokerage fee owed.

15.3 **Representations and Indemnities of Broker Relationships**. Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder (other than the Brokers, if any) in connection with this Lease, and that no one other than said named Brokers is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

16. **Estoppel Certificates**.

(a) Each Party (as "**Responding Party**") shall within 10 days after written notice from the other Party (the "**Requesting Party**") execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current "**Estoppel Certificate**" form published by the AIRCommercial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within 10 days after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. **Definition of Lessor**. The term "**Lessor**" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

18. **Severability**. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. **Days**. Unless otherwise specifically indicated to the contrary, the word "**days**" as used in this Lease shall mean and refer to calendar days.

20. **Limitation on Liability**. The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor or its partners, members, directors, officers or shareholders, and Lessee shall look to the Project, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor's partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. **Time of Essence**. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. **No Prior or Other Agreements; Broker Disclaimer**. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party.

23. **Notices**.

23.1 **Notice Requirements**. All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

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23.2 **Date of Notice**. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt (confirmation report from fax machine is sufficient), provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

24. **Waivers**.

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

(c) THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.

25. **Disclosures Regarding The Nature of a Real Estate Agency Relationship.**

(a) When entering into a discussion with a real estate agent regarding a real estate transaction, a Lessor or Lessee should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Lessor and Lessee acknowledge being advised by the Brokers in this transaction, as follows:

(i) Lessor's Agent. A Lessor's agent under a listing agreement with the Lessor acts as the agent for the Lessor only. A Lessor's agent or subagent has the following affirmative obligations: To the Lessor: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessor. To the Lessee and the Lessor: a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) Lessee's Agent. An agent can agree to act as agent for the Lessee only. In these situations, the agent is not the Lessor's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Lessor. An agent acting only for a Lessee has the following affirmative obligations. To the Lessee: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessee. To the Lessee and the Lessor: a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the

property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(iii) Agent Representing Both Lessor and Lessee. A real estate agent, either acting directly or through one or more associate licenses, can legally be the agent of both the Lessor and the Lessee in a transaction, but only with the knowledge and consent of both the Lessor and the Lessee. In a dual agency situation, the agent has the following affirmative obligations to both the Lessor and the Lessee: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Lesser or the Lessee. b. Other duties to the Lessor and the Lessee as stated above in subparagraphs (i) or (ii). In representing both Lessor and Lessee, the agent may not without the express permission of the respective Party, disclose to the other Party that the Lessor will accept rent in an amount less than that indicated in the listing or that the Lessee is willing to pay a higher rent than that offered. The above duties of the agent in a real estate transaction do not relieve a Lessor or Lessee from the responsibility to protect their own interests. Lessor and Lessee should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advise is desired, consult a competent professional.

(b) Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this Lease may be brought against Broker more than one year after the Start Date and that the liability (including court costs and attorneys' fees), of any Broker with respect to any such lawsuit and/or legal proceeding shall not exceed the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

(c) Lessor and Lessee agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

26. **No Right To Holdover**. Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to 150% of the Base Rent applicable immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. **Cumulative Remedies**. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. **Covenants and Conditions; Construction of Agreement**. All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

29. **Binding Effect; Choice of Law**. This Lease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

30. **Subordination; Attornment; Non-Disturbance**.

30.1 **Subordination**. This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "**Security Device**"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "**Lender**") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 **Attornment**. In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Devise to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

30.3 **Non-Disturbance**. With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "**Non-Disturbance Agreement**") from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall, if requested by Lessee, use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 **Self-Executing**. The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

31. **Attorneys' Fees**. If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or

_____ _____
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to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "**Prevailing Party**" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach ($200 is a reasonable minimum per occurrence for such services and consultation).

32. **Lessor's Access; Showing Premises; Repairs**. Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable prior notice for the purpose of showing the same to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect on Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee.

33. **Auctions**. Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

34. **Signs**. Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of the term hereof. Lessor may not place any sign on the exterior of the Building that covers any of the windows of the Premises. Except for ordinary "For Sublease" signs which may be placed only on the Premises, Lessee shall not place any sign upon the Project without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

35. **Termination; Merger**. Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. **Consents**. Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party,

such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

37. **Guarantor**.

37.1 **Execution**. The Guarantors, if any, shall each execute a guaranty in the form most recently published by the AIR Commercial Real Estate Association.

37.2 **Default**. It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

38. **Quiet Possession**. Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. **Options**. If Lessee is granted an Option, as defined below, then the following provisions shall apply.

39.1 **Definition**. "**Option**" shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase, the right of first offer to purchase or the right of first refusal to purchase the Premises or other property of Lessor.

39.2 **Options Personal To Original Lessee**. Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

39.3 **Multiple Options**. In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

39.4 **Effect of Default on Options**.

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

40. **Security Measures**. Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties. In the event, however, that Lessor should elect to provide security services, then the cost thereof shall be an Operating Expense.

41. **Reservations**.

(a) Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessor may also: change the name, address or title of the Building or Project upon at least 90 days prior written notice; provide and install, at Lessee's expense, Building standard graphics on the door of the Premises and such portions of the Common Areas as Lessor shall reasonably deem appropriate; grant to any lessee the exclusive right to conduct any business as long as such exclusive right does not conflict with any rights expressly given herein; and to place such signs, notices or displays as Lessor reasonably deems necessary or advisable upon the roof, exterior of the Building or the Project or on signs in the Common Areas. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights. The obstruction of Lessee's view, air, or light by any structure erected in the vicinity of the Building, whether by Lessor or third parties, shall in no way affect this Lease or impose any liability upon Lessor.

~~(b) Lessor also reserves the right to move Lessee to other space of comparable size in the Building or Project. Lessor must provide at least 45 days prior written notice of such move, and the new space must contain improvements of comparable quality to those contained within the Premises. Lessor shall pay the reasonable out-of-pocket costs that Lessee incurs with regard to such relocation, including the expenses of moving and necessary stationary revision costs. In no event, however, shall Lessor be required to pay an amount in excess of two months Base Rent. Lessee may not be relocated more than once during the term of this Lease.~~

(c) Lessee shall not: (i) use a representation (photographic or otherwise) of the Building or Project or their name(s) in connection with Lessee's business; or (ii) suffer or permit anyone, except in emergency, to go upon the roof of the Building.

42. **Performance Under Protest**. If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay. A Party who does not initiate suit for the recovery of sums paid "under protest" within 6 months shall be deemed to have waived its right to protest such payment.

43. **Authority; Multiple Parties; Execution**

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing

INITIALS _____ INITIALS _____

this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

44. **Conflict**. Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

45. **Offer**. Preparation of this Lease by either party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

46. **Amendments**. This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable nonmonetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

47. **Waiver of Jury Trial**. THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR

47. **Waiver of Jury Trial.** **THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.**

48. **Arbitration of Disputes.** An Addendum requiring the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease ☐ is ☑ is not attached to this Lease.

49. **Americans with Disabilities Act.** Since compliance with the Americans with Disabilities Act (ADA) is dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in ADA compliance, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

50. **Early Possession.** Lessee and/or its vendors and contractors, shall be permitted to enter the building and Premises at any time after the Lease is executed for the purpose of installing telephone equipment, furniture, and other fixtures for its use, so long as it does not interfere with tenant improvement construction.

51. **Rental Abatement.** The Base Rent shall be abated for the thirteenth (13th), fourteenth (14th) and fifteenth (15th) months of the Lease term.

52. **Right to Sublease.**

(a) Lessee shall have the right to sublease all or any portion of the Premises to any third party with Lessor's prior written consent, which will not be unreasonably withheld, conditioned, or delayed.

(b) Lessee sahll have the right at any time to sublease all of its space to any related entity or affilate or to any successor corporation, whether by merger or consolidation without the Lessor's apprpoval or consent, but with notice.

53. **Relocation.** Lessor shall not have the right to relocate the Lessee.

54. **Directory Board.** Lessor, at Lessor's sole cost and expense shall install Building standard signage on the exterior of the entrance to the leased Premises as well as Building standard identity within the Building's Directory Board on the ground floor of the Building.

55. **Tenant Improvements.** Lessor, at Lessor's sole cost and expense, shall make improvements to the Premises pursuant to the attached draft space plan using Building Standard Materials. The work shall include the following:

1. Complete new conference room with glass walls to match existing.
2. Build counter (18 inches deep) in kitchen against north and east walls for eating. Stool height
3. Put the wood desk back together for reception area
4. Patch, clean and touch up paint where needed on walls and doors
5. Paint walls in accent colors - 4 walls in burgundy to match conf room
6. Paint walls in accent colors - 2 walls in 50% gray.
7. White base boards need repainting in offices
8. Some wood and rubber base molding is missing and needs replacing
9. Threshold needed by new door from reception to conference area
10. Entrance doors to be repaired and clean
11. Install additional electrical outlets as required (TBD) for fax, printers etc.
12. 2 - 220 lines in interior room
13. Duplex outlet in interior room
14. Install vertical blinds in conference room on two walls of windows
15. Frosted Glass (stick on film will be fine) on: 1) the window pane in east office & 2) the windows from hallway and door between reception and conference area
16. HVAC fan needs repairing. Too loud
17. Install, if not already existing, water line for refrigerator.

56. **Dish Network.** Lessee shall be allowed to install a Dish Network dish on the building to receive services in the Premises.

57. **Patio.** Lessee will have the use of the patio outside its Premises and will be able to install plants, trees and furniture.

58. **Relocation Allowance.** Lessor shall provide Lessee with a Relocation Allowance equal to $4000.00 and shall be paid, as a rent credit in the sixth (6th) month.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALLY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE AIR COMMERCIAL REAL ESTATE ASSOCIATION OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.

2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING AND SIZE OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.

WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED.

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at: _____ Executed at: _____

On: _____ On: _____

_____ _____

INITIALS **INITIALS**

By LESSOR: **By LESSEE:**

Bershin Properties, I, LLC Insynergy Products, Inc., a Nevada corporation

By:	By:
Name Printed: Paul Bershin	Name Printed: Sandy Lang
Title:	Title: CEO
By:	By:
Name Printed:	Name Printed: Marty Goldrod
Title:	Title: COO
Address:	Address:
Telephone:(___)	Telephone:(___)
Facsimile:(___)	Facsimile:(___)
Email:	Email: sandy@insynergyproducts.com
Email:	Email: marty@insynergyproducts.com
Federal ID No.	Federal ID No. 27-1781753

LESSOR'S BROKER:

Lee & Associates - LA North/Ventura, Inc.

Attn: Trevor Belden & Robert Erickson
Address: 15250 Ventura Blvd., Suite 100
Sherman Oaks, CA 91403
Telephone:(818) 986-9800
Facsimile:(818) 783-9260
Email:
Broker/Agent DRE License #:

LESSEE'S BROKER:

Lee & Associates - LA North/Ventura, Inc.

Attn: Scott Romick
Address: 15250 Ventura Blvd., Suite 100
Sherman Oaks, CA 91403
Telephone:(818) 986-9800
Facsimile:(818) 783-9260
Email:
Broker/Agent DRE License #:

RENT ADJUSTMENT(S)
STANDARD LEASE ADDENDUM

Dated October 24, 2011

By and Between (Lessor) Bershin Properties, I, LLC

(Lessee) Insynergy Products,Inc., a Nevada corporation

Address of Premises: 4705 Laurel Canyon Boulevard, Suite 205
Studio City, CA 91607

Paragraph 59

A. **RENT ADJUSTMENTS:**

The monthly rent for each month of the adjustment period(s) specified below shall be increased using the method(s) indicated below:
(Check Method(s) to be Used and Fill in Appropriately)

☐ **I. Cost of Living Adjustment(s) (COLA)**

a. On (Fill in COLA Dates): _____

the Base Rent shall be adjusted by the change, if any, from the Base Month specified below, in the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for (select one): ☐ CPI-W (Urban Wage Earners and Clerical Workers) or ☐ CPI-U (All Urban Consumers), for (Fill in Urban Area): _____, All Items (1982-1984 = 100), herein referred to as "CPI".

b. The monthly rent payable in accordance with paragraph A.I.a. of this Addendum shall be calculated as follows: the Base Rent set forth in paragraph 1.5 of the attached Lease, shall be multiplied by a fraction the numerator of which shall be the CPI of the calendar month 2 months prior to the month(s) specified in paragraph A.I.a. above during which the adjustment is to take effect, and the denominator of which shall be the CPI of the calendar month which is 2 months prior to (select one): the ☐ first month of the term of this Lease as set forth in paragraph 1.3 ("Base Month") or ☐ (Fill in Other "Base Month"): _____. The sum so calculated shall constitute the new monthly rent hereunder, but in no event, shall any such new monthly rent be less than the rent payable for the month immediately preceding the rent adjustment.

c. In the event the compilation and/or publication of the CPI shall be transferred to any other governmental department or bureau or agency or shall be discontinued, then the index most nearly the same as the CPI shall be used to make such calculation. In the event that the Parties cannot agree on such alternative index, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of said Association and the decision of the arbitrators shall be binding upon the parties. The cost of said Arbitration shall be paid equally by the Parties.

☐ **II. Market Rental Value Adjustment(s) (MRV)**

a. On (Fill in MRV Adjustment Date(s)): _____

the Base Rent shall be adjusted to the "Market Rental Value" of the property as follows:

1) Four months prior to each Market Rental Value Adjustment Date described above, the Parties shall attempt to agree upon what the new MRV will be on the adjustment date. If agreement cannot be reached within thirty days, then:

(a) Lessor and Lessee shall immediately appoint a mutually acceptable appraiser or broker to establish the new MRV within the next 30 days. Any associated costs will be split equally between the Parties, or

(b) Both Lessor and Lessee shall each immediately make a reasonable determination of the MRV and submit such determination, in writing, to arbitration in accordance with the following provisions:

(i) Within 15 days thereafter, Lessor and Lessee shall each select an ☐ appraiser or ☐ broker ("Consultant" - check one) of their choice to act as an arbitrator. The two arbitrators so appointed shall immediately select a third mutually acceptable Consultant to act as a third arbitrator.

(ii) The 3 arbitrators shall within 30 days of the appointment of the third arbitrator reach a decision as to what the actual MRV for the Premises is, and whether Lessor's or Lessee's submitted MRV is the closest thereto. The decision of a majority of the arbitrators shall be binding on the Parties. The submitted MRV which is determined to be the closest to the actual MRV shall thereafter be used by the Parties.

(iii) If either of the Parties fails to appoint an arbitrator within the specified 15 days, the arbitrator timely appointed by

INITIALS _____ INITIALS _____

~~one of them shall reach a decision on his or her own, and said decision shall be binding on the Parties.~~

~~(iv) The entire cost of such arbitration shall be paid by the party whose submitted MRV is not selected, i.e., the one that is NOT the closest to the actual MRV.~~

~~2) Notwithstanding the foregoing, the new MRV shall not be less than the rent payable for the month immediately preceding the rent adjustment.~~

~~b. Upon the establishment of each New Market Rental Value:~~
~~1) the new MRV will become the new "Base Rent" for the purpose of calculating any further Adjustments, and~~
~~2) the first month of each Market Rental Value term shall become the new 'Base Month' for the purpose of calculating any further Adjustments.~~

☑ **III. Fixed Rental Adjustment(s) (FRA)**

The Base Rent shall be increased to the following amounts on the dates set forth below:

On (Fill in FRA Adjustment Date(s)):	The New Base Rent shall be:
December 1, 2012	$5,150.00
December 1, 2013	$5,305.00

B. **NOTICE:**
Unless specified otherwise herein, notice of any such adjustments, other than Fixed Rental Adjustments, shall be made as specified in paragraph 23 of the Lease.

C. **BROKER'S FEE:**
The Brokers shall be paid a Brokerage Fee for each adjustment specified above in accordance with paragraph 15 of the Lease or if applicable, paragraph 9 of the Sublease.

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.

INITIALS INITIALS

OPTION(S) TO EXTEND
STANDARD LEASE ADDENDUM

Dated October 25, 2011

By and Between (Lessor) Bershin Properties, I, LLC

By and Between (Lessee) Insynergy Products, Inc., a Nevada corporation

Address of Premises: 4705 Laurel Canyon Boulevard, Suite 205
Studio City, CA 91607

Paragraph 60

A. **OPTION(S) TO EXTEND:**
Lessor hereby grants to Lessee the option to extend the term of this Lease for five (5) additional years ~~month period(s)~~ commencing when the prior term expires upon each and all of the following terms and conditions:

(i) In order to exercise an option to extend, Lessee must give written notice of such election to Lessor and Lessor must receive the same at least 6 but not more than 9 months prior to the date that the option period would commence, time being of the essence. Lessee may rescind its exercise of such option by written notice to Lessor no later than four (4) months prior to expiration of the Initial Term. If proper notification of the exercise of an option is not given and/or received, such option shall automatically expire. Options (if there are more than one) may only be exercised consecutively.

(ii) The provisions of paragraph 39, including those relating to Lessee's Default set forth in paragraph 39.4 of this Lease, are conditions of this Option.

(iii) Except for the provisions of this Lease granting an option or options to extend the term, all of the terms and conditions of this Lease except where specifically modified by this option shall apply.

(iv) This Option is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and without the intention of thereafter assigning or subletting.

(v) The monthly rent for each month of the option period shall be calculated as follows, using the method(s) indicated below:
(Check Method(s) to be Used and Fill in Appropriately)

~~☐ I. Cost of Living Adjustment(s) (COLA)~~
~~a. On (Fill in COLA Dates):~~

~~the Base Rent shall be adjusted by the change, if any, from the Base Month specified below, in the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for (select one): ☐ CPI W (Urban Wage Earners and Clerical Workers) or ☐ CPI U (All Urban Consumers), for (Fill in Urban Area):~~

~~All Items (1982-1984 = 100), herein referred to as "CPI".~~

~~b. The monthly rent payable in accordance with paragraph A.I.a. of this Addendum shall be calculated as follows: the Base Rent set forth in paragraph 1.5 of the attached Lease, shall be multiplied by a fraction the numerator of which shall be the CPI of the calendar month 2 months prior to the month(s) specified in paragraph A.I.a. above during which the adjustment is to take effect, and the denominator of which shall be the CPI of the calendar month which is 2 months prior to (select one): ☐ the first month of the term of this Lease as set forth in paragraph 1.3 ("Base Month") or ☐ (Fill in Other "Base Month"):~~

~~The sum so calculated shall constitute the new monthly rent hereunder, but in no event, shall any such new monthly rent be less than the rent payable for the month immediately preceding the rent adjustment.~~

~~c. In the event the compilation and/or publication of the CPI shall be transferred to any other governmental department or bureau or agency or shall be discontinued, then the index most nearly the same as the CPI shall be used to make such calculation. In the event that the Parties cannot agree on such alternative index, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of said Association and the decision of the arbitrators shall be binding upon the parties. The cost of said Arbitration shall be paid equally by the Parties.~~

☑ **II. Market Rental Value Adjustment(s) (MRV)**
a. On (Fill in MRV Adjustment Date(s)) March 1, 2014

the Base Rent shall be adjusted to the "Market Rental Value" of the property as follows:
1) Four months prior to each Market Rental Value Adjustment Date described above, the Parties shall attempt to agree upon what the new MRV will be on the adjustment date. If agreement cannot be reached, within thirty days, then:

(a) Lessor and Lessee shall immediately appoint a mutually acceptable appraiser or broker to establish the new MRV within the next 30 days. Any associated costs will be split equally between the Parties, or

INITIALS INITIALS

(b) Both Lessor and Lessee shall each immediately make a reasonable determination of the MRV and submit such determination, in writing, to arbitration in accordance with the following provisions:

(i) Within 15 days thereafter, Lessor and Lessee shall each select an ☐ appraiser or ☐ broker (**"Consultant"** - check one) of their choice to act as an arbitrator. The two arbitrators so appointed shall immediately select a third mutually acceptable Consultant to act as a third arbitrator.

(ii) The 3 arbitrators shall within 30 days of the appointment of the third arbitrator reach a decision as to what the actual MRV for the Premises is, and whether Lessor's or Lessee's submitted MRV is the closest thereto. The decision of a majority of the arbitrators shall be binding on the Parties. The submitted MRV which is determined to be the closest to the actual MRV shall thereafter be used by the Parties.

(iii) If either of the Parties fails to appoint an arbitrator within the specified 15 days, the arbitrator timely appointed by one of them shall reach a decision on his or her own, and said decision shall be binding on the Parties.

(iv) The entire cost of such arbitration shall be paid by the party whose submitted MRV is not selected, ie. the one that is NOT the closest to the actual MRV.

2) Notwithstanding the foregoing, the new MRV shall not be less than the rent payable for the month immediately preceding the rent adjustment.

b. Upon the establishment of each New Market Rental Value:

1) the new MRV will become the new "Base Rent" for the purpose of calculating any further Adjustments, and
2) the first month of each Market Rental Value term shall become the new "Base Month" for the purpose of calculating any further Adjustments.

~~☐ III. Fixed Rental Adjustment(s) (FRA)~~
~~The Base Rent shall be increased to the following amounts on the dates set forth below: -~~

~~On (Fill in FRA Adjustment Date(s)):~~	~~The New Base Rent shall be: -~~

B. NOTICE:
Unless specified otherwise herein, notice of any rental adjustments, other than Fixed Rental Adjustments, shall be made as specified in paragraph 23 of the Lease.

C. BROKER'S FEE:
The Brokers shall be paid a Brokerage Fee for each adjustment specified above in accordance with paragraph 15 of the Lease or if applicable, paragraph 9 of the Sublease.

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.

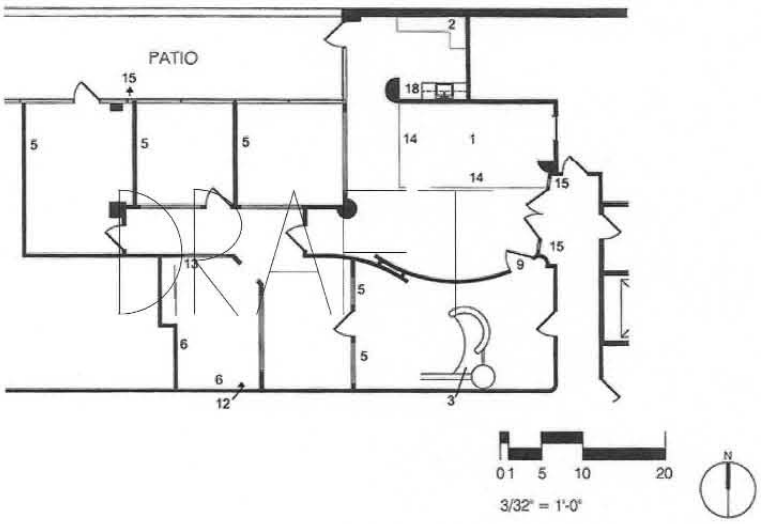
_____ _____
INITIALS INITIALS

 FORM OE-3-8/00E

STANDARD OFFICE LEASE

CONSTRUCTION **FLOOR PLAN** #205

Property Address: 4705 Laurel Canyon Boulevard, Suite 205, Studio City, CA



INITIALS _____ INITIALS _____

FORM OFG-1-9/99E

RULES AND REGULATIONS FOR STANDARD OFFICE LEASE

Dated: October 25, 2011

By and Between Bershin Properites, I, LLC "Lessor" and Insynergy Products, Inc., a Nevada corporation "Lessee"

GENERAL RULES

1. Lessee shall not suffer or permit the obstruction of any Common Areas, including driveways, walkways and stairways.
2. Lessor reserves the right to refuse access to any persons Lessor in good faith judges to be a threat to the safety and reputation of the Project and its occupants.
3. Lessee shall not make or permit any noise or odors that annoy or interfere with other lessees or persons having business within the Project.
4. Lessee shall not keep animals or birds within the Project, and shall not bring bicycles, motorcycles or other vehicles into areas not designated as authorized for same.
5. Lessee shall not make, suffer or permit litter except in appropriate receptacles for that purpose.
6. Lessee shall not alter any lock or install new or additional locks or bolts.
7. Lessee shall be responsible for the inappropriate use of any toilet rooms, plumbing or other utilities. No foreign substances of any kind are to be inserted therein.
8. Lessee shall not deface the walls, partitions or other surfaces of the Premises or Project.
9. Lessee shall not suffer or permit anything in or around the Premises or Building that causes excessive vibration or floor loading in any part of the Project.
10. Furniture, significant freight and equipment shall be moved into or out of the building only with the Lessor's knowledge and consent, and subject to such reasonable limitations, techniques and timing, as may be designated by Lessor. Lessee shall be responsible for any damage to the Office Building Project arising from any such activity.
11. Lessee shall not employ any service or contractor for services or work to be performed in the Building, except as approved by Lessor.
12. Lessor reserves the right to close and lock the Building on Saturdays, Sundays and Building Holidays, and on other days between the hours of 6:00 P.M. and 8:00 A.M. of the following day. If Lessee uses the Premises during such periods, Lessee shall be responsible for securely locking any doors it may have opened for entry.
13. Lessee shall return all keys at the termination of its tenancy and shall be responsible for the cost of replacing any keys that are lost.
14. No window coverings, shades or awnings shall be installed or used by Lessee.
15. No Lessee, employee or invitee shall go upon the roof of the Building.
16. Lessee shall not suffer or permit smoking or carrying of lighted cigars or cigarettes in areas reasonably designated by Lessor or by applicable governmental agencies as non-smoking areas.
17. Lessee shall not use any method of heating or air conditioning other than as provided by Lessor.
18. Lessee shall not install, maintain or operate any vending machines upon the Premises without Lessor's written consent.
19. The Premises shall not be used for lodging or manufacturing, cooking or food preparation.
20. Lessee shall comply with all safety, fire protection and evacuation regulations established by Lessor or any applicable governmental agency.
21. Lessor reserves the right to waive any one of these rules or regulations, and/or as to any particular Lessee, and any such waiver shall not constitute a waiver of any other rule or regulation or any subsequent application thereof to such Lessee.
22. Lessee assumes all risks from theft or vandalism and agrees to keep its Premises locked as may be required.
23. Lessor reserves the right to make such other reasonable rules and regulations as it may from time to time deem necessary for the appropriate operation and safety of the Project and its occupants. Lessee agrees to abide by these and such rules and regulations.

PARKING RULES

1. Parking areas shall be used only for parking by vehicles no longer than full size, passenger automobiles herein called "Permitted Size Vehicles." Vehicles other than Permitted Size Vehicles are herein referred to as "Oversized Vehicles."
2. Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee's employees, suppliers, shippers, customers, or invitees to be loaded, unloaded, or parked in areas other than those designated by Lessor for such activities.
3. Parking stickers or identification devices shall be the property of Lessor and be returned to Lessor by the holder thereof upon termination of the holder's parking privileges. Lessee will pay such replacement charge as is reasonably established by Lessor for the loss of such devices.
4. Lessor reserves the right to refuse the sale of monthly identification devices to any person or entity that willfully refuses to comply with the applicable rules, regulations, laws and/or agreements.
5. Lessor reserves the right to relocate all or a part of parking spaces from floor to floor, within one floor, and/or to reasonably adjacent offsite location(s), and to reasonably allocate them between compact and standard size spaces, as long as the same complies with applicable laws, ordinances and regulations.
6. Users of the parking area will obey all posted signs and park only in the areas designated for vehicle parking.
7. Unless otherwise instructed, every person using the parking area is required to park and lock his own vehicle. Lessor will not be responsible for any damage to vehicles, injury to persons or loss of property, all of which risks are assumed by the party using the parking area.
8. Validation, if established, will be permissible only by such method or methods as Lessor and/or its licensee may establish at rates generally applicable to visitor parking.
9. The maintenance, washing, waxing or cleaning of vehicles in the parking structure or Common Areas is prohibited.
10. Lessee shall be responsible for seeing that all of its employees, agents and invitees comply with the applicable parking rules, regulations, laws and agreements.
11. Lessor reserves the right to modify these rules and/or adopt such other reasonable and non-discriminatory rules and regulations as it may deem necessary for the proper operation of the parking area.

12. Such parking use as is herein provided is intended merely as a license only and no bailment is intended or shall be created hereby.

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.

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 FORM OFG-1-9/99E

Lee & Associates®
COMMERCIAL REAL ESTATE SERVICES

DISCLOSURE FOR LEASE

For
A.I.R. Lease Forms
(When Prepared by Lee & Associates)

PROPERTY ADDRESS (THE "PREMISES): 4705 LAUREL CANYON BOULEVARD, SUITE 205, STUDIO CITY, CA

REALTY ADVENTURES, INC., a California Corporation, doing business as Lee & Associates - LA North/Ventura, Inc. (hereinafter referred to as "Broker") makes the following disclosures to Lessor and Lessee (collectively the "Parties" and individually a "Party"). The Parties acknowledge the disclosures and agree as follows:

1. **NO LEGAL ADVICE.** Broker is not authorized to practice law, or give legal advice to the Parties as to any legal matters affecting this lease. Broker advises the Parties, prior to signing the Lease, to consult with their respective attorneys in connection with any questions they may have as to the legal effect of the Lease.

2. **FORM OF LEASE.** This proposed A.I.R. form of Lease Agreement (hereinafter "Agreement") is a standard form document, and Broker makes no representations or warranties with respect to the adequacy of this document for either Lessor's or Lessee's particular purposes. Broker has, at the direction of Lessor and/or Lessee, merely "filled in the blanks" based on prior discussions and/or correspondence of the parties. By executing below, Lessor and Lessee each acknowledge that the Agreement is delivered subject to the express condition that Broker has merely followed the instructions of the parties in preparing this document, and does not assume any responsibility for its accuracy, completeness or form. Lessor and Lessee acknowledge and understand that in providing the Agreement, Broker has acted to expedite this transaction on behalf of Lessor and/or Lessee, and has functioned within the scope of professional ethics by doing so.

3. **NO INDEPENDENT INVESTIGATION BY BROKER.** Any financial statements, information, reports, or written materials of any nature whatsoever, provided by either Party to Broker, and thereafter submitted by Broker to the other Party, are so provided without any independent investigation by Broker, and Broker assumes no responsibility for the accuracy or validity of the same. Any verification of such submitted documents is solely and completely the responsibility of the Party to whom such documents have been submitted.

4. **NO WARRANTY BY BROKER.** Broker makes no representations or warranties as to the accuracy, legal sufficiency or legal effect of, or any advice or recommendations regarding the tax treatment or consequences of, any of the documents submitted by Broker to Lessor and/or Lessee, nor does Broker make any representation or warranty of the legal sufficiency, legal effect, or tax consequences of the transactions contemplated thereby. Furthermore, Broker makes no representations concerning the ability of the Lessee to use the Premises as intended, the sufficiency or adequacy of the Premises for the intended use, nor Lessee's financial stability. The Parties must rely solely on their own investigations in executing the lease. Lessee acknowledges that he has made or will make, prior to executing the Lease Agreement, his own independent investigation as to the Premises' suitability for the conduct of Lessee's business, with regard to city or governmental requirements and/or laws. Lessor and Lessee specifically acknowledge that they are not relying on Broker's representation as to any of the above considerations as reason for executing this Lease Agreement.

5. **HAZARDOUS SUBSTANCES AND UNDERGROUND STORAGE TANKS.** Comprehensive federal, state and local regulations have been enacted to control the use, storage, handling, cleanup, removal, and disposal of hazardous and toxic wastes and substances, including underground storage tanks. Broker is not an expert in the area of hazardous substances and encourages the Parties to (i) consult with their respective legal counsel concerning their rights and liabilities regarding hazardous substance laws and regulations, and (ii) obtain technical advice with regard to the use, storage, handling, cleanup, removal or disposal of hazardous substances from professionals, such as environmental engineers, geologists, or other persons with experience in these matters, to advise them concerning the property. Broker also encourages the Parties to review past uses of the property, which may provide information as to the likelihood of the existence of hazardous substances or storage tanks on the property. Neither Broker nor any of its employees or agents has made any investigation or obtained any reports regarding the condition of the Premises or the past or present existence of hazardous wastes or substances on the Premises

condition of the Premises or the past or present existence of hazardous wastes or substances on the Premises. Broker makes no representation or warranty to any Party concerning the condition of the Premises or the existence or presence of hazardous wastes or substances or underground storage tanks on or under the Premises.

As used in this notice, the term "hazardous substances" is used in the broadest sense and includes all hazardous and toxic materials, substances, or waste as defined by applicable federal, state, and local laws and regulations, and includes, but is not limited to petroleum products, paints and solvents, PCBs, asbestos, pesticides and other substances. The Parties may feel that the potential for liability for remedial costs necessitates an environmental audit or investigation of the Premises prior to closing in order to discover (i) whether the Premises are contaminated by hazardous substances, and (ii) whether the nature and/or existence of any hazardous substances on the Premises renders the Premises or the Parties subject to Federal, State, or local regulation, investigation, or liability for remediation. The Parties shall indemnify and hold Broker harmless from any liability for damages to the Parties or either of them stemming from the initiation, completion or result of any such environmental audit or investigation. BROKER RECOMMENDS EACH PARTY RETAIN HIS/HER/ITS OWN LEGAL, ENGINEERING, GEOLOGICAL AND/OR OTHER EXPERTS TO ADVISE HIM/HER/IT IN CONNECTION WITH ENVIRONMENTAL ISSUES RELATING TO THE PREMISES.

6. **PHYSICAL CONDITION.** Broker is not aware of any physical defects or deficiencies in the Premises which have not already been disclosed to Lessee. Lessee is encouraged to conduct an independent physical inspection of the Premises at Lessee's sole cost and expense prior to executing the Lease Agreement. Lessee shall indemnify and

hold Broker harmless for any defects, deficiencies, damage or costs (including attorneys' fees and costs) to repair such items which may result from Lessee's failure to conduct said physical inspection. Lessee shall indemnify Broker from any liability in connection with Lessee's failure to physically inspect and shall pay Broker's attorney fees from any resultant court action.

7. **CONDITION AND AVAILABILITY OF ELECTRICAL SERVICES.** Lessee is executing this Disclosure for the Premises with the understanding that existing electrical services may contain amperage and power ratings that are actually different than what is shown on the power panel itself and/or on the marketing brochures. Broker cannot confirm, guarantee or substantiate that such amperage or power ratings are correct. Prior to execution of the Lease Agreement, Lessee agrees to confirm the presence and/or the availability of such electrical services with Lessee's electrical contractor and/or with the City of Los Angeles or the Southern California Edison Company, or other such applicable utilities service company, and shall indemnify and hold Broker harmless from any liability for such electrical service insufficiencies..

8. **NOTICE TO OWNERS AND PROSPECTIVE TENANTS AND BUYERS OF REAL PROPERTY REGARDING THE AMERICANS WITH DISABILITIES ACT.** Please be advised that an owner or tenant of real property may be subject to the Americans with Disabilities Act (the "ADA"). Among other provisions of the ADA that could apply to the Premises, owners and tenants of "public accommodations" are required to remove barriers to access by disabled persons and to provide auxiliary aid and services for hearing, vision or speech impaired persons by January 26, 1992. Broker recommends that the Parties and their attorneys review the ADA and related regulations to determine if this law would apply to the Premises, and the nature of any requirements thereunder that may apply to the Premises.

9. **NOTICE REGARDING BUILDING SIZE.** Lessee is advised that actual dimensions of the Premises and any improvements constructed thereon may be different from information printed on marketing brochures provided to Lessee by Broker. Broker is unable to confirm, guarantee or warrant the size of the buildings located on the Premises. Lessee is hereby advised by Broker to rely solely on information provided to Lessee by Lessee's own building inspector or contractor as to the size of such buildings. Lessee shall indemnify and hold Broker harmless for any damages incurred by Lessee due to inconsistencies in building size which may exist between actual building size and information printed on marketing brochures.

10. **NOTICE REGARDING EARTHQUAKE SAFETY.** The parties are aware that the State of California has enacted legislation which may require owners of masonry buildings to provide users with "The Commercial Property Owner's Guide to Earthquake Safety" available from the State. This legislation pertains to buildings constructed before 1975 with precast (tilt-up) concrete or reinforced masonry walls and wood frame floors or roof, or unreinforced masonry walls. The parties are encouraged to utilize professionals such as engineers and contractors to inspect the Premises.

11. **TWO SIGNATURES FOR CORPORATE PARTY:** Broker encourages the Parties to obtain the signatures of at least two authorized officers or agents for each corporate Party. The Parties shall indemnify and hold Broker harmless from any and all liability, claims, or damages resulting from any failure to have two authorized signatures on behalf of any corporate Party to this transaction.

The undersigned acknowledge that they have received, read, and understood the above disclosures, and agree to the terms set forth herein.

Dated:_____	Dated:_____
Lessor: Bershin Properties, I, LLC	Lessee: Insynergy Products, Inc., a Nevada corporation
By:_____ Paul Bershin	By: _____
Title:_____	Title:_____

1/5/2012

Insynergy Products INC.
4705 laurel canyon blvd
Suite 205
Studio City, CA 91607

Dear Marty

Ignite Media Solutions, LLC (formerly named Advanced Interactive Sciences, LLC) ("IMS") is pleased to provide Insynergy Products Inc. (the "Company") with the IMS Solution for order taking and marketing. The IMS Solution includes both an interactive voice recognition (IVR) telephone application and an Internet application to take the name and address, phone number, credit card information and orders for Company's products ("Order Information"). The applications will provide toll-free telephone numbers and Internet forms for Company's potential customers to provide Order Information. Order Information will be in a file format to be batched and sent daily to a fulfillment location designated by Company for shipping. IMS will also include toll-free numbers on the Internet forms that will route to the telephone application. IMS will provide the necessary media reports, summary and fulfillment layouts. The Company will have real-time access to the IMS reporting package via password-protected web portal to track statistics.

As part of its marketing activities, Company authorizes IMS to add, with Company's prior approval, third party cross sell and referral programs ("Third Party Products") to the Internet and telephone applications. Company and IMS shall agree on compensation to Company related to Third Party Products before their use. IMS shall pass through to Company all marketing materials generated by third parties, "as is" with no representations or warranties. Company shall have the right of review and approval of all Third Party Products and related marketing materials before their use.

As a part of our successful partnership, it is important that your Company provide specific metrics that will determine our success. Based on these metrics, your Company and IMS will determine the success achieved. If a test is cost effective and proves profitable then Company agrees to utilize the IMS Solution in good faith for Company's sales through telephone and Internet applications for the Company's product(s) that were offered through IMS applications, and to consider in good faith utilizing the IMS Solution for other Company products.

The Addendum and the Standard Terms and Conditions (IMS 2010129) attached, as well as addendums and amendments that may be signed later, are part of our Agreement.

IMS: Ignite Media Solutions, LLC

By: _____
Name: Michael Ferzacca, CEO

Acknowledged and agreed this 1/5/2012

Company: Insynergy Products Inc…

Company contact information:

Name: MARTY GOLDROD

Telephone number: 818-760-1644

By: Marty Goldrod

Name: Marty Goldrod President/COO

ignite media solutions

E-mail address: marty@insynergyproducts.com

Addendum

This Addendum is made to that certain Agreement by and between Insynergy Products Inc.("Company") and Ignite Media Solutions, LLC ("IMS") dated 1/5/2012

Success metrics:

A. $80-$100 gross revenue per order;

B. 45-55% conversion percentage of calls received (excluding additional calls from the same caller) to orders placed;

C. 7-9% conversion percentage of unique website traffic to orders placed; and

D. $3.00 telephone application cost per order.

Media

Company will purchase and execute media advertising of $15,000_for Company's product(s) which are offered through IMS application(s). The targeted date for live advertising is _____.

Third Party Products

IMS shall pay Company $10.00 for each final, confirmed sale of Third Party Products through the telephone application (IVR). IMS shall pay Company amounts to be agreed upon for final, confirmed sales of Third Party Products through other applications.

TopTVStuff

For all Internet applications, Company authorizes IMS to add an offer for site visitors to join TopTVStuff.com.

For the basic Internet application, the charges to Company are as follows:

For marketing programs and DRTV media managed by Company, IMS will charge Company $1.00 Reduced to $.75for each time a potential customer of Company provides Order Information for the product via the Internet and IMS delivers it to Company or Company's designated agent (fulfillment location).

For Paid Search and other Internet applications, Company will pay IMS the following:All marketing programs will be agreed upon via email before start date

For certain marketing programs provided and managed by IMS, Company shall pay the following fixed fees for each time a potential customer of Company provides Order Information for the product offer via the Internet and IMS delivers it to Company or Company's designated agent (fulfillment location):

1.	Trademark paid search	$5.00
2.	Other paid search	30% of total revenue
3.	Affiliate marketing	35% of total revenue

4.	E-mail marketing	tbd
5.	Banner marketing	tbd
6.	Boomerang marketing	$10 exit pops/$8 email/35% of total revenue for display ads

For the telephone (IVR) and Internet applications, the following shall apply:

1. Inbound calls are billed at $0.17 reduced to $.15 ($0.19 for Spanish) ($0.25 for calls from Canada) per connect minute.

2. There is a $0.35 ($0.40 for Spanish) per order processing fee for all phone orders.

3. There is a set-up and development fee of $1,500Reduced to $750 for the IVR application, which must be received by IMS prior to implementation of the IMS Solution.

4. Charges for changes to IMS IVR applications, or for additional voice recording, at rates to be agreed upon by Company and IMS at the time such changes are requested by Company.

5. For each new standard Internet application, Company will pay a set-up and development fee of $5,000 Reduced to$2000. For a Storefront Internet application, the fee is $15,000. All fees must be received by IMS prior to implementation of the IMS Solution.

6. For changes to existing Internet applications, Company will pay the following amounts to IMS, which must be received by IMS prior to implementation of changes:

    a. $500 for each verbiage change, image change and application configuration.

    b. $1,000 for each offer change with no design changes, landing page redesign with no offer change, and landing page split with new design and text.

    c. $2,500 for each offer change with redesign.

    d. Any work not listed above will be assessed by IMS for the level of effort needed, and IMS will provide pricing to Company promptly following the receipt of full requirements from Company, with a target turnaround goal of 24 business hours. Company and IMS may document any agreement reached authorizing such work and the pricing for such work by email.

7. IMS will use commercially reasonable efforts to (a) retain fulfillment files until they are picked up by Company or delivered to Company, (b) retain backup database files for sixty days after their creation, and (c) record and store calls for two years.

8. If there are errors caused by IMS in the media or marketing provided by IMS, and if Company and IMS agree that monetary losses were incurred by Company as a result, then IMS will provide credits equal to such losses against future charges from IMS.

Live operator services: No live agent to start and prices to be negotiated before launch.

In connection with Company's marketing projects, but only for English applications, Company authorizes IMS to (a) respond to inbound order and customer service telephone calls from Company's potential customers and customers who elect to speak to an agent while engaged with the IMS Solution ("Live Calls"), and (b) record information required to update records of Company's customers, (collectively "Telephone Response Services"). Company shall provide such media plans as available and projected volumes of Live Calls weekly to IMS. Company shall provide scripts and other marketing material as reasonably necessary to allow IMS to train and instruct personnel providing Telephone Response Services. Such scripts and marketing material shall be subject to reasonable acceptance by IMS. IMS shall provide daily management reports as shall be mutually agreed upon by Company and IMS.

Company shall pay to IMS the following fees and charges:

A. Live Calls	$0.80 per connect minute from within the USA and from Canada
B. Message Recording and storage (2 years)	$0.045 per recorded minute
C. Message Retrieval	$1.00 per message

Note: If required, IMS will attempt to record all calls within its capacity. Capacity limitations may apply in a spike-call environment. Storage of such recordings will be limited to two years.

D. One-time programming, training and set-up fee $1,000.00

Item D must be received by IMS prior to implementation of live operator services. Items A, B and C shall be paid within ten (10) days after invoicing.

Transfers

In consideration of the resources and time devoted by IMS to create, implement and maintain Company's applications, and the value thereby created for Company, in the event that Company transfers Company's product(s) that were offered through IMS application(s), then Company shall require the transferee of such Company's product(s) to utilize IMS application(s) exclusively for offering and/or selling such Company product(s). The term "transfers" includes the sale or licensing of such product(s), concept, brand or other intellectual property, and also includes a change of control of Company which includes product(s). This provision shall survive any termination of the Agreement between Company and IMS.

Ignite Media Solutions, LLC
1320 Old Chain Bridge Road • McLean, VA 22101 • 703.883.1144

media solutions

STANDARD TERMS AND CONDITIONS

IGNITE MEDIA SOLUTIONS, LLC (IMS)

IMS2010129

1. This Agreement ("Agreement") shall mean the letter agreement attaching these Standard Terms and Conditions and all attachments and addendums thereto. The "IMS Solution" shall mean some or all of the Internet applications, interactive voice applications and mobile developed by IMS for use in connection with Company's marketing activities.

2. IMS grants to Company the non-exclusive right to use the IMS Solution until either party notifies the other that it elects to terminate this Agreement by providing written notice to the other party at least thirty (30) days prior to the termination date (the "Term").

3. Company acknowledges and agrees that all right, title and interest in the IMS Solution is held by IMS, and the Company's rights are limited to using the IMS Solution as set forth above.

4. Company shall be solely responsible for any marketing information and content developed by the Company and incorporated into the IMS Solution. IMS shall have the right of reasonable review and approval of Company's marketing information, content, services and products. The Company shall be responsible for obtaining all legal, regulatory or governmental approvals, and for complying with all applicable laws related to the Company's marketing activities. The Company shall develop and maintain substantiation and documentation for all marketing and advertising claims.

5. Company shall pay to IMS the fees set forth in this Agreement. IMS will invoice the Company weekly. The Company shall pay IMS within 10 days after invoicing. IMS shall be entitled to hold Order Information, and not deliver it to Company, during any time when amounts due to IMS remain unpaid. IMS shall be entitled to add late payment charges on amounts overdue equal to the lesser of 1% per month, or the highest rate permitted by law.

6. Prior to implementation of the IMS Solution, and at any time upon request by IMS, Company shall provide IMS with financial statements in accordance with GAAP, or equivalent financial information, setting forth the financial condition of Company, banking information and at least three current credit references so that Company's credit may be considered and approved or disapproved by IMS. IMS may deny the provision of the IMS Solution if Company credit is not approved by IMS, in its sole judgment. Such information shall be protected as the confidential information of Company. If any amounts due to IMS remain unpaid on the due date, or if Company's overall financial condition is not acceptable to IMS, IMS may require security from Company, such as a deposit. Company shall provide such security within three business days. IMS is not obligated to initiate or continue to provide the IMS Solution or any services if financial or other information is not provided, or if any security is not received.

7. IMS agrees that any intellectual property specifically related to the Company's products and/or programs, such as customer lists and media results data, is, and shall be, the sole property of Company, and that IMS will take whatever action is reasonably necessary to perfect Company's ownership interests in such property. Furthermore, IMS shall not resell or otherwise utilize such intellectual property without permission from the Company.

8. Company agrees that any intellectual property related to the IMS Solution that is created through the joint efforts of the parties is, and shall be, the sole property of IMS, and that the Company will take whatever action is reasonably necessary to perfect IMS's ownership interests in such property.

9. IMS shall indemnify, defend and hold Company, its affiliates, and their respective officers, directors, and employees, harmless from and against any and all claims, demands, liabilities, loss, damages, expenses, proceedings, actions or causes of action or government inquiries, including attorneys' fees and expenses and costs, arising out of or connected with personal injury or property damage to the extent such injury and/or damage results from the negligence or willful

personal injury or property damage to the extent such injury and/or damage results from the [illegible] misconduct of IMS or its employees, agents, or subcontractors. IMS will not consent to any judgment, attachment of any lien or any other act adverse to the interest of Company without express written consent from Company.

Ignite Media Solutions, LLC
1320 Old Chain Bridge Road • McLean, VA 22101 • 703.883.1144

10. Company shall indemnify, defend and hold IMS, its affiliates, and their respective officers, directors, and employees, harmless from and against any and all claims, demands, liabilities, loss, damages proceedings, actions or causes of action or government inquiries, including attorneys' fees and expenses and costs, arising out of or connected with (i) personal injury or property damage to the extent such injury and/or damage results from the negligence or willful misconduct of Company or its employees, agents, or subcontractors, (ii) this Agreement except as set forth above in the preceding paragraph, (iii) the engagement of IMS to perform under this Agreement, or (iv) Company's business or products and any marketing information or content incorporated into the services provided by IMS. Company will not consent to any judgment, attachment of any lien or any other act adverse to the interest of IMS without express written consent from IMS.

11 In no event, shall IMS's liability to the Company, its affiliates or any third party, arising out of this Agreement (including breach of this Agreement) exceed the amount paid to IMS by the Company during the six (6) month period immediately prior to the event from which such alleged liability arose, and such liability shall be the exclusive remedy available, whether in contract, tort or otherwise. Also, in no event shall IMS be liable for any indirect, incidental, consequential, punitive, special or exemplary damages. Also, with respect to Internet applications, IMS shall not be responsible or liable for any delays or failures related to domain name registrations or SSL certifications.

12. The IMS Solution is being provided "as is." **IMS MAKES NO REPRESENTATIONS OR WARRANTIES AND DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, AS TO THE VALUE, CONDITION, DESIGN, FUNCTIONING, SUITABILITY FOR THE COMPANY'S USE, MERCHANTABILITY, FITNESS FOR ANY PURPOSE OR USE, WITH RESPECT TO THE IMS SOLUTION OR ANY SERVICES PROVIDED BY IMS TO THE COMPANY HEREUNDER. IMS DOES NOT WARRANT THAT THE IMS SOLUTION OR OTHER GOODS OR SERVICES PROVIDED HEREUNDER WILL MEET THE COMPANY'S REQUIREMENTS OR THAT THE USE OF THE IMS SOLUTION OR OTHER GOODS OR SERVICES PROVIDED HEREUNDER WILL BE ERROR-FREE.**

13. The parties agree that any dispute arising from this Agreement shall be settled by final and binding arbitration conducted in a mutually agreed upon location in the Washington, D.C. metropolitan area, in accordance with the then current Commercial Arbitration Rules of the American Arbitration Association, and the prevailing party shall be entitled to all costs, expenses and attorney fees. Notwithstanding the foregoing, if Company fails to pay IMS, IMS shall have the right to initiate a collection action in any court and in any jurisdiction, and Company consents to personal jurisdiction therein, and IMS shall be entitled to all costs, expenses and attorney fees related thereto. This Agreement shall be governed by the laws of the Commonwealth of Virginia. This Agreement constitutes the sole and entire agreement of the parties with respect to the subject matter hereof.

14. Neither party shall disclose or use any information which the other party discloses and identifies as its confidential information, including without limitation, any and all information relating to its business, technology, and finances or any proprietary information of such party. Confidential information shall not include any information that: (i) is or subsequently becomes publicly available without receiving party's breach of any obligation owed to disclosing party; (ii) was known by receiving party prior to the disclosure thereof through no breach of any third party obligation of confidentiality to disclosing party; (iii) became known to receiving party from a third party through no breach of an obligation of confidentiality owed to disclosing party; (iv) is independently developed by receiving party without receiving

obligation of confidentiality owed to disclosing party; (iv) is independently developed by receiving party without receiving party's breach of any obligation owed to disclosing party and without incorporating nor referencing nor based upon any of the confidential information.

MOULTON
Logistics Management

MASTER SERVICES AGREEMENT

This Agreement ("Agreement") is made and entered into this 15th day of December, 2011 ("Effective Date"), by and between Insynergy Products Inc., with its principal place of business at 4705 Laurel Canyon Boulevard, Suite 205, Studio City, California 91607 ("CLIENT"), and Moulton Logistics Management with its principal place of business at 7850 Ruffner Avenue, Van Nuys, California 91406 ("MOULTON").

WHEREAS, CLIENT requires third-party logistics management services to provide the storage space, materials handling facilities, order processing and payment capabilities, call center facilities and personnel necessary for the receipt, storage, delivery of its goods ("Goods"), as well as customer service; and

WHEREAS, MOULTON has certain warehousing facilities and services of the type and kind desired by CLIENT located at Van Nuys, CA; Chatsworth, CA; and Charleston, SC ("subject warehouses"); and

WHEREAS, MOULTON desires to make said facilities and services commercially available to CLIENT subject to the terms herein specified.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants and promises herein contained, it is hereby mutually agreed, covenanted and promised as follows:

Section 1. Term Of Agreement

(A) The term of this Agreement shall commence on the date of its execution or other acceptance by CLIENT and shall continue in full force and effect for a period of one (1) year and shall thereafter automatically renew on a yearly basis unless terminated prior to 90 days before the expiration of the current term. In the absence of written acceptance by CLIENT, the act of tendering Goods described herein for storage or other services by MOULTON shall constitute acceptance by CLIENT of this Agreement including any accessorial charges that may be attached hereto.

(B) Either party may terminate this Agreement upon ninety (90) days written notice. All standard processing fees, monthly fees and minimums will still be applicable during the ninety (90) day closing period. All invoices must be current prior to the end of the ninety (90) days and should include any expected expenses relating to the closing of the account. Upon receipt of written notice MOULTON will prepare a memo outlining the procedure for closing the account. A termination deposit is required to cover any expenses incurred by MOULTON in connection with closing the account, including storage and/or return of any CLIENT product remaining in MOULTON possession, as well as postage/freight due for returns and any other costs incurred for up to sixty (60) days after final close of account. Said deposit shall be no less than the standard freight deposit plus one month's estimated services. MOULTON retains the right to require additional deposit as needed.

(C) If either party shall fail to perform any of the covenants or obligations of performance and payment imposed upon it under and by virtue of this Agreement (except where such failure is excused under other provisions of this Agreement), the other party shall give the defaulting party written notice, stating specifically the cause for which the notice of default is given. If, within a period of sixty (60) days after such notice the defaulting party has not removed and remedied the default, then the party not in default may cancel this Agreement without any further obligation by immediately furnishing the defaulting party a notice of cancellation.

(D) Any amendment or modification to this Agreement shall be effective only if in writing and signed by each Party.

Section 2. Acceptance Of Goods, Rates And Charges

Rates and charges for MOULTON's services are set forth in the Fee Schedule. MOULTON may periodically change the rates and charges set forth in the Fee Schedule upon reasonable notice to CLIENT. For any services not specified in the Fee Schedule, CLIENT shall pay to MOULTON such reasonable amounts that MOULTON may charge for those services. Increases in freight charges, surcharges, or accessorial (pass-through) charges by the carriers, including but not limited to Fuel Surcharges, will be charged accordingly without prior notice. MOULTON shall promptly notify CLIENT of any such noticed change received by MOULTON in this regard.

Section 3. Payment Terms For Services Rendered

(A) Invoicing is issued weekly. All invoices are due upon receipt, but in no event may payment be made later than ten (10) days for services, unless alternative terms have been negotiated and agreed to in writing by both parties. MOULTON reserves the right to suspend all services, including access to data, if payment of invoice is not made within terms, and retains security interest in all CLIENT product and material until accounts are current. MOULTON, in its sole discretion, may impose a service charge of 1.5% per month of the outstanding balance remaining unpaid after the due date of any invoice.

(B) Should MOULTON or CLIENT ascertain that MOULTON has erroneously billed CLIENT for services, MOULTON will create a Credit or Debit Note for the adjusted value and offset same against the original invoice(s), and such Credit or Debit Note will age concurrently with the original invoice(s).

(C) MOULTON and CLIENT hereby agree that any undercharge or overcharge will have a maximum eighteen (18) month look-back period.

(D) In the event that MOULTON has delivered an invoice to CLIENT that CLIENT wishes to dispute, CLIENT shall remit to MOULTON the undisputed portion of such invoice, and CLIENT and MOULTON shall promptly work together to resolve the dispute. In those instances where any dispute is not resolved within a period of thirty (30) days, CLIENT and MOULTON may select a mutually acceptable third party to promptly arbitrate said dispute, in accordance with Section 27 of this Agreement. In the event that CLIENT requires additional or back-up information in order to verify the accuracy of an invoice delivered by MOULTON, such request for information shall not constitute a dispute, and the CLIENT shall remit the invoice amount to MOULTON, while maintaining the option to dispute the invoice should the back-up information lead to a determination of inaccurate billing.

(E) No credit is extended by MOULTON to CLIENT unless otherwise agreed to in writing.

(F) MOULTON may suspend any and all services in the event that CLIENT's account is not current, including but not limited to access to CLIENT's data and database. CLIENT agrees to indemnify MOULTON and hold MOULTON harmless from any claims, damages or expenses, including attorney fees, resulting from such a suspension of services. MOULTON has full discretion in whether to resume any suspended service. MOULTON may impose any conditions that MOULTON deems necessary before resuming a suspended service, including but not limited to requiring CLIENT to post additional monetary reserves.

Section 4. Shipping

CLIENT agrees not to ship Goods to MOULTON as the named consignee. If, in violation of this Agreement, Goods are shipped to MOULTON as named consignee, CLIENT agrees to notify carrier in writing prior to such shipment, with a copy of such notice to MOULTON, that MOULTON named as consignee is a warehouseman under law and has no beneficial title or interest in such property. CLIENT further agrees to indemnify and hold harmless MOULTON from any and all claims for unpaid transportation charges, including undercharges, demurrage, detention, or charges of any nature, in connection with Goods so shipped. CLIENT further agrees that, if it fails to notify carrier as required by the preceding sentence, MOULTON shall have the right to refuse such Goods and shall not be liable or responsible for any loss, injury or damage of any nature to, or related to, such Goods.

Section 5. Tender For Storage

(A) All Goods tendered for storage shall be delivered to MOULTON in a segregated manner, properly marked and packaged for handling.

(B) CLIENT shall furnish or cause to be furnished at least forty-eight (48) hours prior to every delivery of Goods a complete and accurate written Advance Shipping Notice ("ASN") using MOULTON's approved ASN form. If Goods are delivered without such notice, MOULTON reserves the right to refuse those Goods and the CLIENT will be solely responsible for any and all charges related to those Goods, including but not limited to any handling, storage and transportation costs incurred by CLIENT.

(C) Each MOULTON facility maintains standard hours of operation for receiving Goods. All Goods received outside those standard hours of operation will be subject to Premium Receiving Rates. All services provided by MOULTON in connection with Goods received outside those standard hours of operation will be billed at Premium rates, as stated in the applicable Schedule herewith. If CLIENT arranges for trailers to be dropped at MOULTON's facility, MOULTON's responsibility for the contents does not begin until MOULTON personnel begin unloading the trailer(s).

(D) Product that is delayed from being entered into the inventory system due to absence of ASN or lack of part number marking, or any other "quarantine" situation, will be charged storage at the standard rates. Product removed from storage areas for bulk or will call shipments will be subject to premium storage charges once staged and ready for shipment.

(E) In the event that Goods tendered to MOULTON do not conform to the description provided to MOULTON by CLIENT, MOULTON may refuse to accept such Goods. If MOULTON accepts such Goods, CLIENT agrees to pay the rates and charges as set forth in this

Agreement and the Exhibits attached hereto. MOULTON is not a guarantor of the condition of such Goods under any circumstances including but not limited to hidden, concealed, latent defects in the Goods, or packaging inadequate for storage and shipping of Goods. Concealed shortages, damage or tampering will not be the responsibility of MOULTON. In no event will MOULTON be liable for loss or damage caused by the events set forth in the Force Majeure section of this Agreement or the inherent vice or nature of the Goods.

Section 6. Storage Of Goods

(A) MOULTON may move goods within and between their warehouses in which they are stored as MOULTON deems necessary to maintain storage and handling efficiencies. Warehouse locations are always available to CLIENT via MOULTON's online reporting.

(B) If MOULTON in good faith believes that the Goods are about to deteriorate or decline in value to less than the amount of MOULTON's lien before the end of the next succeeding storage month, MOULTON may immediately notify CLIENT in writing of a reasonable time for removal of the Goods and in case the Goods are not removed, may sell them at public sale held one week after a single advertisement or posting as provided by law.

(C) If, as a result of a quality or condition of the Goods of which MOULTON had no notice at the time of deposit, the Goods are a hazard to other property or to the warehouse or to persons, MOULTON shall immediately notify CLIENT and CLIENT shall thereupon claim its interest in the said Goods and remove them from the warehouse. Pending such disposition MOULTON may remove the Goods from the warehouse and shall incur no liability by reason of such removal.

Section 7. Handling

(A) Handling rates and charges as shown in the attached Fee Schedule shall, unless otherwise agreed, cover the ordinary labor involved in receiving Goods at a warehouse door or dock, placing Goods in storage, and returning Goods to warehouse door or dock. Additional expenses incurred by MOULTON in loading or unloading cars or vehicles shall be at rates shown in the attached Fee Schedule or as otherwise mutually agreed upon in writing.

(B) MOULTON shall not be liable for demurrage, detention or delays in unloading inbound cars or detention or delays in obtaining and unloading cars or vehicles for outbound shipments unless MOULTON has failed to exercise reasonable care and judgment as determined by industry practice.

(C) When Goods are ordered out by CLIENT in quantities different than as received, MOULTON may make an additional charge for each such order or each item of such an order. MOULTON will charge lot control assignment and maintenance fees, as outlined in the Fee Schedule, for storing Goods using MOULTON's lot control system. Any Goods marked with expiration date will be stored using MOULTON's lot control system. CLIENT must notify MOULTON whether Goods have an expiration date. Once a lot control expiration date has passed, inventory will not be released other than to be destroyed or returned to CLIENT. Excluding lot control, MOULTON does not utilize a strict "first-in, first-out" inventory system. CLIENT may notify MOULTON that certain Goods require first-in, first-out inventory handling, in which case MOULTON will store such Goods using its lot control system.

Section 8. Processing CLIENT's Customer Orders

(A) Orders will be processed for payment prior to shipping, unless previously designated, or where CLIENT has payment processed prior to MOULTON receiving orders. CLIENT is solely responsible for the accuracy and validity of customer order information transmitted to MOULTON, and for compliance with any and all applicable local, state and federal regulations, registrations and requirements. No credit card will be debited unless there is available inventory and appropriate freight deposit at MOULTON for immediate shipment. Checks will be deposited directly to CLIENT bank account or mailed per instruction for CLIENT deposit. It is CLIENT's responsibility to notify MOULTON of NSF checks before order is scheduled for shipment.

(B) Taxes will be collected for the State of California and other states designated by the CLIENT. CLIENT is responsible for the disposition of said taxes and should consult professional advice in these matters.

(C) CLIENT shall provide all applicable business information to MOULTON prior to order processing.

(D) Credits will be issued directly to CLIENT's customers' credit cards on a weekly basis upon receipt of returned product for the purchase price, less shipping and handling, unless other CLIENT instruction is provided in writing. MOULTON will provide check refund information to CLIENT. CLIENT is responsible for issuing check refunds to its Customers, unless MOULTON is otherwise instructed by CLIENT in writing. Subject to Section 5, returned product received directly from CLIENT's customers will be received at MOULTON's facility and stored and identified for disposition, as agreed upon by MOULTON and CLIENT. Disposition of returned product will be at CLIENT expense. Returned product that cannot be easily repackaged will be disposed of by recycle, destruction or return to a CLIENT-designated location after thirty (30) days at CLIENT expense. Product returned by retailers is not accepted without prior notification and approval by MOULTON. CLIENT is responsible for freight and handling charges for any retail product return sent "Freight Collect" to MOULTON. CLIENT must provide Retailer with a third-party account number for a carrier to return product to MOULTON warehouse, or MOULTON will deduct any applicable freight charges from CLIENT's freight deposit.

(E) CLIENT agrees to pay all freight and postage charges in advance. **MOULTON will not ship any product unless sufficient monies are available to cover freight/postage.** CLIENT will utilize MOULTON's freight accounts, with the exception of retail shipments where use of retailer's carrier and account are mandated by the retailer. In the event a CLIENT requests use of their own freight account, this will be subject to approval by MOULTON and a fee for account setup, monthly maintenance and a per package surcharge will be applied. In the event a third-party shipping account is requested to be used (e.g., retailer freight account), CLIENT will indemnify MOULTON from any liability arising from the third party's failure to pay the carrier, and from accessorial charges assessed to these shipments. Weekly estimated volumes will be established and agreed upon by MOULTON and CLIENT, and may be adjusted from time to time requiring the subsequent deposit of additional funds as needed. Deposits or reserves may also be established for services and storage at the sole discretion of MOULTON. CLIENT freight deposit will be

services and storage at the sole discretion of MOULTON. CLIENT freight deposit will be held in a non-interest bearing demands account, and drawn upon by MOULTON to cover

CLIENT freight expenses. Current estimated freight charges must be paid in advance by CLIENT to MOULTON no less than twenty-four (24) hours prior to product shipment.

(F) MOULTON is not liable for CLIENT's or CLIENT's vendor's failure to transmit any and all data in a timely fashion, for the validity or accuracy of any CLIENT-supplied data or information, or for CLIENT's or CLIENT's vendor's transmission of data that is not readily valid for order processing. CLIENT will incur current hourly programming charges to edit for file validity.

Section 9. Retail Shipments

(A) In connection with shipments and processing to CLIENT's retail customers, MOULTON is not liable for CLIENT's failure to meet scheduled shipment dates for any purchase in which product, material, mailing list or any other information necessary for completion of said purchase is not received by MOULTON in sufficient time to meet retailer's routing and scheduled shipment dates, unless CLIENT authorizes MOULTON to incur at CLIENT expense such overtime labor and other charges as are necessary to complete order.

(B) CLIENT is liable for any and all charges incurred for work begun on CLIENT behalf and stopped prior to completion through no fault of MOULTON. Charges will be determined based upon but not limited to expended labor and materials, including labor and material costs for receiving product back into inventory.

(C) MOULTON's policy is not to pay retailer chargebacks unless rates have been adjusted to compensate MOULTON for this contingency. MOULTON will agree to review chargebacks that have occurred as a direct result of MOULTON's failure to follow instructions or stated procedure and discuss appropriate resolution with CLIENT. MOULTON and CLIENT will work together to minimize exposure to retailer chargebacks, and to dispute and resolve chargebacks whenever possible.

Section 10. Call Center/Customer Service

If MOULTON is to provide Customer Relations Management services, MOULTON will establish separate product-related toll-free lines for inbound customer service. MOULTON Call Center agents will accept and respond to calls and emails concerning shipping and tracking inquiries, order cancellations and refunds, basic product specifications and operation, and additional product sales opportunities, as agreed to by CLIENT and MOULTON. CLIENT is solely responsible for all content provided to call center personnel, and guarantees that such content will not violate any applicable, law, rule, regulation or industry standard. CLIENT further indemnifies MOULTON from any loss, liability, damage or exposure growing out of such content.

(A) Telephone service is provided by third-party carriers, and MOULTON disclaims any responsibility for malfunctions that may arise from outside installation and maintenance of

these lines by any third-party carrier or company.

(B) If CLIENT owns a toll-free number, MOULTON will arrange to resporg that number with proper documentation. Should CLIENT request the toll-free number to be moved at a later time, MOULTON will release the number for resporg upon receipt of proper documentation and confirmation of current account status.

Accepted by Client

(C) CLIENT must provide training on shipping options and product specifications to MOULTON Call Center Agents. Training is to be completed prior to the "live date", and one week advance notice is required for any new training. Additional product training as needed must also be scheduled no less than one week in advance. Call Center Director will approve and schedule training.

(D) MOULTON reserves the right to limit the number of inbound calls sent through a call switch on any campaign that may impact overall business service levels if higher than normal (more than 10% of orders shipped) or projected volumes provided by CLIENT.

(E) MOULTON reserves the right to change the hours of operation based upon inbound call volume. MOULTON will be closed for normal business on the following holidays (or the applicable Day of Observance) unless otherwise agreed upon:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Day After Thanksgiving Day
Christmas Day

Section 11. Inventory Audits

(A) MOULTON has established general inventory audit procedures that will be in use for CLIENT inventory in MOULTON possession. In no case will MOULTON be responsible for any charge backs or other costs associated with failure to ship any order after the start of the audit process and before release of the inventory on completion of the audit process. MOULTON reserves the right to request specific inventory audit requirements in writing no less than one (1) month prior to the proposed audit date. Said notice is required to provide notice for additional staffing requirements as needed and to ensure no conflict with any other previously scheduled audit. Labor costs for MOULTON staff performing the physical count and movement of inventory being audited will be billed to CLIENT at the applicable hourly warehouse rate. MOULTON and CLIENT hereby agree that no inventory audit will commence unless CLIENT's account is current and in good standing.

(B) MOULTON requires a "Clean Cutoff" to meet the requirements of CLIENT audit, including a break in shipping and production, which allow for the reconciliation of any open CLIENT orders and to conduct a count in the physical warehouse location from which inventory is generally shipped (also known as the ship location). Said break in shipping must occur for no less than a forty-eight (48) hour period in which no new orders will be released to the

production floor and all outstanding orders must be either shipped or canceled depending upon status. Upon completion of order reconciliation, a physical count of the ship location may commence.

Section 12. Standard of Care and Liability, Limitation Of Damages

(A) MOULTON shall not be liable for any loss, damage or destruction to Goods, however caused, unless such loss, damage, or destruction resulted from MOULTON's failure to exercise such care in regard to the Goods as a reasonably careful Warehouseman would exercise under like circumstances. MOULTON will not be liable for damage of any type which could not be avoided by the exercise of such care.

(B) In the event of loss, damage or destruction to stored Goods for which MOULTON is legally liable, CLIENT declares that MOULTON's liability for damages shall be limited to 50 times the monthly storage charge applicable to such lost, damaged or destroyed Goods, provided, however that within a reasonable time after receipt of this agreement, CLIENT may, upon written request, increase contractor's liability in part or all of the Goods stored under the agreement, in which case an increased charge will be made based upon such increased valuation; further provided that no such request shall be valid unless made before loss, damage or destruction to any portion of the Goods stored under this agreement has occurred.

(C) The limitation of liability referred to in paragraph (B) above shall be CLIENT'S exclusive remedy against MOULTON for any claim or cause of action whatsoever relating to loss, damage, and/or destruction of the stored Goods and shall apply to all claims including inventory shortage and mysterious disappearance claims unless CLIENT proves by affirmative evidence that MOULTON converted the Goods to its own use. CLIENT waives any rights to rely upon any presumption of conversion imposed by law. In such event CLIENT shall not be entitled to incidental, special, punitive or consequential damages.

(D) CLIENT acknowledges and agrees that MOULTON is not an insurer or guarantor of any Goods placed in its possession by CLIENT pursuant to this Agreement.

(E) Where loss or injury occurs to CLIENT'S Goods, for which MOULTON is not liable, CLIENT shall be responsible for the cost of removing and disposing of such Goods, as well as the cost of any environmental cleanup and/or site remediation resulting from the loss or injury to such Goods.

(F) Waiver of subrogation. The parties acknowledge that it is the intent of this Agreement to limit MOULTON's liability in connection with loss or damage to CLIENT's product resulting from MOULTON's negligence and covered by legal liability insurance carried by MOULTON. CLIENT and its insurers hereby waive their rights of recovery against MOULTON for claims in excess of MOULTON's liability as expressed in Section 12.

Section 13. Notice of Loss and Damage, Claim and Filing of Suit

(A) Claims by CLIENT must be presented in writing to MOULTON not longer than either ninety (90) days after delivery of Goods by MOULTON or ninety (90) days after CLIENT is notified by MOULTON that loss or injury to part or all of the Goods has occurred, which ever time is shorter. Each claim must contain information necessary to identify the Goods affected, the basis for liability and the amount of the alleged loss or damage, as well as all appropriate supporting documentation which must include: a summary of claims for both damaged and shortages of items, a report of individual carton IDs and their appropriate claims designation, including claim value, and individual claim forms for each claim that is supported by the report also provided.

(B) No action may be maintained by the CLIENT or others against MOULTON for loss or injury to the Goods stored unless a timely written claim has been given as provided in paragraph (A) of this section and unless such action is commenced either within nine (9) months after date of delivery by MOULTON or within nine (9) months after CLIENT of record is notified that loss or injury to part or all of the Goods has occurred, whichever time is shorter.

Accepted by Client

Section 14. Liability For Consequential Damages

MOULTON shall not be liable for any loss of profit or special, indirect, or consequential damages of any kind arising from services or other activities performed pursuant to this Agreement.

Section 15. Liability For Misshipment and Chargebacks

(A) If MOULTON negligently misships Goods, MOULTON shall pay the reasonable transportation charges incurred to return such Goods to MOULTON's facility. If the consignee fails to return the Goods, MOULTON's maximum liability for the lost or damaged Goods shall be as specified in Section 12 above, and MOULTON shall have no liability for damages due to the consignee's acceptance or use of the Goods whether such Goods be those of the CLIENT or another.

(B) Any and all claims made pursuant to this Section must be in compliance with the requirements set forth in Section 13.

Section 16. Mysterious Disappearance

MOULTON shall not be liable for loss of Goods due to inventory shortage or unexplained or mysterious disappearance of Goods unless CLIENT establishes such loss occurred because of MOULTON's failure to exercise the care required of MOULTON under Section 12 above. Any presumption of conversion imposed by law shall not apply to such loss and a claim by CLIENT of conversion must be established by affirmative evidence that MOULTON converted the Goods to MOULTON's own use.

Section 17. Force Majeure

Neither CLIENT nor MOULTON shall be liable to the other for default in the performance

or discharge of any duty or obligation under this Agreement when caused by acts of God, hurricanes, tidal waves, flood, tornadoes, cyclone, wind storm, earthquake, public enemy, civil commotion, strikes, labor disputes, work stoppages or other difficulties within the workforce, failure to provide power by the utility provider, intentional or malicious acts of third persons or any other organized opposition, corruption, depredation, accidents, explosions, fire, water sprinkler leakage, moths, vermin, insect, seizure under legal process, embargo, prohibition of import or export of Goods, closure of public highways, railways, airways or shipping lanes, governmental interference or regulations, or other contingencies, similar or dissimilar to the foregoing, beyond the reasonable control of the affected party. Upon the occurrence of such an event the party seeking to rely on this provision shall promptly give written notice to the other party of the nature and consequences of the cause. If the cause is one which nevertheless requires MOULTON to continue to protect the Goods, CLIENT agrees to pay the storage or similar charges associated with MOULTON's obligation during the continuance of the force majeure. Goods are stored, handled, and transported at CLIENT's sole risk of loss, damage, or delay caused by any of the above.

Section 18. Indemnification

CLIENT is solely responsible for the design, manufacturing, packaging, marketing and advertising of Goods stored, handled or serviced by MOULTON, as well as for compliance with local, state and federal agencies. Except for the loss, damage or destruction of Goods addressed in Section 12, CLIENT shall indemnify and hold MOULTON harmless from and against any loss, liability, damage or exposure, however caused, including but not limited to attorney fees, for any injury sustained by any person, or damages claimed by any person with regard to false advertising

Accepted by Client

or failure of product to perform as marketed or claimed by CLIENT, growing out of 1) the Goods stored, handled or serviced by MOULTON under this Agreement including but not limited to the recall of such Goods, the defective condition of such Goods or the failure of such Goods or CLIENT to comply with any applicable laws or regulations, 2) the use of message content provided by Client for use by call center agents in responding to customer service inquiries, or 3) any acts or omissions of CLIENT, its agents, employees or representatives including but not limited to CLIENT's breach of this Agreement.

CLIENT's indemnification obligations under this Agreement shall extend to claims occurring before and after this Agreement is terminated and shall continue until all such claims are finally adjudicated and/or resolved.

CLIENT agrees to pay MOULTON interest at the rate of 12 percent per year on any necessary expenses or costs incurred by MOULTON in the enforcement of CLIENT's indemnification obligations under this Agreement or on any sums MOULTON is reasonably required to pay with respect to the matters to which indemnity is given in this Agreement, from the date such expenses or costs are incurred or the sums are paid.

Section 19. Insurance

CLIENT, at its expense, shall obtain and maintain in effect products liability and completed operations insurance on an occurrence basis in amounts not less than $1,000,000 for each occurrence and $2,000,000 in the aggregate on policies that provides coverage for "bodily

occurrence and $2,000,000 in the aggregate per policy year that provides coverage for "bodily injury" or "property damage" arising out of products that are sold or distributed in the regular course of CLIENT's business. This insurance shall name MOULTON as an additional insured. This insurance shall include a waiver of subrogation in favor of MOULTON. This insurance shall apply as primary insurance to any insurance maintained by MOULTON. CLIENT and/or its insurer shall provide MOULTON with thirty (30) days prior written notice of non-renewal, cancellation, or other changes in coverage which may impair MOULTON's rights hereunder. CLIENT shall be solely responsible for all losses, damages, costs and expenses including attorney fees arising from CLIENT's failure to maintain the insurance required in this Agreement.

Section 20. Right To Store Goods and Warehouseman's Lien

(A) CLIENT represents and warrants that CLIENT is lawfully in possession of the Goods and has the right, authority and applicable local, state and federal registrations and permits to contract with MOULTON for the services contemplated by this Agreement relating to those Goods. CLIENT agrees to indemnify and hold MOULTON harmless from all loss, cost and expense (including attorneys' fees) which MOULTON pays or incurs as a result of any dispute or litigation, whether instituted by CLIENT or others, respecting CLIENT'S right, title or interest in the Goods covered by this Agreement.

(B) On Goods in MOULTON's possession, it shall have a general Warehouseman's lien for any unpaid charges and associated expenses.

Section 21. Severability

The provisions of this Agreement are to be considered as independent obligations. Therefore, should one provision be determined to be void and not be legally enforceable, its invalidation shall not excuse compliance with and adherence to the remaining provisions of this Agreement by the parties.

Accepted by Moulton _____ Accepted by Client _____

Section 22. Waiver

Compliance with any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) by the party entitled to enforce such term, but any such waiver shall be effective only if in a writing signed by the party against which such waiver is to be asserted. Except as otherwise provided herein, no failure or delay of any party in exercising any power or right under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power preclude any other or further exercise thereof or the exercise of any other right or power.

Section 23. Independent Contractor

It is hereby agreed and understood that MOULTON is entering into this Agreement as an independent contractor and that all of MOULTON's personnel engaged in work to be done under the terms of this Agreement are to be considered as employees of MOULTON and under no circumstances shall they be construed or considered to be employees of CLIENT. MOULTON shall

supervise the performance of its own employees in providing services for CLIENT and shall have control over the manner and means by which its services are performed, subject to the terms of this Agreement, as well as any written and mutually agreed upon amendments thereto. CLIENT and MOULTON recognize the considerable investment each makes in developing personnel, and agree that during the period of this Agreement and for a period of two (2) years after the termination of this Agreement, CLIENT and MOULTON shall not, without the other party's written consent, hire or solicit for employment (whether as an employee, consultant or otherwise) any person who is employed in a management, supervisory or senior technical or operational position with the other party. This prohibition will be voided should one of the parties cease operations.

Nothing in this Agreement will be interpreted as creating any relationship of principal and agent, partnership or joint venture between the parties. Neither CLIENT nor MOULTON will represent in any manner to any third party that MOULTON is an agent of, or affiliated with, CLIENT in any capacity other than as an independent contractor, and nothing in this Agreement shall be construed to be inconsistent with such status.

Section 24. Notification Of Product Characteristics and Dangerous Article

(A) CLIENT shall notify MOULTON in writing of the characteristics of any of CLIENT's products that may in any way be likely to cause damage to MOULTON's premises or to other products that may be stored by MOULTON.

(B) CLIENT, except to the extent hereinafter specified, represents that none of the Goods which it will store with MOULTON are adulterated, flammable, hazardous or dangerous materials or articles, explosives or pesticides, as defined under the regulated federal, state or local laws, statutes, ordinances, or regulations, and that any Good it now has in storage, or will store in the future with MOULTON which require registration, permits, licenses or similar approvals under federal, state or local laws, statutes, ordinances or regulations are guaranteed to have such registrations, permits, licenses or approvals at the time the Goods are tendered to MOULTON and during the time they are in MOULTON's custody.

(C) CLIENT represents that Goods in storage which are defined or are subject to regulation under federal, state or local laws, statutes, ordinances or regulations concerning adulterated, flammable, hazardous or dangerous materials or articles, explosives or pesticides will be

individually listed on receiving/shipping document (bill of lading) naming the Goods and designating which laws, statutes, ordinances or regulations apply to the storage, handling and transportation of the Goods, and whenever in the future the undersigned tenders Goods to MOULTON for storage or handling which are defined and subject to regulation under federal, state or local laws, statutes, ordinances or regulations concerning adulterated, flammable, hazardous or dangerous materials or articles, explosives or pesticides it shall, at the time of such tender, advise MOULTON, in writing, with respect to each such item which laws, statutes, ordinances and or regulations apply to the storage, handling and transportation of the Goods. Goods which are subject to damage through temperature or humidity changes or other causes not controlled in general storage will be received in general storage only at depositor's risk for such damages as might result from general storage operations

depositor's risk for such damages as might result from general storage conditions.

(D) CLIENT further represents that with respect to any Goods it now has in storage, or will store in the future with MOULTON which, due to such federal, state or local laws, statutes, ordinances or regulations applicable to the goods, require special handling, storage, stacking, segregation of commodities, documentation, records certification, reports or other treatment beyond that normally afforded by MOULTON to Goods generally, it will furnish MOULTON for Goods now in storage in writing and for each item tendered for storage in the future, with all information and instructions necessary to conform with the requirements applicable to its Goods.

(E) CLIENT agrees to indemnify and save MOULTON harmless against any and all liabilities, laws, damages, costs or expenses which MOULTON may incur, suffer or be required to pay by reason of any failure of the aforementioned representations, agreements and guarantees of the undersigned.

Section 25. Assignment

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto, provided neither party to this Agreement shall assign or sublet its interest or obligations herein, including but not limited to the assignment of any monies due and payable, without the prior written consent of the other party.

Section 26. Nondisclosure

MOULTON and CLIENT hereby acknowledge and agree that the following are confidential and proprietary information of the disclosing party: (a) the type and amount of product received by MMOULTON, (b) the other party's pricing information regarding products and services, as applicable, and (c) any other information regarding a party to this Agreement that is disclosed to the other but which is generally not known or available to the public. Each party agrees to hold in confidence and not to report, publish, disclose or transfer any such confidential and proprietary information to any person or entity without the other party's prior direction or consent, unless required to do so under applicable law or in furtherance of its obligations hereunder.

Section 27. Alternative Dispute Resolution

Any dispute or claim arising out of or related to this Agreement or breach thereof, except when injunctive relief or specific performance is sought, shall be settled by arbitration. The office of the American Arbitration Association will arbitrate said controversy or claim, with jurisdiction in Los Angeles, California. In the event that a dispute is submitted to arbitration, the arbitrator may award costs and reasonable attorney's fees to the prevailing party. The award of the arbitrator shall

be of the same force and effect as a final enforceable judgment of a court of competent jurisdiction. Absent such award, each party shall bear its own fees and costs incurred in such proceeding.

Section 28. Governing Law

This Agreement and any dispute arising out of it shall be governed by the laws of the state

where the goods were stored and services provided.

Section 29. Entire Agreement

This Agreement and Fee Schedule constitute the entire understanding between CLIENT and MOULTON, and no working arrangement or instructions intended to facilitate the effective carrying out of this Agreement shall in any way affect the liabilities of either party as set forth herein.

Section 30. Notice

(A) All notices required under this agreement, other than ASN described in Section 5, directed to MOULTON shall be to the attention of:

Mr. Larry Moulton, President
Moulton Logistics Management
7850 Ruffner Avenue
Van Nuys, CA 91406
Telephone Number (818) 997-1800
Facsimile Number (818) 997-8522

(B) All notices required under this agreement directed to CLIENT shall be to the attention of:

Marty Goldrod, COO
Insynergy Products Inc.
4705 Laurel Canyon Boulevard, Suite 205
Studio City, CA 91607
Telephone: 818-760-1644

Facsimile: _____

(C) Notices may be provided by facsimile, email, or express courier (signature required) and deemed delivered on date given.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement in duplicate the day and year first above written.

Moulton Logistics Management

By: _____
Kathy Squires, Manager, Contract Administration

Insynergy Products Inc.

By: _____
Marty Goldrod, COO

Accepted by Client _____

AGREEMENT

This AGREEMENT (the "Agreement") is made and entered into as of September 17, 2011 between Meister Management, Inc. ("Licensor"), a California corporation located at 715 Gateshead Court, Foster City, California 94404, and Insynergy Products Inc. ("Insynergy"), a Nevada corporation located at 12400 Ventura Boulevard, Suite 900, Studio City, California 91604.

RECITALS

Licensor and Insynergy previously executed a document dated as of August 10, 2011 (together with an Addendum thereto dated as of August 16, 2011, collectively, the "First License Agreement") relating to an "ab" fitness product tentatively entitled "The Kruncher," including all related booklets, cards, materials, dvds, audio tapes, parts, attachments, accessories, components, configurations and re-configurations of such product (collectively, the "Product");

Licensor and Insynergy desire to enter into this Agreement and it shall be deemed a novation pursuant to California Civil Code §1530 and §1531, resulting in the complete termination of the First License Agreement. Accordingly, pursuant to this Agreement Licensor shall grant to Insynergy a license of exclusive rights to advertise, promote, market, manufacture, distribute, sell and/or exploit the Product and to use Licensor's technology and intellectual property in connection therewith, all on the terms and subject to the conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter contained, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Grant of Rights. Subject to the terms and conditions set forth herein, Licensor hereby grants to Insynergy and its successors, assigns, designees, distributors, manufacturers, licensees, sub-licensees, parents, subsidiaries and affiliates during the Term (as defined below) exclusive, worldwide and irrevocable rights to advertise, promote, market, manufacture, distribute, sell and/or exploit the Product in any and all media, means and markets and all channels of trade and distribution now known or hereafter devised in all territories worldwide (hereinafter, the "Territory").

2. Intellectual Property. Subject to the terms and conditions set forth herein, Licensor hereby grants to Insynergy and its successors, assigns, designees, distributors, manufacturers, licensees, sub-licensees, parents, subsidiaries and affiliates during the Term the exclusive, worldwide and irrevocable license to use all copyrights, patents, trade names, service marks, trademarks, domain names and all other intellectual property owned or controlled by Licensor relating to the Product (collectively, the "Intellectual Property"). A complete list of all applications and registrations pending and/or issued for Intellectual Property owned or controlled by Licensor relating to the Product is set forth in this Paragraph below. Upon the execution hereof, Licensor shall furnish Insynergy with copies of all applications, registrations and other

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applicable documentation for or relating to the Intellectual Property. Licensor has not completed the patent process, and nothing in this Agreement shall be construed as prohibiting Licensor from completing that process and from obtaining all current and future patents related to the Product. Licensor shall be the exclusive owner of all rights throughout the universe to the Intellectual Property, and Insynergy shall not acquire any ownership interest in such Intellectual Property by virtue of this Agreement.

Intellectual Property	*Registration Number/Application Number*	*Name(s) of Owner/Registrant*
Patent(s)	None	None
Patent Application(s) and Number(s)	United States Provisional patent # PA5697PRV, filed June 10, 2011	Greg Meister and Charles Perez, as joint patent holders, assigned by Greg Meister and Charles Perez to Meister Management, Inc.
Trademark(s) and Number(s)	None	None
Trademark Application(s) and Number(s)	None	None
Copyrights and Number(s)	None	None
Trade Secrets	None	None

3. Term. The term of this Agreement shall commence on the date hereof and shall continue for a period ending on December 31, 2012 (the "Initial Term"), unless earlier terminated in accordance with the terms hereof.

4. Renewals of Term. The Initial Term shall automatically renew for additional, successive one (1) year periods (the Initial Term, including any extensions or renewals thereof, is referred to herein as the "Term") so long as Insynergy sells the minimum number of Product (in terms of units) at a minimum sales price of $20 per Product unit and in the amounts ("Performance Minimums") and during the periods as set forth below. So long as the Performance Minimums below have been satisfied during the Term, Insynergy shall retain exclusive rights hereunder during the Term, unless sooner terminated in accordance with the provisions set forth herein. So long as the Performance Minimums below have been satisfied during the first five (5) years of the Term, the Term shall automatically renew for additional, successive one (1) year periods so long as the Performance Minimums below have been satisfied unless Insynergy, at its sole election, provides written notice to Licensor that it has determined not to renew the Term (or any extended term).

Time Period	Minimum Number of Units
Period ending May 31, 2012 during Initial Term	10,000
Initial Term	100,000 (including the above 10,000 units)
YEAR 2 of Term	100,000

YEAR 3 of Term	60,000
YEAR 4 of Term	30,000
YEAR 5 of Term and thereafter	30,000

If any of the Performance Minimums above is not met during the first five (5) years of the Term, then Licensor may, at its election, terminate this Agreement upon thirty (30) days written notice to Insynergy, provided however, that Insynergy shall have a thirty (30) day cure period from the date written notice is received from Licensor to cure any shortfall by paying Licensor the difference between the royalty amount actually received by Licensor and the royalty amount Licensor would have received had the Performance Minimums been met ("Cure Period"). In the event Insynergy does not cure such shortfall during the Cure Period, then Licensor may terminate this Agreement without the need for further action by either party except for Licensor's final written notice of termination subject to the "Sell-Off Period" (as defined below). Following the termination of this Agreement, Insynergy may continue, on a non-exclusive basis, to exercise the rights granted hereunder for a period of nine (9) months, for the limited purposes of processing and selling the Product and liquidating existing inventory, processing returns and customer calls, and other activities related to the winding up of the rights hereunder ("Sell-Off Period"). Notwithstanding anything to the contrary contained herein, sales of the Product hereunder shall be cumulative, so that if Insynergy and its distributors, licensees and affiliates have sold Product units during any year of the Term that exceeded the Performance Minimums to be sold for such year, such excess amount shall be carried forward only to the next year of the Term and applied to satisfy the Performance Minimums to be sold in that next year of the Term. A failure by Insynergy to satisfy the applicable Performance Minimums hereunder, however, shall not constitute a breach of this Agreement. Upon the expiration or termination of this Agreement, the rights granted by Licensor hereunder shall revert to Licensor, subject to those provisions hereof which expressly are intended to survive the expiration or termination of this Agreement.

5. Manufacturing. Insynergy shall be responsible, at Insynergy's sole expense, to oversee and maintain manufacturing and quality controls, with input from Licensor. Insynergy shall communicate directly with the manufacturer and its representatives regarding all manufacturing matters. Licensor shall receive at no cost six (6) Product units from Insynergy's initial Product order, and may purchase from Insynergy up to fourteen (14) additional units at Insynergy's cost. Licensor shall be entitled to communicate with Insynergy's manufacturer for the limited purpose of verifying purchase orders placed by Insynergy regarding the Product.

6. Royalties to Licensor. In consideration of the grant of rights by Licensor provided for herein, Insynergy agrees to pay Licensor a royalty of six percent (6%) of Direct Response Gross Sales Revenues and eight percent (8%) of Retail/Wholesale Gross Sales Revenues. "Direct Response Gross Sales Revenues" shall mean all gross revenues actually received by Insynergy during the Term in connection with the rights granted herein from direct response sales of the Product by Insynergy to U.S. consumers via television, radio, internet, print, catalogues and other forms of direct response marketing in which a consumer purchases the Product from Insynergy in direct response to an advertisement placed by or on behalf of Insynergy, reduced by returns, refunds, bad debts, chargebacks and check and credit card processing fees relating to the Product, and excluding costs and revenues associated with shipping and processing expenses and

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sales, excise, use or any other taxes (so long as such shipping and processing expenses and taxes are not included in Direct Response Gross Sales Revenues). "Retail/Wholesale Gross Sales Revenues" shall mean all gross revenues actually received by Insynergy during the Term in connection with the rights granted herein from worldwide sales of the Product by Insynergy to wholesalers and/or retailers for resale from which Insynergy receives no money directly from end-user consumers, reduced by returns, refunds, bad debts, chargebacks, check and credit card processing fees and sales allowances, sales commissions, slotting fees and markdowns relating to the Product, and excluding costs and revenues associated with shipping and processing expenses and sales, excise, use or any other taxes (so long as such shipping and processing expenses and taxes are not included in Retail/Wholesale Gross Sales Revenues).

7. Payment; Accounting. Royalties hereunder shall be paid on a calendar quarterly basis accompanied by a royalty statement showing the calculation of the amount of royalty provided thereby to be due, and shall be due thirty (30) days after the quarter in which royalties have been earned. Each statement shall become binding on Licensor and Licensor shall neither have nor make any claim against Insynergy with respect to such statement unless Licensor shall advise Insynergy, in writing, of the specific basis of such claim within eighteen (18) months after the date on which Insynergy sends such statement to Licensor. Licensor, upon at least thirty (30) days' prior written notice to Insynergy for administrative convenience, shall have the right to cause Licensor's certified public accountant to inspect, at Insynergy's offices during normal business hours, the financial books and records of Insynergy, at Licensor's expense, insofar as such books and records relate directly to such royalty calculation hereunder. If the inspection reveals a shortfall in the amount due to Licensor that is in excess of five percent (5%) of its entitlement, then Insynergy shall also pay Licensor's reasonable out-of-pocket fees and costs in connection with the audit in addition to such shortfall. Licensor shall be permitted to inspect such books and records no more frequently than two (2) times during any twelve (12) month period, and only one (1) time with respect to any statement rendered by Insynergy hereunder. Insynergy shall establish a ten percent (10%) reserve fund for returns, refunds, bad debts and chargebacks from the sales of the Product. Such reserves shall be self-liquidating on a calendar quarterly basis until Insynergy, upon written notice to Licensor, adjusts its reserves to reflect such actual expenses. Insynergy shall provide Licensor with daily access to reports regarding Product orders and shipments.

8. Obligations of Parties. The obligations of the parties shall be as follows:

(a) Insynergy. Insynergy shall be solely responsible for the following, all at Insynergy's sole discretion, and all fees, costs and expenses relating to all of the following: bearing all manufacturing and associated costs and expenses related to the Products; creation of graphics and packaging for the Product; coordination of advertising and promotion for the Product; creation and production of infomercials, commercials, dvds, radio spots and other productions for the Product; coordination of the manufacturing and shipping of the Product; creation and implementation of distribution channels for the Product; coordination of telemarketing services; coordination of fulfillment operations; purchase, coordination and analysis of media buying; coordination of all campaign management operations and logistics; creation and implementation of an internet website; and coordination of retail, wholesale and international marketing efforts for the Product. The rights granted herein shall include the right

of Insynergy and its successors, assigns, designees, distributors, manufacturers, licensees, sub-licensees and affiliates to market with or in addition to the Product new or bundled products, continuity products, premiums or additional so-called upsell products of any kind, whether or not related to the Product, to be offered or marketed by Insynergy in any manner in conjunction with or in association with the Product. Insynergy shall run an initial media test of a direct response television commercial featuring the Product no later than two (2) weeks after the receipt at Insynergy's fulfillment house of Insynergy's initial Product order. Placement of Insynergy's initial Product order is conditioned upon the receipt by Insynergy of a prototype of the Product from Licensor within three (3) business days of the execution hereof and the approval by Insynergy of samples produced by Insynergy's manufacturer based upon such prototype. Insynergy shall produce a direct response television commercial featuring the Product promptly following the receipt by Insynergy of necessary "hero units" which are based upon such prototype.

(b) Licensor. Licensor agrees to render the following services in connection with the Product: (a) provide reasonable consulting services relating to the Product; (b) provide any applicable electronic files such as key-art and cover-artwork files regarding the Product; (c) provide any and all existing tooling and molds for the Product, in each case for manufacturing purposes in the exercise of the rights and license granted by Licensor hereunder; (d) provide information concerning previous suppliers and sources of the Product; (e) provide comprehensive written substantiation of any and all Product claims that may be made and any and all tests on the Product performed prior to the date hereof; and (f) provide information relating to the Product generally.

9. Representations and Warranties. (a) Licensor hereby represents and warrants that: (i) Licensor has the right, power and authority to enter into this Agreement, to grant the rights set forth herein and to perform Licensor's obligations hereunder; (ii) Licensor has not previously entered into any agreement, oral or written, which would conflict with the rights granted or the obligations to be performed by Licensor hereunder, nor will Licensor do so during the Term; (iii) no consent or approval is required by any third party for Licensor to enter into this Agreement or to grant the rights set forth herein; (iv) Licensor solely owns or controls all right, title and interest in and to the Product, the Intellectual Property and the inventions embodied therein; (v) there are no liens, charges or encumbrances of any type, kind or nature with respect to the Product or the Intellectual Property, nor will there be any during the Term; (vi) no actions, suits or claims or threatened actions, suits or claims are currently pending against Licensor or any of Licensor's affiliates relating to the Product or the Intellectual Property; (vii) no actions, suits or claims have ever been brought against Licensor or any of Licensor's affiliates relating to the Product or the Intellectual Property; (viii) Licensor owns or controls all rights in and to all of the Intellectual Property relating to the Product; (ix) Licensor has not heretofore assigned, transferred or otherwise disposed of any right, title, interest or license which Licensor owns or controls in the Product or the Intellectual Property, nor will Licensor do so during the Term; (x) Licensor is not in default under any agreement relating to the Product or the Intellectual Property; (xi) Licensor has the exclusive rights to advertise, promote, market, manufacture, distribute, sell and exploit the Product and any products covered by the Intellectual Property, and to use the Intellectual

Property relating to the distribution of such products; (xii) the rights granted by Licensor hereunder do not violate the contract rights, privacy rights, publicity rights, patent rights,

trademark rights, copyright rights or any other rights of any person or entity; (xiii) to the best of Licensor's knowledge, neither the Intellectual Property nor the making, using, offering to sell and/or selling the Product will infringe upon the intellectual property rights of any person or entity; and (xiv) this Agreement constitutes a valid and legally binding obligation, enforceable in accordance with its terms. Following the execution hereof, Licensor agrees to notify Insynergy promptly with any information or development that is inconsistent with any of the above representations or warranties.

(b) Insynergy hereby represents and warrants that: (i) Insynergy has the right, power and authority to enter into this Agreement and to perform Insynergy's obligations hereunder; and (ii) this Agreement constitutes a valid and legally binding obligation, enforceable in accordance with its terms.

10. Covenants. Licensor covenants and agrees as follows: (i) during the Term, Licensor shall not create, develop, manufacture, sell, duplicate or reproduce the Product or any products similar to the Product for itself or any other third party; (ii) during the Term, Licensor shall not grant to any third party any private label rights, including marketing or distribution rights, relating to any products similar to the Product, without the prior written consent of Insynergy; (iii) during the Term, Licensor shall not render services, directly or indirectly, to promote, endorse or advertise products which are identical, substantially similar or similar to the Product or which would be in competition with the Product; and (iv) during the Term, Licensor shall not produce for itself, directly or indirectly, or for any other third party, any infomercial or commercial marketing or selling products which are identical, substantially similar or similar to the Product or which would be in competition with the Product. For purposes of this Agreement, the terms "directly or indirectly" mean on Licensor's own behalf or on behalf of a person or entity with respect to which Licensor has a business, financial or personal interest or affiliation.

11. Ownership Rights. Insynergy shall be the sole and exclusive owner throughout the universe in perpetuity of all right, title and interest in and to all infomercials, commercials, dvds, videos and similar ancillary productions concerning the Product, developed and/or caused to be produced by or on behalf of Insynergy and the materials upon which they are based, including, without limitation, the right at any time to make any revision of all or any part of such infomercials and productions, the copyrights in and to such infomercials and productions and any renewals and extensions of such copyrights; all distribution, exhibition and exploitation rights in any and all media, whether now known or hereafter devised; any and all allied, ancillary and subsidiary rights in and to such infomercials and productions; and all other tangible and intangible rights, properties and proceeds of every kind and nature in and to such infomercials and productions and in each and all of the foregoing, in every stage of development, production and completion, whether in existence or known now or in the future. Licensor hereby agrees that Licensor shall never file for copyright protection or make a claim of ownership or of any other

Licensor shall never file for copyright protection or make a claim of ownership or of any other rights to the infomercials and/or productions, any and all footage, and all versions thereof, and any and all materials made by Insynergy with respect to the infomercials and/or productions, whether now existing, or edited or revised or new versions thereof. The name, address, telephone number, e-mail address, credit card information and all other data collected by Insynergy regarding purchasers of the Product shall be owned exclusively by Insynergy. Any packaging, labeling, catalogs and other related materials for the Product created by Insynergy

shall be owned exclusively by Insynergy. Insynergy shall be the sole and exclusive owner throughout the universe in perpetuity of all right, title and interest in and to any and all copyrights, trademarks, trade names, service marks, know-how, patents, inventions, formulae, confidential or secret processes, trade secrets (except for the Intellectual Property) and confidential information created or developed by Insynergy hereunder. Insynergy shall be the sole and exclusive owner throughout the universe in perpetuity of all right, title and interest in and to all tooling/molds of the Product paid for by Insynergy, and all continuity products, premiums and/or additional so-called upsell products developed by or for Insynergy.

12. Dismissal of Lawsuit; Releases. (a) Licensor filed a civil action against Insynergy and others in Los Angeles Superior Court, case no. BC 468575 (the "Action"). Licensor shall within three (3) business days of the execution hereof file its Dismissal with Prejudice of the entire Action, and promptly provide Insynergy with a conformed copy of such Dismissal.

(b) As a full and final settlement of any and all disputes and claims between the parties hereto as of the date hereof, each of the parties shall forever release and discharge absolutely the other and their past, present and future companies, predecessors, parents, subsidiaries, affiliates, and their respective officers and/or agents (including Sandy Lang, Marty Goldrod, Greg Meister and Bill Gross), directors, employees, shareholders, members, managers, principals, clients, licensees, distributors, suppliers, manufacturers, independent contractors, representatives, insurers, successors, assigns, attorneys, accountants, and affiliated entities, whether controlled by or related to them ("Constituents") of and from any and all obligations, losses, damages, debts, agreements, liabilities, demands, costs, expenses, claims and causes of action, whether direct or indirect, known or unknown, suspected or unsuspected, matured or unmatured, of any kind or nature whatsoever, at law or in equity, which ever existed, now exist or may hereafter exist against the other or any of the Constituents, in any way arising from, concerning or pertaining to any and all matters, causes or things whatsoever between or involving the parties hereto or any of the Constituents that occurred on or prior to the date hereof, including, without limitation, any matter, cause or thing whatsoever which were or could have been asserted in the Action, and any and all other disputes and claims which either party may have against the other or any of the Constituents relating to any matter or transaction involving said parties, except that this release does not release and shall not be construed to release or affect any rights, duties or obligations arising out of this Agreement.

(c) Each of the parties expressly waives and relinquishes any and all rights and benefits

(c) Each of the parties expressly waives and relinquishes any and all rights and benefits afforded by Section 1542 of the Civil Code of the State of California and any similar laws of any state or jurisdiction. Each of the parties understands that the facts in respect to which the general release made in this Agreement is given may hereafter turn out to be other than or different from the facts in connection therewith now known or believed by such party to be true; and each of the parties hereby accepts and assumes the risk of the facts turning out to be different and agrees that this Agreement shall be, and remain in all respects, effective and not subject to termination or rescission by virtue of any such difference in facts. Said Section 1542 reads as follows:

> "1542. [Certain claims not affected by general release]. A general release does not extend to claims which the creditor does not know or suspect to exist in his

favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

13. Confidentiality. (a) Licensor agrees to hold all proprietary information and materials received from Insynergy or its affiliates or learned during the Term, whether orally or in written form or otherwise, relating to Insynergy's or its affiliates' products or the business being conducted by Insynergy or its affiliates ("Insynergy's Proprietary Information") in strictest confidence and not to use in any manner or to disclose Insynergy's Proprietary Information to any third party except as required by law, pursuant to court order or legal process. Insynergy agrees to hold all proprietary information and materials received from Licensor or its affiliates or learned during the Term, whether orally or in written form or otherwise, relating to Licensor's or its affiliates' business being conducted by Licensor or its affiliates ("Licensor's Proprietary Information") in strictest confidence and not to use in any manner or to disclose Licensor's Proprietary Information to any third party except as required by law, pursuant to court order or legal process.

(b) Licensor agrees to keep the terms and conditions contained in this Agreement confidential, and agrees not to disclose said terms and conditions to any third parties other than Licensor's professional representatives unless otherwise required by law or to enforce this Agreement in a court of law or other legal proceeding. Unless approved by Insynergy in advance, Licensor shall not make any public announcement, issue any press release or other publicity or confirm any statements by third parties concerning the transactions contemplated hereby, except as otherwise required by law.

14. Indemnifications; Breach. Licensor agrees to indemnify, defend and hold harmless Insynergy and its officers, directors, shareholders, employees, managers, members, affiliates, parents, subsidiaries, representatives, agents, attorneys, accountants, distributors, manufacturers, licensees, sub-licensees, successors and assigns and the respective officers, directors, shareholders, employees, managers, members, representatives, agents, attorneys, accountants,

distributors, manufacturers, licensees, sub-licensees, successors and assigns of its affiliates, parents and subsidiaries, from and against any and all direct losses, costs, damages, claims, suits, actions, judgments, demands, obligations, debts, liabilities, agreements and expenses whatsoever, (including, without limitation, attorneys' fees and court costs) arising out of or in connection with any breach by Licensor of any covenant, representation, warranty or agreement made by it contained herein. Insynergy agrees to indemnify, defend and hold harmless Licensor and its officers, directors, shareholders, employees, affiliates, representatives, agents, attorneys, licensees, successors and assigns from and against any and all direct losses, costs, damages, claims, suits, actions, judgments, demands, obligations, debts, liabilities, agreements and expenses whatsoever (including, without limitation, attorneys' fees and court costs) arising out of or in connection with (i) any breach by Insynergy of any covenant, representation, warranty or agreement made by it contained herein or (ii) claims of patent or trademark infringement or other intellectual property infringement relating to the intellectual property of Insynergy. Neither party shall be deemed in breach of this Agreement unless and until the non-breaching party has given the breaching party written notice of any alleged breach and the breaching party has failed to cure such alleged breach within thirty (30) days after receipt of such written notice. Licensor's sole and exclusive rights and remedies in the event of a breach of this Agreement by Insynergy or otherwise, shall

be an action to recover money damages, if any, and Licensor irrevocably waives any right to rescission or equitable or injunctive relief, including, without limitation, enjoining or restraining the use or exploitation of the Intellectual Property or the advertising, promotion, marketing, manufacturing, distribution, sale and/or exploitation of the Product.

15. Infringement. Licensor shall promptly notify Insynergy of any information obtained regarding infringements or imitations by third parties of the Product or the Intellectual Property. Licensor hereby transfers and grants to Insynergy during the Term the sole and exclusive right to: (i) to bring suit in Insynergy's own name, in its sole discretion, or if required by law, in Licensor's name or jointly with Licensor, at Insynergy's expense; (ii) in any such suit to enjoin infringements and to collect damages, profits and awards of whatever nature recoverable for such infringements; and (iii) to settle any claim or suit for infringements of the Product or the Intellectual Property by granting the infringing party a royalty. In such case, Insynergy may in its sole discretion, undertake such enforcement efforts and shall have the right to select legal counsel and to control the enforcement efforts, including, without limitation, the settlement thereof. If Insynergy undertakes the defense or prosecution of any litigation relating to the Product or the Intellectual Property, Licensor agrees to fully cooperate with Insynergy in any such proceeding, to join with Insynergy as a party to any action brought by Insynergy if required or requested by Insynergy, and to execute any and all documents and do all acts which may be reasonably necessary or of aid, at the determination of Insynergy 's legal counsel, to carry out such litigation. Insynergy shall fully inform Licensor of the status of any such enforcement efforts. The "net proceeds," if any, of any settlement, judgment or award resulting from such enforcement efforts shall be shared by Insynergy and Licensor in proportion to the contribution made by each party to the applicable attorneys' fees, costs and expenses. For example, if

Insynergy contributed sixty percent (60%) of the applicable attorneys' fees, costs and expenses, then Insynergy would receive sixty percent (60%) of the resulting "net proceeds" and Licensor would receive forty percent (40%). For purposes of this Agreement, "net proceeds" shall mean the total of all amounts received from any such settlement, judgment or award less the total attorneys' fees, litigation costs and expenses incurred by Insynergy relating thereto (before Licensor's contribution to such fees, costs and expenses). To exercise the rights granted Insynergy above, Insynergy is hereby authorized to execute any and all documents and instruments in Licensor's name, place and stead and as Licensor's attorney-in-fact, which power is coupled with an interest and is irrevocable, but such power shall be exercised only if Licensor fails to execute and deliver to Insynergy any such documents or instruments within five (5) business days after Licensor's receipt thereof. Licensor shall execute any such Power of Attorney or other documents reasonably needed by Insynergy to take any of the foregoing actions and to act in the name, place and stead of Licensor.

In the event Insynergy elects not to sue for any such infringements, the right to sue herein granted to Insynergy shall forthwith become non-exclusive, and Licensor shall thereafter have the right to sue for the infringement at Licensor's sole cost and expense, and to collect for its own use all damages, profits and awards of whatever nature recoverable for such infringement.

16. Entire Agreement; Amendments. This Agreement constitutes the entire understanding between the parties hereto with respect to the subject matter hereof and supersedes any prior understandings or agreements between the parties hereto, including the First License Agreement,

which is hereby terminated and this Agreement shall be deemed a novation pursuant to California Civil Code §1530 and §1531. There are no representations, agreements, arrangements or understandings, oral or written, between the parties relating to the subject matter of this Agreement which are not fully expressed herein. This Agreement cannot be modified, altered or otherwise amended except by an agreement in writing signed by all of the parties hereto.

17. Notices. All notices, requests, demands and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed received (i) on the same day if delivered in person, by same-day courier or by facsimile transmission; provided that if sent by facsimile transmission, a copy is also sent by certified mail, return receipt requested, postage prepaid, (ii) on the next day if delivered by overnight mail or courier, or (iii) the date of deposit in the mails if being sent by certified mail, return receipt requested, postage prepaid, to the parties at their addresses as set forth at the beginning of this Agreement. Any of the parties to this Agreement may from time to time change such party's address for receiving notice by giving written notice thereof in the manner set forth herein.

18. Assignments. Insynergy shall have the right to assign, license or sublicense any of its rights or obligations in full or in part to any third party. Licensor shall not have the right to assign any of Licensor's rights or obligations to any third party without the prior written consent of

Insynergy. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective officers, directors, shareholders, managers, members, employees, agents, affiliates, parents, subsidiaries, successors and permitted assigns. For clarification purposes, all sublicensees shall agree to comply with and be bound by any restrictions set forth in this Agreement applicable to the rights licensed hereunder. Insynergy has no license, permission or authority to grant any third party any rights greater than those specifically set forth in this Agreement.

19. Severability; No Adverse Construction. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction. The rule that an agreement is to be construed against the party drafting the agreement is hereby waived by the parties hereto, and shall have no applicability in construing this Agreement or the terms of this Agreement.

20. Independent Contractor. Neither party nor any of its officers, employees, managers, agents or representatives is a partner, employee or agent of the other party for any purpose whatsoever. Rather, each party is and shall at all times remain a separate legal entity from the other and each shall be an independent contractor responsible only for such party's own actions. Accordingly, nothing contained in this Agreement shall be construed as establishing an employer/employee, partnership or joint venture relationship between Licensor and Insynergy. Each party shall have sole control of the manner and means of performing its obligations under this Agreement. Neither party has, nor shall it hold itself out at as having, any right, power or authority to create any contract or obligation, either express or implied, on behalf of, in the name of, or binding upon the other party, except as provided herein. Each party shall have the right to appoint and shall be solely responsible for its own employees, agents and representatives, who

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shall be at such party's own risk, expense and supervision and shall not have any claim against any other party for compensation or reimbursement except as specifically set forth herein. Except as otherwise specifically provided in this Agreement, each party will be responsible for all expenses and disbursements such party incurs in connection with its performance under this Agreement, including any taxes it may incur.

21. **Legal Counsel. Each of the parties acknowledges that such party had the right and opportunity to seek independent legal counsel of such party's own choosing in connection with the execution of this Agreement, and each of the parties represents that such party has either done so or that such party has voluntarily declined to do so, free from coercion, duress or fraud.**

22. LIMITATION OF LIABILITY. IN NO EVENT SHALL EITHER PARTY HAVE ANY LIABILITY TO THE OTHER PARTY, THE OTHER PARTY'S AFFILIATES, OR ANY

THIRD PARTY, FOR ANY CAUSE OF ACTION RELATING TO THIS AGREEMENT FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL OR SPECULATIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS OR USE, BUSINESS INTERRUPTION, OR LOSS OF GOODWILL, IRRESPECTIVE OF WHETHER SUCH PARTY HAS ADVANCE NOTICE OF THE POSSIBILITY OF SUCH DAMAGES.

23. Counterparts; Facsimile; Survival. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed by facsimile or electronic scanned copy, and signatures on a facsimile or scanned copy hereof shall be deemed authorized original signatures. The provisions of Paragraphs 1, 2, 4, 9 and 11 through 24 shall survive any expiration or termination of this Agreement.

24. Governing Law; Jurisdiction. The provisions of this Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of California, without reference to choice or conflicts of law principles. Any and all suits or actions, whether federal or state, for any breach of this Agreement, or otherwise arising out of this Agreement, shall be filed and prosecuted in any court of competent jurisdiction in Los Angeles, California. The parties hereto hereby consent and submit to the jurisdiction of the courts in Los Angeles, California and hereby agree that service of process on any party may be effected by certified mail, return receipt requested, postage prepaid. Each of the parties waives any objection which it may have based on improper venue or forum non conveniens to the conduct of any such suit or action in any such court. If any action, suit or other proceeding is instituted to remedy, prevent or obtain relief from a default in the performance by any party of such party's obligations under this Agreement or for injunctive relief or otherwise, the prevailing party shall recover all of such party's reasonable attorneys' fees and costs incurred in each and every such action, suit or other proceeding, including any and all appeals or petitions therefrom.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first set forth above.

INSYNERGY PRODUCTS INC.

By: Marty Goldrod
~~Sandy Lang, CEO~~
MARTY GOLDROD, COO

MEISTER MANAGEMENT, INC.

By: Gregory Meister
Name: Gregory Meister
Title: Owner

AGREEMENT

This AGREEMENT (the "Agreement") is made and entered into as of September 27, 2011 between Peeerfect Fit, LLC ("Peeerfect"), a New Jersey limited liability company located at 1055 Centennial Avenue, Piscataway, New Jersey 08854, and Insynergy Products Inc. ("Insynergy"), a Nevada corporation located at 12400 Ventura Boulevard, Suite 900, Studio City, California 91604.

RECITAL

Peeerfect and Insynergy are desirous of entering into an agreement pursuant to which Peeerfect shall grant to Insynergy a license of exclusive rights to advertise, promote, market, manufacture, distribute, sell and/or exploit a footwear product tentatively entitled "SyZerz," all related booklets, cards, materials, dvds, audio tapes, parts, attachments, accessories, components, configurations and re-configurations of such product including derivative products in the field of clothing, enhancements, improvements and additional lines of products, names, trade names, brand names and marketing names of such products, all as available now and as may be available in the future (collectively, the "Product") and to use Peeerfect's technology and intellectual property in connection therewith, all on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter contained, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Grant of Rights. Peeerfect hereby grants to Insynergy and its successors, assigns, designees, distributors, licensees, sub-licensees and affiliates during the Term (as defined below) exclusive, worldwide and irrevocable rights to advertise, promote, market, manufacture, distribute, sell and/or exploit the Product in any and all media, means and markets and all channels of trade and distribution now known or hereafter devised in all territories worldwide (hereinafter, the "Territory").

2. Intellectual Property. Peeerfect hereby grants to Insynergy and its successors, assigns, designees, distributors, licensees, sub-licensees and affiliates during the Term the exclusive, worldwide and irrevocable license during the Term to use all copyrights, patents, trade names, service marks, trademarks, domain names, know-how, inventions, formulae, confidential or secret processes, trade secrets and confidential information and all other intellectual property owned or controlled by Peeerfect relating to the Product (collectively, the "Intellectual Property"). A complete list of all applications and registrations pending and/or issued for Intellectual Property filed by or on behalf of Peeerfect is set forth in Exhibit "A" attached hereto and incorporated herein by reference and made a part hereof. Upon the execution hereof, Peeerfect shall furnish Insynergy with copies of all applications and registrations for the Intellectual Property. Peeerfect shall be the exclusive owner of all rights throughout the universe to the Intellectual Property, and Insynergy shall not acquire any ownership interest in such Intellectual Property by virtue of this Agreement. Peeerfect agrees that it shall, all at Peeerfect's

sole expense, do all of the following: (i) perform all necessary comprehensive trademark searches in connection with the name to be used to market and/or brand the Product; (ii) file all necessary trademark and logo applications and registrations in all necessary trademark classes in the United States and worldwide in connection with the name to be used to market and/or brand the Product; (iii) answer all applicable office actions in order to secure all of such trademarks; and (iv) maintain and keep current all of such trademarks.

3. Term. The term of this Agreement shall commence on the date hereof and shall continue for a period of one year from the conclusion of the "Test Period" but in no event shall such one year period end later than November 15, 2012 (the "Initial Term"). For purposes of this Agreement, the term "Test Period" means the period of time in which Insynergy may conduct media tests of a long-form infomercial or a short-form commercial on television and/or the Internet for the purpose of measuring mass consumer demand of the Product. Insynergy shall be permitted to terminate this Agreement upon written notice to Peeerfect in the event Insynergy determines for any reason not to market the Product.

4. Renewals of Term; Performance Minimums; Termination of Exclusivity. The Initial Term shall automatically renew for additional, successive one year periods (the Initial Term, including any extensions or renewals thereof, is referred to herein as the "Term") so long as Insynergy sells the minimum number of Product (in terms of units) in the amounts ("Performance Minimums") and during the periods as set forth below. So long as the Performance Minimums below have been satisfied, Insynergy shall retain exclusivity rights hereunder during the Term.

Worldwide:

Time Period	Minimum Number of Units
Initial Term	500,000
YEAR 2 of Term	1,400,000
YEAR 3 of Term	3,150,000
YEAR 4 of Term	4,200,000
YEAR 5 of Term	4,200,000

If any of the Performance Minimums is not met during the Term, then Peeerfect may, at its election, terminate Insynergy's exclusivity upon thirty (30) days written notice to Insynergy, provided however, that Insynergy shall have a thirty (30) day cure period from the date written notice is received from Peeerfect to cure any shortfall by paying Peeerfect the difference between the amount actually received by Peeerfect and the amount Peeerfect would have received had the Performance Minimums been met ("Cure Period"). In the event Insynergy does not cure such shortfall during the Cure Period, then Peeerfect may terminate Insynergy's exclusivity without the need for further action by either party except for Peeerfect's written notice of exclusivity termination. Following the termination of such exclusivity, Insynergy may continue, on a non-exclusive basis, to exercise the rights granted hereunder for a sell-off period of nine (9) months; provided that if Peeerfect desires to enter into a written, exclusive distribution agreement for the Product during such nine (9) month sell-off period, Peeerfect agrees, prior to entering into said agreement, to purchase from Insynergy at Insynergy's landed cost all remaining inventory of

Product then held by Insynergy. Notwithstanding anything contained to the contrary herein, sales of the Product hereunder shall be cumulative, so that if Insynergy and its distributors, licensees and affiliates have sold Product units during any year of the Term that exceeded the Performance Minimums to be sold for such year, such excess amount shall be carried forward and applied to satisfy the Performance Minimums to be sold in subsequent years of the Term. A failure by Insynergy to satisfy the applicable Performance Minimums hereunder, however, shall not constitute a breach of this Agreement. In the event Insynergy does not satisfy the applicable Performance Minimums in the Initial Term, Insynergy shall assign to Peeerfect all of its right, title and interest in and to the first set of tooling/molds of the Product owned by Insynergy in connection with the manufacture of the Product.

5. Initial Inventory Order; Manufacturing. During the Initial Term, Insynergy shall place a purchase order to purchase an initial order of 50,000 Product units on or about November 15, 2011 ("Initial Inventory Order"). In addition, Insynergy shall pay for all applicable tooling/molds necessary to manufacture such Initial Inventory Order. Insynergy shall be responsible, at Insynergy's sole expense, to oversee and maintain manufacturing and quality controls, with input from Peeerfect. To the extent Insynergy requests representatives of Peeerfect to travel to China relating to the manufacturing of the Product, Insynergy shall reimburse such representatives for all reasonable travel and other expenses relating thereto which are approved in advance by Insynergy.

6. Royalties to Peeerfect; Other Compensation. In consideration of the grant of rights by Peeerfect provided for herein, Insynergy agrees to pay Peeerfect compensation, if any, as follows:

(a) Insynergy agrees to pay Peeerfect a royalty of five percent (5%) of Direct Response Gross Sales Revenues and seven and one-half percent (7.5%) of Retail/Wholesale Gross Sales Revenues. "Direct Response Gross Sales Revenues" shall mean all gross revenues actually received by Insynergy during the Term in connection with the rights granted herein from direct response sales of the Product by Insynergy to U.S. consumers via television, radio, internet, print, catalogues and other forms of direct response marketing in which a consumer purchases the Product from Insynergy in direct response to an advertisement placed by or on behalf of Insynergy, reduced by returns, refunds, bad debts, chargebacks and check and credit card processing fees, and excluding costs and revenues associated with shipping and processing expenses and sales, excise, use or any other taxes (so long as such shipping and processing expenses and taxes are not included in Direct Response Gross Sales Revenues). "Retail/Wholesale Gross Sales Revenues" shall mean all gross revenues actually received by Insynergy during the Term in connection with the rights granted herein from worldwide sales of the Product by Insynergy to wholesalers and/or retailers for resale from which Insynergy receives no money directly from end-user consumers, reduced by returns, refunds, bad debts, chargebacks, check and credit card processing fees and sales allowances, sales commissions, slotting fees and markdowns, and excluding costs and revenues associated with shipping and processing expenses and sales, excise, use or any other taxes (so long as such shipping and processing expenses and taxes are not included in Retail/Wholesale Gross Sales Revenues). Notwithstanding anything contained herein to the contrary, in no event shall the royalty hereunder be lower than One United States Dollar (US$1.00) per each and every Product unit.

(b) In the event that Insynergy files an S-1 stock registration during the Term and such registration is approved by all applicable agencies and/or authorities during the Term, Insynergy agrees to issue in accordance with all applicable laws and regulations twenty-five thousand (25,000) restricted shares of common stock of Insynergy to each of Ofer Tvoua, Amir Tvoua, Mark Soffa and Mark Spallucci.

(c) In the event that all of Insynergy's assets are sold during the Term, an evaluation by Insynergy will be made regarding the contribution to Insynergy's overall value made by Peeerfect, if any, and a portion of the net proceeds from such sale shall be paid to Peeerfect in an amount determined by Insynergy in its sole discretion.

7. Payment; Accounting. Royalties hereunder shall be paid on a calendar quarterly basis accompanied by a royalty statement, and shall be due thirty (30) days after the quarter in which royalties have been earned. Each statement shall become binding on Peeerfect and Peeerfect shall neither have nor make any claim against Insynergy with respect to such statement unless Peeerfect shall advise Insynergy, in writing, of the specific basis of such claim within twenty-four (24) months after the date on which Insynergy sends such statement to Peeerfect. Peeerfect, upon at least thirty (30) days' prior written notice to Insynergy for administrative convenience, shall have the right to cause Peeerfect's representative to inspect, at Insynergy's offices during normal business hours, the financial books and records of Insynergy, at Peeerfect's expense, insofar as such books and records relate directly to such royalty calculation hereunder and the sales related to such royalty. Peeerfect shall be permitted to inspect such books and records no more frequently than one (1) time during any twelve (12) month period, and only one (1) time with respect to any statement rendered by Insynergy hereunder. Insynergy shall establish a ten percent (10%) reserve fund for returns, refunds, bad debts and chargebacks from the sales of the Product. Such reserves shall be self-liquidating on a calendar quarterly basis until Insynergy, upon written notice to Peeerfect, adjusts its reserves to reflect such actual expenses.

8. Obligations of Parties. The obligations of the parties shall be as follows:

(a) Insynergy. Insynergy shall be solely responsible for the following, all at Insynergy's sole discretion, and all fees, costs and expenses relating to all of the following: bearing all manufacturing and associated costs and expenses related to the Products; creation of graphics and packaging for the Product; coordination of advertising and promotion for the Product; creation and production of infomercials, commercials, dvds, radio spots and other productions for the Product; coordination of the manufacturing and shipping of the Product; creation and implementation of distribution channels for the Product; coordination of telemarketing services; coordination of fulfillment operations; purchase, coordination and analysis of media buying; coordination of all campaign management operations and logistics; creation and implementation of an internet website; and coordination of retail, wholesale and international marketing efforts for the Product. The rights granted herein shall include the right of Insynergy and its successors, assigns, designees, distributors, licensees, sub-licensees and affiliates to market with or in addition to the Product new or bundled products, continuity products, premiums or additional so-called upsell products of any kind, whether or not related to

the Product, to be offered or marketed by Insynergy in any manner in conjunction with or in association with the Product.

(b) Peeerfect. Peeerfect agrees to render the following services in connection with the Product: (a) provide reasonable consulting services relating to the Product; (b) provide any applicable electronic files such as key-art and cover-artwork files regarding the Product; (c) provide any and all existing tooling and molds for the Product, in each case for manufacturing purposes in the exercise of the rights and license granted by Peeerfect hereunder; (d) provide information concerning previous suppliers and sources of the Product; (e) provide comprehensive written substantiation of any and all Product claims that may be made and any and all tests on the Product performed prior to the date hereof; and (f) provide information relating to the Product generally.

9. Representations and Warranties. (a) Peeerfect hereby represents and warrants that: (i) Peeerfect has the right, power and authority to enter into this Agreement, to grant the rights set forth herein and to perform Peeerfect's obligations hereunder; (ii) Peeerfect has not previously entered into any agreement which would conflict with the rights granted or the obligations to be performed by Peeerfect hereunder, nor will Peeerfect do so during the Term; (iii) no consent or approval is required by any third party for Peeerfect to enter into this Agreement or to grant the rights set forth herein; (iv) Peeerfect solely owns all right, title and interest in and to the Product, the Intellectual Property and the inventions embodied therein; (v) there are no liens, charges or encumbrances of any type, kind or nature with respect to the Product or the Intellectual Property, nor will there be any during the Term; (vi) no actions, suits or claims or threatened actions, suits or claims are currently pending against Peeerfect or any of Peeerfect's affiliates relating to the Product or the Intellectual Property; (vii) no actions, suits or claims have ever been brought against Peeerfect or any of Peeerfect's affiliates relating to the Product or the Intellectual Property; (viii) Peeerfect owns or controls all rights in and to all of the Intellectual Property relating to the Product; (ix) Peeerfect has not heretofore assigned, transferred or otherwise disposed of any right, title, interest or license which Peeerfect owns or controls in the Product or the Intellectual Property, nor will Peeerfect do so during the Term; (x) Peeerfect is not in default under any agreement relating to the Product or the Intellectual Property; (xi) Peeerfect has the exclusive rights to advertise, promote, market, manufacture, distribute, sell and exploit the Product and any products covered by the Intellectual Property, and to use the Intellectual Property relating to the distribution of such products; (xii) to the best of Peeerfect's knowledge, neither the Intellectual Property nor the making, using, offering to sell and/or selling the Product will infringe upon the intellectual property rights of any person or entity; and (xiii) this Agreement constitutes a valid and legally binding obligation, enforceable in accordance with its terms. Following the execution hereof, Peeerfect agrees to notify Insynergy promptly with any information or development that is inconsistent with any of the above representations or

warranties.

(b) Insynergy hereby represents and warrants that: (i) Insynergy has the right, power and authority to enter into this Agreement, to grant the rights set forth herein and to perform Insynergy's obligations hereunder; (ii) Insynergy has not previously entered into any agreement which would conflict with the rights granted or the obligations to be performed by Insynergy hereunder; (iii) no actions, suits or claims or threatened actions, suits or claims are currently

pending against Insynergy or any of Insynergy's affiliates; and (iv) this Agreement constitutes a valid and legally binding obligation, enforceable in accordance with its terms.

10. Covenants. Peeerfect covenants and agrees as follows: (i) during the Term, and subject to the exclusivity conditions set forth in Paragraph 4 above, Peeerfect shall not create, develop, manufacture, sell, duplicate or reproduce the Product or any products similar to the Product for any other third party; (ii) during the Term, and subject to the exclusivity conditions set forth in Paragraph 4 above, Peeerfect shall not grant to any third party any private label rights, including marketing or distribution rights, relating to any products similar to the Product, without the prior written consent of Insynergy; (iii) during the Term, and subject to the exclusivity conditions set forth in Paragraph 4 above, Peeerfect shall not render services, directly or indirectly, to promote, endorse or advertise products which are identical, substantially similar or similar to the Product or which would be in competition with the Product; and (iv) during the Term, and subject to the exclusivity conditions set forth in Paragraph 4 above, Peeerfect shall not produce for itself, directly or indirectly, or for any other third party, any infomercial or commercial marketing or selling products which are identical, substantially similar or similar to the Product or which would be in competition with the Product. For purposes of this Agreement, the terms "directly or indirectly" mean on Peeerfect's own behalf or on behalf of a person or entity with respect to which Peeerfect has a business, financial or personal interest or affiliation.

11. Ownership Rights. Insynergy shall be the sole and exclusive owner throughout the universe in perpetuity of all right, title and interest in and to all infomercials, commercials, dvds, videos and similar ancillary productions concerning the Product, developed and/or caused to be produced by Insynergy and the materials upon which they are based, including, without limitation, the right at any time to make any revision of all or any part of such infomercials and productions, the copyrights in and to such infomercials and productions and any renewals and extensions of such copyrights; all distribution, exhibition and exploitation rights in any and all media, whether now known or hereafter devised; any and all allied, ancillary and subsidiary rights in and to such infomercials and productions; and all other tangible and intangible rights, properties and proceeds of every kind and nature in and to such infomercials and productions and in each and all of the foregoing, in every stage of development, production and completion, whether in existence or known now or in the future. Peeerfect hereby agrees that Peeerfect shall never file for copyright protection or make a claim of ownership or of any other rights to the

never file for copyright protection or make a claim of ownership or of any other rights to the infomercials and/or productions, any and all footage, and all versions thereof, and any and all materials made by Insynergy with respect to the infomercials and/or productions, whether now existing, or edited or revised or new versions thereof. The name, address, telephone number, e-mail address, credit card information and all other data collected by Insynergy regarding purchasers of the Product shall be owned exclusively by Insynergy. Any packaging, labeling, catalogs and other related materials for the Product created by Insynergy shall be owned exclusively by Insynergy. Insynergy shall be the sole and exclusive owner throughout the universe in perpetuity of all right, title and interest in and to any and all copyrights, trademarks, trade names, service marks, know-how, patents, inventions, formulae, confidential or secret processes, trade secrets and confidential information created or developed by Insynergy hereunder (explicitly except for the Intellectual Property). Insynergy shall be the sole and exclusive owner throughout the universe in perpetuity of all right, title and interest in and to all tooling/molds of the Product paid for by Insynergy, except as otherwise provided in Paragraph 4

hereof, and all continuity products, premiums and/or additional so-called upsell products developed by or for Insynergy. Notwithstanding anything to the contrary contained herein, other than the license granted to Insynergy pursuant to this Agreement, no right with respect to the Intellectual Property is hereby granted to Insynergy, and all rights related to such Intellectual Property shall be vested solely and exclusively with Peeerfect.

12. Rights of Refusal. During the Term, Peeerfect hereby grants to Insynergy the following rights: (a) the first right of refusal on all products and designs that Peeerfect creates, develops and/or invents; and (b) the first right of refusal to act as the broker for a fee to be agreed-upon by the parties in connection with any possible merger, acquisition, sale or similar reorganization involving Peeerfect and/or Peeerfect's rights to the Product and/or the Intellectual Property. In each case, Peeerfect agrees to submit a proposal to Insynergy for its review. If Insynergy fails to respond to such a submission by Peeerfect within 15 business days of receipt or advises Peeerfect that it does not desire to acquire such rights, Peeerfect shall be free to grant such rights to a third party on terms the same or less favorable to such third party than those last offered to Insynergy. If Insynergy advises Peeerfect that it desires to acquire such rights, the parties agree to negotiate in good faith for a period of 30 days from the date of Insynergy's response, and the terms and conditions regarding such rights would be covered by a separate agreement between the parties. If the parties fail to reach agreement during such 30-day period, Peeerfect shall thereafter be free to grant such rights to a third party on terms the same or less favorable to such other party than those last offered to Insynergy.

13. Confidentiality. (a) Peeerfect agrees to hold all proprietary information and materials received from Insynergy or its affiliates or learned during the Term, whether orally or in written form or otherwise, relating to Insynergy's or its affiliates' products or the business being conducted by Insynergy or its affiliates ("Insynergy's Proprietary Information") in strictest con-

fidence and not to use in any manner or to disclose Insynergy's Proprietary Information to any third party except as required by law, pursuant to court order or legal process. Insynergy agrees to hold all proprietary information and materials received from Peeerfect or its affiliates or learned during the Term, whether orally or in written form or otherwise, relating to Peeerfect's or its affiliates' business being conducted by Peeerfect or its affiliates ("Peeerfect's Proprietary Information") in strictest confidence and not to use in any manner or to disclose Peeerfect's Proprietary Information to any third party except as required by law, pursuant to court order or legal process.

(b) Peeerfect agrees to keep the terms and conditions contained in this Agreement confidential, and agrees not to disclose said terms and conditions to any third parties other than Peeerfect's professional representatives unless otherwise required by law. Unless approved by Insynergy in advance, Peeerfect shall not make any public announcement, issue any press release or other publicity or confirm any statements by third parties concerning the transactions contemplated hereby, except as otherwise required by law.

14. Indemnifications; Breach. Peeerfect agrees to indemnify, defend and hold harmless Insynergy and its officers, directors, shareholders, employees, affiliates, representatives, agents, attorneys, distributors, licensees, sub-licensees, successors and assigns from and against any and all direct losses, costs, damages, claims, suits, actions, judgments, demands, obligations, debts,

liabilities, agreements and expenses whatsoever, (including, without limitation, attorneys' fees and court costs) arising out of or in connection with (i) any breach by Peeerfect of any covenant, representation, warranty or agreement made by it contained herein; (ii) any action claiming ownership or other rights to the Intellectual Property; or (iii) claims of patent or trademark infringement or other intellectual property infringement relating to the Product or the Intellectual Property. Insynergy agrees to indemnify, defend and hold harmless Peeerfect and its officers, directors, shareholders, employees, affiliates, representatives, agents, attorneys, licensees, successors and assigns from and against any and all direct losses, costs, damages, claims, suits, actions, judgments, demands, obligations, debts, liabilities, agreements and expenses whatsoever (including, without limitation, attorneys' fees and court costs) arising out of or in connection with (i) any breach by Insynergy of any covenant, representation, warranty or agreement made by it contained herein or (ii) claims of patent or trademark infringement or other intellectual property infringement relating to the intellectual property of Insynergy. Neither party shall be deemed in breach of this Agreement unless and until the non-breaching party has given the breaching party written notice of any alleged breach and the breaching party has failed to cure such alleged breach within thirty (30) days after receipt of such written notice. Peeerfect's sole and exclusive rights and remedies in the event of a breach of this Agreement by Insynergy or otherwise, shall be an action to recover money damages, if any, and Peeerfect irrevocably waives any right to rescission or equitable or injunctive relief, including, without limitation, enjoining or restraining the use or exploitation of the Intellectual Property or the advertising, promotion, marketing,

manufacturing, distribution, sale and/or exploitation of the Product.

15. Infringement. Peeerfect shall promptly notify Insynergy of any information obtained regarding infringements or imitations by third parties of the Product or the Intellectual Property. Peeerfect hereby transfers and grants to Insynergy during the Term the sole and exclusive right to: (i) to bring suit in Insynergy's own name, in its sole discretion, or if required by law, in Peeerfect's name or jointly with Peeerfect, at Insynergy's expense; (ii) in any such suit to enjoin infringements and to collect damages, profits and awards of whatever nature recoverable for such infringements; and (iii) to settle any claim or suit for infringements of the Product or the Intellectual Property by granting the infringing party a royalty. In such case, Insynergy may in its sole discretion, undertake such enforcement efforts and shall have the right to select legal counsel and to control the enforcement efforts, including, without limitation, the settlement thereof. If Insynergy undertakes the defense or prosecution of any litigation relating to the Product or the Intellectual Property, Peeerfect agrees to fully cooperate with Insynergy in any such proceeding, to join with Insynergy as a party to any action brought by Insynergy if required or requested by Insynergy, and to execute any and all documents and do all acts which may be necessary or of aid, at the determination of Insynergy 's legal counsel, to carry out such litigation. Insynergy shall fully inform Peeerfect of the status of any such enforcement efforts. Peeerfect shall have the right but not the obligation to contribute up to fifty percent (50%) of the applicable attorneys' fees, costs and expenses regarding any such enforcement efforts. The "net proceeds," if any, of any settlement, judgment or award resulting from such enforcement efforts shall be shared by Insynergy and Peeerfect in proportion to the contribution made by each party to the applicable attorneys' fees, costs and expenses. For example, if Insynergy contributed sixty percent (60%) of the applicable attorneys' fees, costs and expenses, then Insynergy would receive sixty percent (60%) of the resulting "net proceeds." For purposes of this Agreement, "net proceeds" shall mean the total of all amounts received from any such settlement, judgment

or award less the total attorneys' fees, costs and expenses incurred by Insynergy relating thereto (before Peeerfect's contribution to such fees, costs and expenses). To exercise the rights granted Insynergy above, Insynergy is hereby authorized to execute any and all documents and instruments in Peeerfect's name, place and stead and as Peeerfect's attorney-in-fact, which power is coupled with an interest and is irrevocable. Peeerfect shall execute any such Power of Attorney or other documents reasonably needed by Insynergy to take any of the foregoing actions and to act in the name, place and stead of Peeerfect.

In the event Insynergy elects not to sue for any such infringements, the right to sue herein granted to Insynergy shall forthwith become non-exclusive, and Peeerfect shall thereafter have the right to sue for the infringement at Peeerfect's sole cost and expense, and to collect for its own use all damages, profits and awards of whatever nature recoverable for such infringement.

16. Entire Agreement; Amendments. This Agreement constitutes the entire understanding

between the parties hereto with respect to the subject matter hereof and supersedes any prior understandings or agreements between the parties hereto. There are no representations, agreements, arrangements or understandings, oral or written, between the parties relating to the subject matter of this Agreement which are not fully expressed herein. This Agreement cannot be modified, altered or otherwise amended except by an agreement in writing signed by all of the parties hereto.

17. Notices. All notices, requests, demands and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed received (i) on the same day if delivered in person, by same-day courier or by facsimile transmission; provided that if sent by facsimile transmission, a copy is also sent by certified mail, return receipt requested, postage prepaid, (ii) on the next day if delivered by overnight mail or courier, or (iii) the date of deposit in the mails if being sent by certified mail, return receipt requested, postage prepaid, to the parties at their addresses as set forth at the beginning of this Agreement. Any of the parties to this Agreement may from time to time change such party's address for receiving notice by giving written notice thereof in the manner set forth herein.

18. Assignments. Insynergy shall have the right to assign, license or sublicense any of its rights or obligations in full or in part to any third party. Peeerfect shall not have the right to assign any of Peeerfect's rights or obligations to any third party without the prior written consent of Insynergy. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective officers, directors, shareholders, managers, members, employees, agents, affiliates, successors and permitted assigns.

19. Severability; No Adverse Construction. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction. The rule that an agreement is to be construed against the party drafting the agreement is hereby waived by the parties hereto, and shall have no applicability in construing this Agreement or the terms of this Agreement.

20. Independent Contractor. Neither party nor any of its officers, employees, managers, agents or representatives is a partner, employee or agent of the other party for any purpose whatsoever. Rather, each party is and shall at all times remain a separate legal entity from the other and each shall be an independent contractor responsible only for such party's own actions. Accordingly, nothing contained in this Agreement shall be construed as establishing an employer/employee, partnership or joint venture relationship between Peeerfect and Insynergy. Each party shall have sole control of the manner and means of performing its obligations under

this Agreement. Neither party has, nor shall it hold itself out at as having, any right, power or authority to create any contract or obligation, either express or implied, on behalf of, in the name of, or binding upon the other party, except as provided herein. Each party shall have the right to appoint and shall be solely responsible for its own employees, agents and representatives, who shall be at such party's own risk, expense and supervision and shall not have any claim against any other party for compensation or reimbursement except as specifically set forth herein. Except as otherwise specifically provided in this Agreement, each party will be responsible for all expenses and disbursements such party incurs in connection with its performance under this Agreement, including any taxes it may incur.

21. **Legal Counsel. Each of the parties acknowledges that such party had the right and opportunity to seek independent legal counsel of such party's own choosing in connection with the execution of this Agreement, and each of the parties represents that such party has either done so or that such party has voluntarily declined to do so, free from coercion, duress or fraud.**

22. LIMITATION OF LIABILITY. IN NO EVENT SHALL EITHER PARTY HAVE ANY LIABILITY TO THE OTHER PARTY, THE OTHER PARTY'S AFFILIATES, OR ANY THIRD PARTY, FOR ANY CAUSE OF ACTION RELATING TO THIS AGREEMENT FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL OR SPECULATIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS OR USE, BUSINESS INTERRUPTION, OR LOSS OF GOODWILL, IRRESPECTIVE OF WHETHER SUCH PARTY HAS ADVANCE NOTICE OF THE POSSIBILITY OF SUCH DAMAGES.

23. Counterparts; Facsimile; Survival. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed by facsimile or electronic scanned copy, and signatures on a facsimile or scanned copy hereof shall be deemed authorized original signatures. The provisions of Paragraphs 1, 2, 4, 9 and 11 through 24 shall survive any expiration or termination of this Agreement.

24. Governing Law; Jurisdiction. The provisions of this Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of California, without reference to choice or conflicts of law principles. Any and all suits or actions, whether federal or state, for any breach of this Agreement, or otherwise arising out of this Agreement, shall be filed and prosecuted in any court of competent jurisdiction in Los Angeles, California. The parties hereto hereby consent and submit to the jurisdiction of the courts in Los Angeles, California and hereby agree that service of process on any party may be effected by certified mail, return receipt requested, postage prepaid. Each of the parties waives any objection which it may have based on

improper venue or forum non conveniens to the conduct of any such suit or action in any such

court. If any action, suit or other proceeding is instituted to remedy, prevent or obtain relief from a default in the performance by any party of such party's obligations under this Agreement or for injunctive relief or otherwise, the prevailing party shall recover all of such party's reasonable attorneys' fees and costs incurred in each and every such action, suit or other proceeding, including any and all appeals or petitions therefrom.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first set forth above.

INSYNERGY PRODUCTS INC.

By:_____
Sandy Lang, CEO

Peeerfect FIT, LLC

By:_____
Ofer Tvoua
Title: _____

By:_____
Amir Tvoua
Title: _____

By:_____
Mark Sofia

By:_____
Mark Spallucci

Dear Valued Merchant and Customer –

Thank you for choosing Moneris Solutions' eSELECTplus payment-processing solution. The following information is required to activate the eSELECTplus service:

Merchant Information

Merchant Name : INSYNERGY PRODUCTS INC.
Moneris Merchant ID : 295349407888
eSelect plus Store ID : monus14287

eSELECTplus Activation

To activate the eSELECTplus service and create your administrator logon, please follow the steps below:

1. **Visit https://esplus.moneris.com/usmpg/activate/**
2. **Enter the requested information**
3. **Click activate**

Once you have successfully activated your eSELECTplus account, you may begin accepting transactions by signing into eSELECTplus Virtual Terminal at: https://esplus.moneris.com/usmpg

For a copy of the eSELECTplus Merchant Resource center user's guide please check the below link:

https://esplusqa.moneris.com/connect/en/documents/index.html

If you have received a Pinpad for Pin debit processing please refer to the user's guide for installation procedures.

Please retain this information for future reference as you will need to provide your Merchant ID, Store ID anytime you require merchant or technical support.

Financial inquiries should be directed to Merchant Customer Service at:

- **1-800-471-9511** supportinfo@moneris.combetween Monday to Friday from 7:30 a.m. - 5:30 p.m. CST

For eSELECTplus technical support please call:

- **1-866-696-0488**, or email: **eselectplus@moneris.com**

Thanks again for choosing Moneris Solutions!

MERCHANT *EZ* APPLICATION

Moneris SOLUTIONS

Additional Location ☐ Yes ☐ No	Partner Name *(If Applicable)* Direct Merchant 000	APP ID
MID		

Global Table Number FOR INTERNAL USE ONLY

CREDIT CARD SCHEDULE OF RATES AND FEES

Do you currently accept credit cards? ☑ No ☐ Yes *(If Yes, you should submit 3 most recent months' statements)* ☐ AutoDebit Only ☐ GETI ☐ Other

Name of Current Processor Reason Leaving

CREDIT CARD: Average Ticket Size $ 100.00 | Annual Volume $ 35,000.00 | ☐ Program Code: | ☐ Promo Code:

Explain Intended Use of Payment Services:

Merchant elects to accept the following cards at the rates/fees below *(choose one)*: ☐ Debit Cards ☐ Other Cards ☑ All Cards ☑ Gross ☐ Net ☐ Gross Gross

STANDARD RATES

Visa® / MasterCard® / Discover®	Credit	Off-line Debit
Qualified	2.490 %	%
Mid-Qualified*	%	%
Non-Qualified	%	%

*Mid-Qualified rate not applicable for Discover® transactions whose pricing is based on Mail / Telephone or Internet

Discover® (Retained):

AUTHORIZATION

Visa®/MasterCard®/Discover®	$ 0.20
Non-Bank Card	$ 0.16
Batch Header	$ 0.00
Interchange/Assessments Plus ☐	%
Billback Surcharge ☑	%
BankCard Per Item	$

DEBIT

PIN Debit Transaction Per Item	$
PIN Debit Interchange Fee ☐	%
PIN Debit Discount Rate	%
Access Fee	$

STANDARD FEES

Application Fee	☐	$
Set-Up Fee		$
Monthly Maintenance		$ 5.00
Monthly Minimum		$ 25.00
Annual Fee *(To be charged annually)*		$
Value Package		$
Monthly PCI Program Fee		$ 6.95
Monthly PCI Non-Compliance Fee **		$ 19.95

** *Only applies to non-compliant merchants*

REPORTING OPTIONS BASED UPON ELECTION

Online Reporting / per account	☑ Yes	$ 0.00
Paper Statement / per account	☑ Yes	$ 0.00
E-Statement / per account	☐ Yes	$

PER OCCURRENCE

Bank Reject Fee		$ 25.00
Voice Call Authorization / ARU		$ 1.50
Touchtone Per Item		$ 1.00
Terminal Re-Programming Fee	☐	$
Terminal Return Fee		$
Chargebacks		$ 20.00
Retrievals		$

MISCELLANEOUS SERVICES

INTERNET GATEWAY

One-Time License Fee	$
Monthly Gateway Fee	$ 9.95
Gateway Per Item Fee	$

WIRELESS

One-Time Set-Up Fee	$
Monthly Wireless Fee	$
Wireless Per Item Fee	$

OTHER

Address Verification Service Fee (AVS)		$
EBT Transaction Per Item Fee		$
Micros Trans Fee		$
EIDS Per Set-Up Fee	☐ Yes	$
Rewards	☐ Yes ☐ No	
Convenience Fee***	☐ Fixed	$
	☐ Percentage	%

*** *Network Fees may apply to certain Merchants assessing a convenience fee.*

MONERIS VAULT	*Monthly Fee/Record*	*Monthly Fee*
	$	$

Rates and fees are based on proposed volume of transactions listed in Merchant's application and above, and corresponding levels of interchange applicable thereto, and are subject to adjustment by Bank or Card Associations based upon actual volume levels and qualifications for interchange. Early Termination Fee is calculated based on the greater of Two Hundred Fifty Dollars ($250) or Bank's average monthly volume derived from processing Merchant's transactions (based on an average of the highest three (3) months of processing volume **during the previous or current term of the Agreement, whichever is greater**), multiplied by **.003**, multiplied by the number of full and partial months remaining in the term of the Agreement. Certain administrative charges may be assessed as specified in Sections 6 and 10 of this Agreement. If Merchant elects an option other than "All Cards" but later submits a transaction in another category, Bank will process the transaction pursuant to the terms of this Agreement and assess the appropriate fee. Gross billing is defined as fees charged on gross sales volume. Gross-Gross billing is defined as fees charged on gross sales volume and credit volume. Net billing is defined as fees charged on net sales volume. **Rewards Discount Rate for sales and credits: An additional 0.20% over the credit Qualified, Mid-Qualified, Non-Qualified Discount Rates.**

NETWORK AND OTHER FEES

VISA®

- **Acquirer Processing Fee*** ..... Currently $0.02 per authorization.
- **International Fee (IAF)*** ..... Currently 0.45% or 0.90% per settled transaction based on your merchant category code.
- **ISA Fee*** ..... Currently 0.40% of Visa International Sales Volume.
- **Cash Advance Fee (ISA)*** ..... Currently 0.40% of Visa International Sales Volume.
- **Misuse of Auth Fee*** ..... Currently $0.045 per authorization.
- **Zero Floor Limit Fee*** ..... Currently $0.10 per Visa transaction without proper authorization.
- **Assessment Fee*** ..... Currently 0.11% of sales volume.

** Pricing may increase due to any increases in association and other third party fees, which will be passed through to you.*

MASTERCARD®

- **Network Access Usage Fee*** ..... Currently $0.02 per transaction.
- **Cross-Border Fee*** ..... Currently 0.40% of MasterCard International Sales Volume.
- **Acquirers Program Support Fee*** ..... Currently 0.55% of MasterCard International Sales Volume.
- **Assessment Fee*** ..... Currently 0.12% of sales volume.
- **Acct Status INQ SVC INTRAREGIONAL** ..... $0.025 per transaction
- **Acct Status INQ SVC INTERREGIONAL** ..... $0.03 per transaction
- **Processing Integrity Fee** ..... $0.045 per authorization (that is not cleared or reversed)

DISCOVER®

- **Data Usage Fee*** ..... Currently $0.02 per transaction
- **International Processing Fee*** ..... Currently 0.40% per settled international transaction.
- **International Service Fee*** ..... Currently 0.55% per settled international transaction.
- **Assessment Fee*** ..... Currently 0.10% of sales volume.

AMERICAN EXPRESS CARD® ACCEPTANCE

Choose Only One ☐ New ☐ Existing	Existing American Express® Merchant Number	Expected Monthly Card Sales $	Estimated Average Ticket $

Choose Only One ☐ Discount Rate ____ % ☐ Paper ____ % ☐ Monthly Flat Fee $7.95 Annual Volume $ ____ *($0.00 - $4,999 net annual volume only)*

Franchise Name

Franchise Cap#

Choose Only One Transaction Fee
☐ Retail + $0.10 Transaction Fee + 0.30% Card Not Present Downgrade
☐ Services, Wholesale & All Other + $0.15 Transaction Fee

Choose only one ☐ Monthly Gross Pay ☐ Daily Gross Pay *(+0.03% if $100,000 or more)*

Home Based ☐ Yes ☐ No

Pay Frequency *(in days)* ☐ 3 ☐ 15 ☐ 30

By signing the Merchant Acceptance, I, for myself and on behalf of Merchant, represent that I have read and am authorized to sign and submit this application on behalf of the Merchant above, and all information I have provided on the Moneris Solutions EZ Application (the "Application") is true, complete, and accurate. Merchant requests that American Express Card® acceptance be added to my Merchant Services Agreement. I authorize American Express Travel Related Services Company, Inc. ("American Express") to verify the information in this application and receive and exchange information about me personally, including by requesting reports from consumer reporting agencies. I authorize and direct American Express to inform me directly, or through the Merchant above, of reports about me that American Express has requested from consumer reporting agencies. Such information will include the name and address of the agency furnishing the report. I understand that upon American Express' approval of the Merchant indicated above to accept the American Express card, the terms and conditions for American Express Card acceptance ("Terms and Conditions") will be sent to such Merchant along with a welcome letter. By accepting the American Express Card for the purchase of goods and/or services, or otherwise indicating its intention to be bound, the Merchant agrees to be bound by the Terms and Conditions.

JCB®, DINERS CLUB INTERNATIONAL® ACCEPTANCE

By accepting Discover® you are eligible to accept JCB® and Diners Club International® cards

EBT

☐ Cash Benefit ☐ Food Stamps **FCS ID:**

Moneris SOLUTIONS

MERCHANT *EZ* APPLICATION

Additional Location ☐ Yes ☐ No | Partner Name (*If Applicable*) Direct Merchant 000 | APP ID

MID

VENDOR (FRONT END PLATFORM)

☑ Moneris Host (Base 24) ☐ TSYS ☐ FDMS-Nashville ☐ Other

Time Zone CST **Auto close:** ☐ No ☑ Yes Time 9 ☐ a.m. ☑ p.m.

EQUIPMENT

TERMINALS*: Type ☐ DSL/IP ☐ Dial-Up ☐ Wireless
Rush Shipping Fee $
☐ OWN Serial #
Sim Card #
☑ RENTAL Fee $ x Quantity Total: $ 0.00
☐ PURCHASE Price $ x Quantity Total: $ 0.00
** if additional terminal type use "Other" section*

PIN PADS: Type ☐ USB ☐ Serial
☐ Encryption Fee $ ☐ Swap Fee $
☐ OWN Serial #
☐ RENTAL Fee $ x Quantity Total: $ 0.00
☐ PURCHASE Price $ x Quantity Total: $ 0.00

PRINTERS:
☐ OWN Type:
☐ RENTAL Fee $ x Quantity Total: $ 0.00
☐ PURCHASE Price $ x Quantity Total: $ 0.00

OTHER:
☐ OWN Serial #
☐ RENTAL Fee $ x Quantity Total: $ 0.00
☐ PURCHASE Price $ x Quantity Total: $ 0.00

Imprinters (Cost $26.00 each): Purchase Quantity @ $26.00 ea. = Total: $ 0.00 **Plates:** Quantity **Size:** ☐ 1-1/8" x 2-5/8" (Std size) ☐ 1-1/16" x 1-3/4" (AMEX)

Terminal Application: ☑ Retail/MOTO ☐ Restaurants w/tips ☐ Restaurants w/o tips ☐ Hotel/Lodging ☐ QSR ☐ EBT ☐ PIN Debit

Terminal Feature: ☐ Multi-merchant ☐ Main Account ☐ Main Account #:

Optional Processing Features:

For outside line, dial: ( ) ☐ Receipt Message Header:

Training: ☐ Agent ☑ Phone (Default) ☐ Receipt Message Footer:

PC SOLUTIONS

SOFTWARE: SOFTWARE VERSION: ☐ Upgrade ☐ Own ☐ Purchase: Software Purchase Price $

☐ IC Verify ☐ Other PA DSS Compliant Software: ☐ Other PA DSS Compliant Software Version:

Communication Type: ☐ Dial ☐ IP User License: ☐ Single ☐ Multi Serial No.

INTERNET SOLUTIONS

☑ eSELECTplus

ENVIRONMENT ☐ Consumer Present ☑ eCommerce / MOTO
GATEWAY INTERFACE (*Check one or more*) ☐ API Integration / Direct Host ☐ Batch Upload ☑ Virtual Terminal ☐ Hosted Pay Page
PAYMENT TYPE ☑ Credit Card ☐ Check Conversion ☐ AutoDebit ☐ Pinless Debit ☐ Pin Debit

FEATURED FUNCTIONALITIES (*Check one or more*)
☐ MAG Swipe Credit ☐ Recurring Payment ☐ VBV (VISA)
☐ Convenience Fee ☑ Address Verification Service (AVS)
☐ SECURE CODE (MC) ☑ Card Validation Value (CVV) ☐ Dynamic Descriptor
☐ **MONERIS VAULT** *Monthly Fee/Record* $ *Monthly Fee* $

SYSTEM: ☐ PC ☐ MAC
GATEWAY: ☐ USA ePay ☐ USA ePay w/MCP ☐ USA ePay Swipe ☐ Authorize.net ☐ Own *OR* ☐ PURCHASE: Gateway Purchase Price $
☐ Other Gateway (*name*): ☐ MCP ☐ Sage Gateway: P-Card Level 3 (eCommerce / MOTO Only)

SYSTEM INTEGRATOR (Send Gateway/PC/Terminal Set-Up Information to)

Technical Contact or System Integrator Name: Marty Goldrod | Phone NO. ( ) | Email Address mgold919@aol.com
If contact is different than System Integrator fax to: Company | Fax NO. ( ) | Attention

MID / TID EMAIL NOTIFICATION

Email Address | Email Address | Email Address | Email Address

SHIPPING INSTRUCTIONS

SHIP TO: ☐ Merchant's DBA Address ☐ Merchant's Legal Address ☐ Different Address (*provide below*) ☐ Bill Agent for Purchase and Shipping

Name | Street | City | State/*Province* | Zip/*Postal Code*

MERCHANT SITE SURVEY REPORT (To Be Completed by Sales Representative)

Is the merchant's DBA name displayed at the facility? (*Exterior signage?*) ☐ Yes ☐ No (*If No, Explain*):
Does the address match that of the merchant's application? ☐ Yes ☐ No (*If No, Explain*):
Does the merchant have appropriate/sufficient equipment/inventory consistent with the type of business and projected sales volume and average ticket?
☐ Yes ☐ No (*If No, Explain*):
Does the merchant: ☐ Own ☐ Lease ☐ Other (*Explain*): Do they have a website? ☐ Yes ☐ No Is it currently functioning? ☐ Yes ☐ No
Further comments by the inspector: What is the URL:
I hereby certify the above information and recommend this Merchant Application based on the site inspection completed on this date: / /
Premises inspection completed by: *Sales Representative Signature* Print Name Title
X

Moneris SOLUTIONS

MERCHANT *EZ* APPLICATION

Additional Location ☐ Yes ☐ No	Partner Name *(If Applicable)* Direct Merchant 000	APP ID
MID		

Name of Account *(Doing Business As)*	Contact	Tax Filing Name (Same as Legal Name)	Are you a Foreign Entity?
Insynergy Products, Inc.	Marty Goldrod	SAME	☐ Yes ☑ No

Address *(No P.O. Box)*	Legal Address
12400 Venttura Blvd STE 900	SAME
City, State/*Province*, Zip/*Postal Code*	City, State/*Province*, Zip/*Postal Code*
Sutdio City CA 91604	SAME

DBA Phone NO.	Retrieval Method: ☑ Mail ☐ Fax ☐ EIDS ☐ Mail & EIDS ☐ Auto Fax & EIDS	Client Contact	Phone NO.	Fax NO.
( )			( )	( )

Mailing Name and Address *(if different from above)* ATTN:	Website Address www.
Merchant Customer Service Phone Number ( )	Merchant Email Address

MERCHANT PROFILE

Type of Ownership: ☐ Sole Proprietorship ☐ Partnership ☐ Limited Liability Company (LLC) ☐ Not for Profit ☑ Private Corporation ☐ Public Corporation – *Ticker Symbol:*

Pricing based on: ☐ Retail ☑ Mail/Telephone ☐ eComm Basic ☐ eComm Preferred (VBV) ☐ IVR ☐ Restaurant ☐ Utilities ☐ Other *(Explain)*:

Percent of Business:	Card Swiped %	Mail Order/Telephone 100 %	eCommerce %	Manual Key Entry with Imprint, Customer Present %

One Time Event: ☐ Yes ☑ No Date Seasonal Sales: ☐ Yes ☑ No High Volume Months Dollar Volume $

Describe goods or services sold:

When are your services or products delivered? ☑ Within 1 Day ☐ Within 1 Week ☐ Within 30 Days ☐ Other:

Current PCI DSS Compliance Status *(Please explain)*

TAXPAYER IDENTIFICATION NO. ☑ ***FEIN*** ☐ ***SSN*** ☐ ***GST***	Number of Locations	Years in Business	Years Owned Business
	1	5	5

OWNERS (Must be a Majority or Primary) / OFFICERS

NAME (1) SANDY LANG	Title CEO	Percentage Ownership 70 %	Email Address sandylang@sbcglobal.net
Social Security # /*Insurance #* 267 72 9762	Date of Birth 8-31-45	Driver's License # N4760339	Home Phone (818) 769-5555 Mobile Phone (818) 635-9444
Home Address 5120 WHITSETT AVE ☑ Own ☐ Rent	City VALLEY VILLAGE	State/*Province* CA	Zip/*Postal Code* 91607 Years There 20
Previous Employment *(if less than 1 year in current employment)*	Title	How Long?	Type of Business

NAME (2) MARTY GOLDROD	Title COO	Percentage Ownership 30 %	Email Address mgold919@aol.com
Social Security # /*Insurance #* 555-58-5230	Date of Birth 9-19-41	Driver's License # H0013494	Home Phone (818) 618-3038 Mobile Phone (818) 618-3038
Home Address 12400 VENTURA BLVD #645 ☐ Own ☒ Rent	City STUDIO CITY	State/*Province* CA	Zip/*Postal Code* 91604 Years There 10
Previous Employment *(if less than 1 year in current employment)*	Title	How Long?	Type of Business

BANK INFORMATION (Primary Settlement Account)

Bank Name	Contact	Phone NO.	Fax NO.
		( )	( )

Transit # (ABA Routing)		DDA # (Checking/Savings)	

SECOND BANK INFORMATION (If applicable)

Bank Name	Contact	Phone NO.	Fax NO.
		( )	( )

Transit # (ABA Routing)		DDA # (Checking/Savings)	

PREPARED BY FIELD SALES REP	Email	FIELD SALES ID
		FOR INTERNAL USE ONLY

Prepared by Inside Sales Rep *(if applicable)*	INSIDE SALES ID
Matt Dwyer	1 0 0 7 6 2

Range #	Book Number	Corporate Field	Chain #
2 9 5 9 7 0 0 0 0 8 8 7	39		

Moneris SOLUTIONS

MERCHANT *EZ* APPLICATION

Pre-Note ☐ MCC ☐

Additional Location ☐ Yes ☐ No	Partner Name (If Applicable) Direct Merchant 000	APP ID
MID		

CARD NOT PRESENT INFORMATION (If Applicable)

For merchants who process MORE THAN 20% of their bankcard transactions, or volume, without physically swiping the credit card, we ask that you complete the following information in its entirety.

Provide a full description of the product or service you provide to the cardholder:

How will you receive cardholder data? ☐ Phone ☐ Fax ☐ Internet ☐ Mail

For Internet orders, please provide us with your active URL:

(If site is not active, please provide a test site with a user name and password if one is needed. Please also note that for our internet merchants, we ask that your website meet specific security and disclosure criteria.)

When do you typically charge the cardholder? ☐ BEFORE or ☐ AFTER the product/service is provided to the cardholder

What is your general breakdown of billing?

% At time of purchase	% Monthly	% Quarterly	% Annually	% Other, *explain:*

What is the average amount of time *(in days)* that it will take for the cardholder to receive the product/service? *(days)*

What is your target geographic area?

% United States	% Canada	% Other:

For your product/service, do you outsource any of the following? ☐ Customer Service ☐ Product Shipment ☐ Handling of Returns ☐ Cardholder Billing ☐ Fulfillment House

If Yes to any of the above, please list the name(s), address(es) and phone number(s) of those fulfillment organizations:

1. 2.

For merchants who receive cardholder data from the Internet, please advise if any part of your website is outsourced to a third party? Common examples include:

☐ Shopping Cart ☐ Hosting Solutions ☐ Gateway ☐ Cardholder Data Storage ☐ Other, *explain:*

In some cases, we may require certificates from those third parties confirming their compliance in protecting cardholder data.

REFUND POLICY: ☐ No Refunds ☐ Refund Within 30 Days ☐ Damaged/Defective Merchandise Only ☐ Restocking Fee Charged ☐ Store Credit Only ☐ Return Authorization Required (RM/RMA) ☐ Other

Should Merchant alter or change any aspect of the business from that described herein, or if any information changes, without prior notice to and approval by Bank, then Merchant will be subject to termination. Also, Merchant agrees to obtain, abide by, and fully comply with protecting cardholder data as described at www.pcisecuritystandards.org.

PERSONAL GUARANTY

Name of Guarantor: Merchant Name:

To induce BMO Harris Bank N.A., Moneris Solutions, Inc. (collectively "Bank"), and Global eTelecom, Inc. ("GETI") and all other Moneris Solution third party providers to enter into the Merchant Services Agreement and/or any agreements for GETI services (the "GETI Agreements"), the Guarantor(s) indicated below jointly and severally, unconditionally and irrevocably, guarantee the continuing full and faithful performance and payment by Merchant of each of its duties and obligations to Bank and GETI (collectively, the "Guaranty Recipients") pursuant to the Merchant Services Agreement and the GETI Agreements (collectively, the "Agreements"), as they now exist or as amended from time to time, with or without notice. This guaranty is a guaranty of payment, and not of collection, and a debt of Guarantor for his or her own account. Accordingly, none of the Guaranty Recipients shall be required before enforcing this guaranty against Guarantor: (1) to pursue any right or remedy any of the Guaranty Recipients may have against Merchant or any other Guarantor; (2) to make any claim in a liquidation or bankruptcy of Merchant or any other Guarantor of these obligations; or (3) to make demand of the Merchant or any other Guarantor of these obligations or to seek to enforce or realize upon any collateral security held by any of the Guaranty Recipients which may secure these obligations. The guaranty shall not be discharged or otherwise affected by any waiver, indulgence, compromise, settlement, extension of credit, or variation of terms of the Agreements. I/We waive any notice of acceptance of this guaranty, notice of non-payment or non-performance of any provision of the Agreements by Merchant, and all other notices or demands regarding the Agreements. I/We agree to promptly provide to the Guaranty Recipients any information requested from time to time concerning my/our financial condition, business history, business relationships and employment information. This guaranty will not be discharged or affected by the death of the Guarantors, will bind all heirs, administrators, representatives and assigns and may be enforced by or for the benefit of any successor of the Guarantee Recipients. Guarantor(s) understand that the inducement to the Guaranty Recipients to enter into the Agreements is consideration for the guaranty, and that this guaranty remains in full force and effect even if the Guarantor(s) receive no additional benefit from the guaranty.

Signature of Guarantor, as an individual

X [signature] 5120 WHITSETT Ave, VALLEY VILLAGE, CA 91607

Printed Name and Home Address of Guarantor

MERCHANT AUTHORIZATION AND ACCEPTANCE

The owner, officer, partner, or member signing this Merchant Application (the "Signing Party") represents that the Signing Party is authorized to sign the Merchant Application (the "Application") and enter into the Merchant Services Agreement (the "Agreement"). The Signing Party also represents and warrants that the Application and all information and documentation submitted in connection with the Agreement is true, complete and correct. All requested information must be provided for the Application to be processed. If the information provided on the Application or elsewhere cannot be verified, then the Application may be denied. Merchant and its owner have authorized, and shall continue to authorize Bank, Moneris, their third party providers and their representatives and affiliates to obtain and verify any financial and credit information regarding Merchant and its owner, and to share such information amongst Bank, Moneris, their third party providers and their affiliates and their representatives.

Notice: To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an Agreement. This means that when you enter into an Agreement we will ask for name, address, date of birth and other information that will allow us to identify you or the entity on whose behalf you are signing.

MERCHANT HAS READ AND UNDERSTANDS ALL OF THE TERMS OF THE AGREEMENT SET FORTH ON THE MONERIS AGREEMENT WEBSITE (https://www.monerisusa.com/terms-and-conditions) AND ACCEPTS AND AGREES WITH ALL SUCH TERMS. IF BANK AND/OR MONERIS AGREE TO PROVIDE SERVICES TO MERCHANT, SUBMISSION OF ANY TRANSACTIONS OR ITEMS TO BANK, MONERIS OR ITS THIRD PARTY PROVIDERS CONSTITUTES CONSENT TO THE AGREEMENT TERMS AND CONDITIONS AND THE TERMS AND CONDITIONS RELATED TO ANY OTHER SERVICES MERCHANT HAS ELECTED TO RECEIVE.

SIGNATURE FOR MERCHANT:

By: X [signature] Telephone: (818) 618-3038 Fax: (818) 762-7824

(Authorized Signature)

NAME *(Please Print)* I/MARTY GOLDROD Title COO Date 9-22-11

FOR OFFICE USE ONLY *(Merchant - Do Not Sign Below)*

BMO Harris Bank N.A.® *Moneris is a registered agent of BMO Harris Bank N.A.* ("Bank") Accepted this Select the da day of Select the month , (the "Effective Date")

By: *Authorized Representative* Telephone: ( ) Fax: ( )

EXECUTIVE COMPENSATION AGREEMENT

THIS AGREEMENT, made as of this 5th day of February, 2010, by and between Insynergy, Inc. a Nevada Corporation, having its principal place of business at 12400 Ventura Blvd., Suite 900, Studio City, CA 91604 (hereinafter "Insynergy" or the "Company") and Sanford Lang, an individual residing at 5120 Whitsett Avenue, Valley Village, California 91607 (hereinafter referred to as "Lang").

WITNESSETH

WHEREAS, the company seeks to be assured of the continues special services of Lang, and Lang desires to be so employed; and

WHEREAS, the parties desire to set forth in writing their prior understanding and agreement with respect to such employment:

NOW, THEREFORE

In consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree, as follows:

1. **POSITION**

The Company hereby employs Lang as the Company's Chairman and Chief Executive Officer in accordance with the powers and duties specified herein, and generally to plan and direct all aspects of the Company's policies, objectives, and initiatives and to be responsible for the short and long-term profitability and growth of the Company and to exercise his authority for the best interests of the Company and its shareholders.

2. **TERM**

Effective as of this date, the employment of Lang shall be for a term of five (5) years subject to Lang's good faith performance of the powers and duties outlined in this Agreement.

3. **COMPENSATION**

Lang shall be paid a salary of $65,000 for the year ending December 31, 2010,and $180,000 for the years ending December 31, 2011 and December 31, 2012 with an annual increase during the following seven years of at least 10% per annum, each year. Said compensation will commence on the effective date of this Agreement as set forth in Paragraph 2, above.

4. **ADDITIONAL COMPENSATION**

Nothing herein shall prohibit the Board of Directors from granting additional compensation to Lang in the form of employee stock options and his salary shall be reviewed annually by the Board concerning appropriate increases and/or to grant appropriate bonuses for his contributions to the Company and he shall be included in any cash or stock bonus or stock plan heretofore or hereafter adopted by the Company. Under no circumstances shall the compensation be reduced without Lang's consent.

5. **POWERS AND DUTIES**

Lang shall be required to devote a substantial portion of his professional time, attention and energies to the business of the Company and particularly as it relates to his position as Chairman and Chief Executive Officer provided, however, that he may be associated with other companies or business entities which do not compete directly or indirectly with the Company and which activities do not materially interfere with his responsibilities to the Company. Additionally, he shall assume and perform such other duties as may be assigned to him from time to time by the Board of Directors.

6. **COVENANT OF NON-COMPETITION**

During the period of this Agreement, provided the Company is not in material default of any of the provisions hereof, Lang shall not, directly or indirectly, engage in any activity which may be deemed competitive or in any way in conflict with the Company's business and activities; nor shall he engage in or be a member of any partnership or as an officer, director or employee of any corporation or business entity, which competes directly or indirectly with the Company without the express permission of the Board of Directors; nor shall he engage in or be actively involved in any other consultation or advisory agreements, contracts or activities of a professional or commercial nature, which would compete directly or indirectly with the Company unless permitted by the Company and its Board of Directors.

7. **CONFIDENTIALITY**

Lang shall keep confidential and secret any methods, formulations, inventions, know-how, sales and marketing techniques and other information utilized by the Company during the course of his employment.

8. **REIMBURSEMENT OF EXPENSES/EMPLOYEE BENEFITS**

During the term of Lang's employment hereunder, the Company shall:

A) Promptly reimburse Lang for all reasonable expenses incurred in connection with the performance of his duties outlined in this Agreement, inclusive of, but not limited to travel, long distance telephone charges, cell phone charges, entertainment and administrative and miscellaneous expenses upon presentation of an itemized list of such expenditures;
B) Provide health, hospitalization, and dental health insurance coverage;
C) Provide Lang with a Company car to be leased at a cost, including all maintenance charges, of no more than $900 per month.

9. **TERMINATION**

The Company shall have the right at any time, upon not less than sixty days written notice to Lang, to terminate the employment of Lang for "Cause". For purposes of this Agreement, "Cause" shall mean Lang's conviction for a crime of dishonesty, or his failure or refusal in a material and continuing manner to perform his obligations as set forth in this Agreement, or his material breach of any provision of this Agreement, for a period of more than twenty (20) days after receipt of written notice from the Company specifying the failure or breach, requesting that it be cured and Lang's failure to cure the same or to be diligently exerting his best efforts to cure the same. "Cause" shall not include the inability of Lang to perform his obligations hereunder due to mental or physical impairment, or external circumstances of the marketplace, governmental regulations or policies or adverse domestic or world conditions adversely affecting the Company's business. It is agreed that the Company shall not discharge or terminate the services of Lang unless there is a material breach of this Agreement supported by a good faith resolution of the Board of Directors based upon an opinion of Counsel to the Company specifying in detail the basis for said termination. In the event of termination for "Cause", Lang shall receive his salary and bonus, and other benefits for two (2) years from the date of discharge.

10. **TERMINATION WITHOUT CAUSE**

The Company may terminate Lang on ninety (90) days written notice subject to the conditions set forth hereunder. In the event Lang is terminated without Cause, or his continued employment would require him to relocate to an office in excess of fifty (50) miles from the Company's present offices and he chooses not to relocate, then the Company, at Lang's option shall pay Lang twice his salary and bonus for the prior twelve (12) months times the remaining number of years of his agreement.

11. **VACATION**

Lang shall be entitled to four (4) weeks paid vacation per year during the term of this Agreement, which shall be taken at such time as is convenient to the Company and Lang. Any and all unused vacation may be carried over to the succeeding year (s).

12. **DIRECTOR'S AND OFFICER'S INSURANCE**

Simultaneously with the execution of this Agreement, the Company shall secure director's and officer's liability insurance with coverage and monetary amounts of protection mutually agreed upon by the Company and Lang not to be less than one (1) million dollars.

13. **STOCK OPTION**

Lang shall have the right to participate in the Company's non-qualified stock option plan, or any subsequent stock option plan adopted by the Company.

14. **STOCK SPLITS AND DIVIDENDS**

Should the stock of the Company split or a stock dividend be paid for any reason during the term of this Agreement, any unexercised stock option or warrant, or portion thereof, shall be deemed to be subject to the term of the stock split or purchase the equivalent number of shares covered by the split as if Lang had previously owned or received his option prior to the stock split.

15. **CHANGE OF CONTROL**

In the event of a change in control, Lang may, at his option resign from the Company, but in any event shall be entitled to all amounts due and owing under this Agreement for the term, which shall be accelerated and shall be

under this Agreement for the term, which shall be accelerated and shall be due within ten (10) days of any change in control. A change of control shall be deemed to have occurred in the event of a sale or merger of the Company to a non-affiliated third party to which Lang does not consent; or a change in the makeup of a majority of the members of the Board of Directors to which Lang does not consent.

16. **NOTICES**

All notices and other communications required hereunder shall be in writing and shall be deemed to have been duly given if delivered or mailed (register or certified mail, postage prepaid, return receipt requested), if to Lang, to his residence and if to the Company to its principal office.

17. **WAIVER**

No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision. No waiver shall be effective unless executed in writing by the parties hereto.

18. **LAW GOVERNING**

This Agreement shall be construed and governed in accordance with the laws of the State of California.

19. **INDEMNIFICATION**

The Company hereby agrees to defend, indemnify and hold harmless Lang in connection with any legal action or administrative proceeding filed against him as a result of any act or omission performed during the course and scope of his employment, except as may be contrary or prohibited as a matter of public policy and the laws of the State of California.

20. **LEGAL EXPENSES**

Any legal expenses incurred by Lang in connection with his employment, this Agreement and the indemnity provisions contained herein shall be borne by the Company.

21. **ENTIRE AGREEMENT**

This Agreement contains the entire understanding of the parties and may not be modified, amended or supplemented, except by the written agreement of the parties hereto.

BE IT RESOLVED that at a duly constituted meeting of the Board of Directors of Insynergy, Inc., the foregoing Agreement was accepted and ratified, and was authorized to be entered into by the Company.

BY DIRECTOR Martin Goldrod

NAME: MARTY GOLDROD

DATE: 2-5-10

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

INSYNERGY PRODUCTS INC

BY: Sanford Lang
NAME: SANFORD LANG
TITLE: CEO
Date: 2-5-10

MARTIN GOLDROD

BY: Martin Goldrod
DATE: 2-5-10

EXECUTIVE COMPENSATION AGREEMENT

THIS AGREEMENT, made as of this 5th day of February, 2010, by and between Insynergy, Inc., a Nevada Corporation, having its principal place of business at 12400 Ventura Blvd., Suite 900, Studio City, CA 91604 (hereinafter "Insynergy" or the "Company") and Martin Goldrod, an individual residing at 12400 Ventura Blvd., #645, Studio City, CA 91604 (hereinafter referred to as "Goldrod").

WITNESSETH

WHEREAS, the company seeks to be assured of the continues special services of Goldrod, and Goldrod desires to be so employed; and

WHEREAS, the parties desire to set forth in writing their prior understanding and agreement with respect to such employment:

NOW, THEREFORE

In consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree, as follows:

1. **POSITION**

The Company hereby employs Goldrod as the Company's President and Chief Operating Officer in accordance with the powers and duties specified herein, and generally to plan and direct all aspects of the Company's operational policies, objectives, initiatives and to be responsible for the attainment of short and long term financial and operational goals.

2. **TERM**

Effective as of this date, the employment of Goldrod shall be for a term of five (5) years subject to Goldrod's good faith performance of the powers and duties outlined in this Agreement.

3. **COMPENSATION**

Goldrod shall be paid a salary of $35,000 for the year ending December 31, 2010 and $90,000 for the years ending December 31, 2011 and December 31, 2012 with an annual increase during the following seven years of at least 10% per annum, each year. Said compensation will commence on the effective date of this Agreement as set forth in Paragraph 2, above.

4. **ADDITIONAL COMPENSATION**

Nothing herein shall prohibit the Board of Directors from granting additional compensation to Goldrod in the form of employee stock options and his salary shall be reviewed annually by the Board concerning appropriate increases and/or to grant appropriate bonuses for his contributions to the Company and he shall be included in any cash or stock bonus or stock plan heretofore or hereafter adopted by the Company. Under no circumstances shall the compensation be reduced without Gold rod's consent.

5. **POWERS AND DUTIES**

Goldrod shall be required to devote his professional time, attention and energies to the business of the Company and particularly as it relates to his position as President and Chief Operating Officer. Additionally, he shall assume and perform such other duties as may be assigned to him from time to time by the Board of Directors.

6. **COVENANT OF NON-COMPETITION**

During the period of this Agreement, provided the Company is not in material default of any of the provisions hereof, Goldrod shall not, directly

or indirectly, engage in any activity which may be deemed competitive or in any way in conflict with the Company's business and activities; nor shall he engage in or be a member of any partnership or as an officer, director or employee of any corporation or business entity, which competes directly or indirectly with the Company without the express permission of the Board of Directors; nor shall he engage in or be actively involved in any other consultation or advisory agreements, contracts or activities of a professional or commercial nature, which would compete directly or indirectly with the Company unless permitted by the Company and its Board of Directors.

7. **CONFIDENTIALITY**

Goldrod shall keep confidential and secret any methods, formulations, inventions, know-how, sales and marketing techniques and other information utilized by the Company during the course of his employment.

8. **REIMBURSEMENT OF EXPENSES/EMPLOYEE BENEFITS**

During the term of Goldrod's employment hereunder, the Company shall:

A) Promptly reimburse Goldrod for all reasonable expenses incurred in connection with the performance of his duties outlined in this Agreement, inclusive of, but not limited to travel, long distance telephone charges, cell phone charges, entertainment and administrative and miscellaneous expenses upon presentation of an itemized list of such expenditures;

B) Provide health, hospitalization, and dental health insurance coverage;

9. **TERMINATION**

The Company shall have the right at any time, upon not less than sixty days written notice to Goldrod, to terminate the employment of Goldrod for "Cause". For purposes of this Agreement, "Cause" shall mean Goldrod's conviction for a crime of dishonesty, or his failure or refusal in a material and continuing manner to perform his obligations as set forth in this

Agreement, or his material breach of any provision of this Agreement, for a period of more than twenty (20) days after receipt of written notice from the Company specifying the failure or breach, requesting that it be cured and Goldrod's failure to cure the same or to be diligently exerting his best efforts to cure the same. "Cause" shall not include the inability of Goldrod to perform his obligations hereunder due to mental or physical impairment, or external circumstances of the marketplace, governmental regulations or policies or adverse domestic or world conditions adversely affecting the Company's business. It is agreed that the Company shall not discharge or terminate the services of Goldrod unless there is a material breach of this Agreement supported by a good faith resolution of the Board of Directors based upon an opinion of Counsel to the Company specifying in detail the basis for said termination. In the event of termination for "Cause", Goldrod shall receive his salary and bonus, and other benefits for two (2) years from the date of discharge.

10. **TERMINATION WITHOUT CAUSE**

The Company may terminate Goldrod on ninety (90) days written notice subject to the conditions set forth hereunder. In the event Goldrod is terminated without Cause, or his continued employment would require him to relocate to an office in excess of fifty (50) miles from the Company's present offices and he chooses not to relocate, then the Company, at Goldrod's option shall pay Goldrod twice his salary and bonus for the prior twelve (12) months times the remaining number of years of his agreement.

11. **VACATION**

Goldrod shall be entitled to three (3) weeks paid vacation per year during the term of this Agreement, which shall be taken at such time as is convenient to the Company and Goldrod. Any and all unused vacation may be carried over to the succeeding year (s).

12. **DIRECTOR'S AND OFFICER'S INSURANCE**

Simultaneously with the execution of this Agreement, the Company shall secure director's and officer's liability insurance with coverage and monetary amounts of protection mutually agreed upon by the Company and Goldrod not to be less than one (1) million dollars.

13. STOCK OPTION

Goldrod shall have the right to participate in the Company's non-qualified stock option plan, or any subsequent stock option plan adopted by the Company.

14. STOCK SPLITS AND DIVIDENDS

Should the stock of the Company split or a stock dividend be paid for any reason during the term of this Agreement, any unexercised stock option or warrant, or portion thereof, shall be deemed to be subject to the term of the stock split or purchase the equivalent number of shares covered by the split as if Goldrod had previously owned or received his option prior to the stock split.

15. CHANGE OF CONTROL

In the event of a change in control, Goldrod may, at his option resign from the Company, but in any event shall be entitled to all amounts due and owing under this Agreement for the term, which shall be accelerated and shall be due within ten (10) days of any change in control. A change of control shall be deemed to have occurred in the event of a sale or merger of the Company to a non-affiliated third party to which Goldrod does not consent; or a change in the makeup of a majority of the members of the Board of Directors to which Goldrod does not consent.

16. **NOTICES**

All notices and other communications required hereunder shall be in writing and shall be deemed to have been duly given if delivered or mailed (register or certified mail, postage prepaid, return receipt requested), if to Goldrod, to his residence and if to the Company to its principal office.

17. **WAIVER**

No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision. No waiver shall be effective unless executed in writing by the parties hereto.

18. **LAW GOVERNING**

This Agreement shall be construed and governed in accordance with the laws of the State of California.

19. **INDEMNIFICATION**

The Company hereby agrees to defend, indemnify and hold harmless Goldrod in connection with any legal action or administrative proceeding filed against him as a result of any act or omission performed during the course and scope of his employment, except as may be contrary or prohibited as a matter of public policy and the laws of the State of California.

20. **LEGAL EXPENSES**

Any legal expenses incurred by Goldrod in connection with his employment, this Agreement and the indemnity provisions contained herein shall be borne by the Company.

21. **ENTIRE AGREEMENT**

This Agreement contains the entire understanding of the parties and may not be modified, amended or supplemented, except by the written agreement of the parties hereto.

22. **SEVERABILITY**

If any provision of this Agreement shall be determined to be void, unenforceable, or against public policy, that provision shall be stricken and this Agreement shall be construed as if the objectionable provision did not exist.

22. **SEVERABILITY**

If any provision of this Agreement shall be determined to be void, unenforceable, or against public policy, that provision shall be stricken and this Agreement shall be construed as if the objectionable provision did not exist.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

INSYNERGY PRODUCTS INC

BY: Martin Goldrod

NAME: MARTIN GOLDROD

TITLE: COO

DATE: 2-5-10

SANFORD LANG

BY: Sanford Lang

DATE: 2-5-10

BE IT RESOLVED that at a duly constituted meeting of the Board of Directors of Insynergy, Inc., the foregoing Agreement was accepted and ratified, and was authorized to be entered into by the Company.

BY DIRECTOR Sanford Lang

NAME: SANDFORD LANG

DATE: 2-5-10

NBN ENTERPRISES, INC.
270 East Flamingo Road, SUITE 330
Las Vegas, NV 89109

August 1, 2011

INSYNERGY, INC.
Gentlemen:

On behalf of NBN Enterprises, Inc., a Nevada Corporation, ("NBN") this Engagement Letter memorializes the parties oral agreement, which the parties agreed to make effective as of August 1, 2011, and confirms NBN's previous providing of consulting services to Insynergy, Inc, a Nevada Corporation ("INS" or the "Company"), and NBN's engagement to provide additional strategic business services to INS, and to pay for the services of the law firm of Davis & Associates ("D&A") in connection with D&A's legal representation of INS on securities law matters. All of NBN's services will be rendered from Nevada.

This Engagement Letter memorializes the nature, scope and terms of NBN's employment, our understanding and agreement as to the services NBN will render, and the legal services that will be rendered by the law firm of D & A to INS while the bills for such legal services rendered to INS will be paid by NBN.

NBN has already rendered many hours of consulting services to INS at its standard consulting hourly rate of $550 per hour, which has not yet been compensated. NBN has agreed to render further strategic business services as described above over a term beginning from this date and continuing through December 31, 2012. In addition, NBN has retained the law firm of D & A to provide transactional legal advice in connection with Federal Securities Law matters to INS, including with respect to INS's anticipated upcoming S-1 Registration Statement, and filings with FINRA to open a public market for INS Common Shares, as well as Corporate clean up work and various other matters. D&A's service will extend over the term ending December 31, 2012. D&A does not do litigation, although other members of its group practice are available for this purpose under separate fee arrangements.

D&A will represent INS as described above, NBN will pay D&A directly for all legal services rendered to INS by D&A, and the Company will not be charged separately for these legal services. (Any out of pocket costs and travel expenses will be advanced separately by INS to both NBN and D&A).

The parties acknowledge that D & A also represents NBN and its affiliated corporations from time to time in corporate and business matters, and a D&A principle is the principle employee for all such entities, and if there were ever a conflict of interest between the interests of NBN and INS, D & A would withdraw from representation of INS on such matters, and the attorney client privilege might

be jeopardized. INS has had the opportunity to consult with independent legal counsel on the terms of this Agreement prior to executing the Agreement.

In lieu of NBN's normal cash retainer, and payment of NBN's usual fees in cash on an hourly basis at the rate of $550 per hour, for services already rendered and for ongoing services as provided by this Agreement, NBN has agreed to waive it usual cash retainer and payment of compensation for its services in cash. In lieu thereof, INS will pay NBN consideration as follows, as payment in full for all past services rendered, and as payment for ongoing services through the term of this Agreement.

a. INS will issue to NBN, effective August 1, 2011, "restricted" common stock of INS which represents in number of shares, 4,999% of INS's outstanding capital stock after such share issuance, calculated on a fully diluted basis (which means calculated assuming exercise of all options, warrants, convertible securities, and other stock rights, and after issuance of the shares to NBN and other consultants); (these shares shall be issued in the name of NBN, and/or in the name of such NBN designatee as NBN shall designate); and

b. During the term of this Agreement, as additional shares are issued by INS and/or its successors to other parties for any purpose, NBN, or its designatee will be issued additional shares at the same time such that NBN always has received in the aggregate from all issuances under this Agreement, shares representing a 4.999% ownership issuance in the "then" outstanding capital stock of INS and/or its successors, calculated on a fully diluted basis (calculated as described above). All such additional shares so issued shall be issued as partial compensation to NBN for consulting services previously rendered in full, and legal services previously provided by D&A to INS and paid for by NBN, as of the date of such issuance of additional shares.

c. Following the termination of this Agreement and for a period of 12 months thereafter, as additional shares are issued by INS and/or its successors to other parties for any purpose, NBN will be issued additional shares at the same time such that NBN always has received in the aggregate from all issuances under this Agreement, shares representing a 4.999% ownership issuance in the "then" outstanding capital stock of INS and/or its successors, calculated on a fully diluted basis (calculated as described above). During the aforesaid additional 12 month period after the expiration of the term of this Agreement, all such additional shares so issued shall continue to be issued as partial compensation for all services previously rendered by NBN or paid for by NBN during the original term of this Agreement.

The parties agree that all restricted shares issued under this Agreement, including all future issuances of catch-up shares to maintain the 4.999% percentage, shall be valued at par value, and shall have a holding period beginning on August 1, 2011, the date of this Agreement, for purposes of federal securities laws.

The terms of this Letter Agreement may only be changed by written agreement formally executed between us.

NBN is accepting these shares under this Agreement upon NBN's expectation that the INS common shares will become valuable. If the shares languish as penny stock shares while NBN and D&A's commitment of time and talent grows disproportionate to the value of the retainer shares allocated to NBN under this Agreement, then the parties hereby agree to enter into further good faith negotiations on new terms under which NBN and D&A services are to be compensated for the past services and services over the balance of the term, and if no agreement is reached NBN shall have the option at its sole discretion to terminate this agreement early. NBN acknowledges that INS's business is still in the process of development, and that the shares are issued privately and will bear a § 4(2) restriction.

NBN is very pleased to undertake this representation.

Best personal regards,
NBN Enterprises, Inc
Las Vegas, Nevada.

By: _____
Donald G. Davis, Officer

If the following is satisfactory, please sign below and fax back an executed copy to (310) 301-3370

Undersigned hereby acknowledges and agrees to the terms for the retention of The NBN Enterprises, Inc. set forth herein,

INSYNERGY PRODUCTS, INC.

By: Marty Goldrod Date: August 1, 2015
Marty Goldrod

Title: Chief Operating Officer

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Insynergy, Inc.
Studio City, CA

We consent to the use in this Form S-1 Registration Statement of Insynergy, Inc., of our report dated November 22, 2011, which includes an emphasis paragraph relating to an uncertainty as to the Company's ability to continue as a going concern, relating to our audit of the financial statements as of December 31, 2010, which are included in the Prospectus, and is part of this Registration Statement.

/s/ HJ Associates & Consultants, LLP

HJ Associates & Consultants, LLP
Salt Lake City, Utah
January 31, 2012