
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **April 17, 2017**

ACTIVECARE, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

000-53570

(Commission File Number)

87-0578125

(IRS Employer Identification No.)

1365 Business Park Drive, #100

Orem, Utah 84058

(Address of Principal Executive Offices)

(877) 219-6050

Registrant's telephone number, including area code

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Explanatory Note

Item 1.01 Entry into a Material Definitive Agreement

Factoring Agreement

On April 17, 2017, ActiveCare, Inc., a Delaware corporation (the "Company"), entered into a Factoring Agreement (the "Factoring Agreement") with Complete Business Solutions Group ("CBSG"). The Company has previously entered into factoring arrangements with CBSG in the ordinary course of business and in amounts received that were \$400,000 and less in each case. The Factoring Agreement provides for an advance of \$1,794,000, comprised of \$1,000,000 in cash and the consolidation of \$794,000 from four prior transactions into the amounts owed under the Factoring Agreement (collectively, the "Funds"). In consideration for the Funds, the Company sold to CBSG all future receipts until the total amount of \$2,511,600.76 (the "Receipt Purchased Amount") has been paid. The Factoring Agreement requires payment of the minimum daily amount of \$12,999.99 for 193 days. The Receipt Purchased Amount can be reduced if repayment occurs more quickly. Repayment of the amounts owing is with recourse and secured by all accounts, chattel paper, documents, equipment, general intangibles, instruments, and inventory of the Company. CBSG, however, has subordinated its security interest to Partners for Growth, to whom the Company currently owes over \$2,875,000. The amount owed to CBSG is personally guaranteed by Jeff Peterson, the Company's CEO.

The above description of the Factoring Agreement does not purport to be complete and is qualified in its entirety by the full text of such document, which is attached as Exhibit 10.1 to this Current Report on form 8-K and incorporated by reference herein.

Joint Venture

On April 17, 2017 the Company and Colorado Choice Health Plans ("CCHP") entered into a Joint Venture Agreement, effective March 31, 2017 (the "JV Agreement"). Under the JV Agreement: (i) CCHP is providing various services to the Company to improve the Company's diabetes programs, (ii) the Company is loaning CCHP \$500,000 under a debenture note, and (iii) the JV Agreement will terminate upon the later of (a) repayment of the debenture note or (b) the one year anniversary of the JV Agreement. The debenture note: (i) bears interest at the rate of five percent per annum, (ii) is subordinated to the rights of CCHP policyholders, claimants and beneficiary claims and all other classes of CCHP creditors other than subordinated debenture holders, (iii) does not become a liability of CCHP until and unless the Commissioner of the Colorado Department of Regulatory Agencies, Division of Insurance ("Division of Insurance") authorizes repayment of the debenture agreement, and shall be treated by CCHP as surplus until the time of such approval, (iv) is only repayable from available funds in excess of CCHP's minimum net surplus required to be maintained by the Division of Insurance, and (v) is otherwise repayable on March 31, 2018, assuming approval by the Division of Insurance.

The above description of the JV Agreement and the debenture note do not purport to be complete and are qualified in their entirety by the full text of such documents, which are attached as Exhibit 10.2 to this Current Report on form 8-K and incorporated by reference herein.

Amendment to Purchase Agreement and Promissory Note

As previously reported, the Company entered into a Securities Purchase Agreement, as amended (the "Purchase Agreement"), with JMJ Financial, a Nevada sole proprietorship ("JMJ"), and together with the Company, the "Parties". Pursuant to the terms of the Purchase Agreement, JMJ purchased from the Company (i) a promissory note, as amended, in the aggregate principal amount of up to \$2,000,000 (the "Note") due and payable on the earlier of March 15, 2017, or the third business day after the closing of the Company's contemplated public offering of securities (the "Securities Offering"), (ii) a common stock purchase warrant to purchase 10,000,000 shares of the Company's common stock ("Common Stock") at an exercise price as defined therein, and (iii) \$200,000 of Common Stock (the "Origination Shares").

On April 19, 2017, the Parties entered into a fifth amendment to the Purchase Agreement (the "Amendment"). The Amendment extends the maturity date of the Note to the earlier of May 20, 2017 or the third business day after the closing of the Securities Offering. Additionally, the date by which the Origination Shares must be delivered to JMJ is extended to the fifth trading day after the pricing of the Securities Offering, but in no case later than May 20, 2017.

The foregoing description of the Amendment does not purport to be complete and is qualified in its entirety by the terms and conditions of the document. A copy of the Amendment is attached hereto as Exhibit 10.3 and is incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

The information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.03.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

Exhibit No. Description

10.1* Factoring Agreement

10.2* Joint Venture Agreement

10.3* Amendment #5 to the Securities Purchase Agreement and the \$2,000,000 Promissory Note

**filed herewith*

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ACTIVECARE, INC.

Date: April 20, 2017

By: /s/ Jeffrey Peterson
Jeffrey Peterson
Chief Executive Officer

141 N. 2nd Street Philadelphia, Pennsylvania 19106

Phone: 215-922-2636

Fax: 888-803-4886

FACTORING AGREEMENT

Dated the 17th day of April, 2017, by and between Complete Business Solutions Group, Inc. ("CBSG" and/or "PURCHASER") and the

"SELLER/MERCHANT" listed below (as "Seller/Merchant" or "the Merchant").

Business Legal Name: ACTIVECARE, INC

D/B/A: VOLU-SOL, REAL TIME HEALTH, GWIRE CORPORATION, ORBIT MEDICAL RESPONSE, RAPID MEDICAL RESPONSE, GREENWIRE

Type of entity (check one) ___ Corporation ___ LLC ___ Limited Partnership ___ Limited Liability Partnership ___ Sole Proprietor

Physical Address: 1365 WEST BUSINESS PARK DRIVE CITY/STATE: OREM, UT ZIP: 84058

Mailing Address: 1365 WEST BUSINESS PARK DRIVE CITY/STATE: OREM, UT ZIP: 84058

Fed ID#: 87-0578125

PURCHASE AND SALE OF FUTURE RECEIPTS WITH SELLER RECOURSE

Seller/Merchant hereby sells, assigns and transfers to CBSG (making CBSG the absolute owner) in consideration of the funds provided ("**Purchase Price**") specified below, all of Seller/Merchant's future receipts, accounts, contract rights and other obligations arising from or relating to the payment of monies from Seller/Merchant's customers' and/or other third party payers (collectively the "**Receipts**" defined as all payments made by cash, check, credit or debit card, electronic transfer or other form of monetary payment in the ordinary course of the merchant's business) until such time as the "**Receipts Purchased Amount (RPA)**" has been delivered by Seller/Merchant to CBSG.

THIS IS A FACTORING AGREEMENT WITH RECOURSE.

The Purchased Amount shall be paid to CBSG by Seller/Merchant's irrevocably authorizing only one depositing account acceptable to CBSG (the "**Account**") to remit the Daily **Specified Amount** from the Seller/Merchant's receipts until such time as CBSG receives payment in full of the Receipts Purchased Amount. In consideration of servicing the account, the Seller/Merchant hereby authorizes CBSG to ACH debit the "Specified Daily Amount" from the merchant's bank account, as an approximation of the base payment due under the Specified Percentage. It is the Seller/Merchant's responsibility to provide bank statements for any and all bank accounts by the Merchant to reconcile the daily payments made against the Daily Specified Amount. Failure to provide all of their bank statements in a timely manner or missing a month shall forfeit all rights to future reconciliations. CBSG may, upon Seller/Merchant's request, adjust the amount of any payment due under this Agreement at CBSG's sole discretion and as it deems appropriate in servicing this Agreement. Seller/Merchant warrants that it will ensure that funds adequate to cover the amount to be debited by CBSG remains in the account. Seller/Merchant will be held responsible for any fees incurred by CBSG resulting from a rejected ACH attempt or an event of default. (See Appendix A). CBSG is not responsible for any overdrafts or rejected transactions in the Seller/Merchants account which may result from CBSG's scheduled ACH debit under the terms of this agreement. Notwithstanding anything to the contrary in this Agreement or any other agreement between CBSG and Seller/Merchant, upon the violation of any provision contained in Sections I and II of the FACTORING AGREEMENT, shall be deemed a breach of the representations and warranties contained herein. A list of all fees applicable under this FACTORING AGREEMENT is contained in Appendix A.

Payoff Existing: \$12,000.00 Payoff Existing: \$204,000.00 Payoff Existing: \$172,000.54 Payoff Existing: \$406,000.00 Purchase Price New: \$1,000,000.00 Total

Advance Amount: \$1,794,000.54 Specified Percentage: 10% Daily Specified Amount: \$12,999.99 for 193 days Receipts Purchased Amount: \$2,511,600.76

***If paid in 10 installments receipts purchased amount:**

\$1,883,700.57 *If paid in 15 installments receipts purchased

amount: \$1,928,550.58 *If paid in 22 installments receipts

purchased amount: \$2,152,800.65 *If paid in 23-44

installments receipts purchased amount: \$2,242,500.68

***If paid in 45-66 installments receipts purchased amount: \$2,332,200.70**

THE TERMS, DEFINITIONS, CONDITIONS AND INFORMATION SET FORTH ON PAGES 2 THROUGH 12 HEREOF ARE HERBY

INCORPORATED HEREIN AND MADE A PART OF THIS FACTORING AGREEMENT.

OWNER

By: Jeffrey Scott Peterson

/s/ Jeffrey Scott Peterson

(Seller/Merchant Signature)

FOR THE SELLER/MERCHANT

By: Jeffrey Scott Peterson

/s/ Jeffrey Scott Peterson
(Owner Signature)

COMPLETE BUSINESS SOLUTIONS GROUP, INC.

By /s/
Company Officer

To the extent set forth herein, each of the parties is obligated upon his, her or its execution of the Agreement to all terms of the Agreement, including the Additional Terms set forth below. Each of above-signed Merchant and Owner(s) represents that he or she is authorized to sign this Agreement for Merchant, legally binding said Merchant to honor the terms of this obligation and that the information provided herein and in all of CBSG documents, forms and recorded interviews is true, accurate and complete in all respects. If any such information is false or misleading, Merchant shall be deemed in material breach of all agreements and the representations and warranties contained herein between Merchant and CBSG and CBSG shall be entitled to all remedies available under law. Merchant and each of the above-signed Owners authorizes CBSG, its agents and representatives and any credit-reporting agency engaged by CBSG, to (i) investigate any references given or any other statements or data obtained from or about Merchant or any of its Owners for the purpose of this Agreement, and (ii) pull credit report at any time now or for so long as Merchant and/Owner(s) continue to have any obligation owed to CBSG.

**ANY MISREPRESENTATION MADE BY SELLER/MERCHANT OR OWNER IN CONNECTION WITH THIS AGREEMENT
MAY CONSTITUTE A SEPARATE CAUSE OF ACTION FOR FRAUD OR INTENTIONAL
MISREPRESENTATION**



FACTORING AGREEMENT TERMS AND CONDITIONS

I. GENERAL TERMS OF AGREEMENT (MUTUAL REPRESENTATIONS AND WARRANTIES)

1.1 Electronic Fund Transfer. Upon request from PURCHASER ("hereinafter CBSG or Purchaser") Seller/Merchant ("hereinafter Merchant") shall execute such forms or agreements acceptable to PURCHASER, with Bank acceptable to PURCHASER, to obtain electronic fund transfer services. Merchant shall provide PURCHASER, and/or its authorized agent with all the information, authorization and passwords necessary for verifying Merchant's receivable, receipts and deposits into the account Merchant shall authorize PURCHASER and/or its agent to deduct the amounts owed to PURCHASER for the Receipts as specified herein from settlement amounts which would otherwise be due to Merchant from electronic check transactions and to pay such amounts to PURCHASER by permitting PURCHASER to withdraw the SPECIFIED DAILY AMOUNT by ACH debiting of the account. The authorization shall be irrevocable without the written consent of PURCHASER.

1.2 Deposit Agreement. Seller/Merchant shall execute an agreement (the "Deposit Agreement") acceptable to PURCHASER, with a Bank acceptable to PURCHASER, to obtain electronic fund transfer services. Merchant shall provide PURCHASER and/or its authorized agent with all of the information, authorizations and passwords necessary for verifying Merchant's receivables, receipts and deposits into the account. Merchant shall authorize PURCHASER and/or its agent to deduct the amounts owed to PURCHASER for the Receipts as specified herein from settlement amounts which would otherwise be due to Merchant from electronic check transactions and to pay such amounts to PURCHASER by permitting PURCHASER to withdraw the specified percentages by ACH debiting of the account. The authorization shall be irrevocable without the written consent of PURCHASER.

1.3 Term of Agreement. This Agreement shall have a term as set forth above. Upon the expiration of the term, this Agreement shall automatically renew for successive similar terms, provided, however, that during the renewal term(s) Merchant may terminate this Agreement upon ninety days' prior written notice (effective upon receipt) to PURCHASER. The termination of this Agreement shall not affect Merchant's responsibility to satisfy all outstanding obligations to PURCHASER at the time of termination. **1.4 Future Purchases.** PURCHASER reserves the right to rescind the offer to make any purchase payments hereunder, in its sole discretion.

1.5 Financial Condition. Merchant and Guarantor(s) authorize PURCHASER and its agents to investigate their financial responsibility and history, and will provide to PURCHASER any bank or financial statements, tax returns, etc., as PURCHASER deems necessary prior to or at any time after execution of this Agreement. A photocopy of this authorization will be deemed as acceptable for release of financial information. PURCHASER is authorized to update such information and financial profiles from time to time as it deems appropriate.

1.6 Transactional History. Merchant authorizes their bank to provide PURCHASER with Merchant's banking or processing history to determine qualification or continuation in this program.

1.7 Indemnification. Merchant and Guarantor(s) jointly and severally indemnify and hold harmless Processor, its officers, directors and shareholders against all losses, damages, claims, liabilities and expenses (including reasonable attorney's fees) incurred by Processor resulting from (a) claims asserted by PURCHASER for monies owed to PURCHASER from Merchant and (b) actions taken by Processor in reliance upon information or instructions provided by PURCHASER.

1.8 No Liability. In no event will CBSG be liable for any claims asserted by Merchant under any legal theory for lost profits, lost revenues, lost business opportunities, exemplary, punitive, special, incidental, indirect or consequential damages, each of which is waived by Merchant and Guarantor(s).

1.9 Reliance on Terms. Section 1.1, 1.7, 1.8 and 2.5 of this Agreement are agreed to for the benefit of Merchant, PURCHASER and Processor, and notwithstanding the fact that Processor is not a party of this Agreement, Processor may rely upon their terms and raise them as a defense in any action.

1.10 Sale of Receipts. Merchant and CBSG agree that the Purchase Price under this Agreement is in exchange for the Purchased Amount and that such Purchase Price is not intended to be, nor shall it be construed as a loan from PURCHASER to Merchant. Merchant agrees that the Purchase Price is in exchange for Future Receipts pursuant to this Agreement equals the fair market value of such Receipts. PURCHASER has purchased and shall own all the Receipts described in this Agreement up to the full Purchased Amount as the Receipts are created. Payments made to PURCHASER with respect to the full amount of the Receipts shall be conditioned upon Merchant's sale of products and services and the payment therefore by Merchant's customers in the manner provided in Section 1.1. IN NO EVENT SHALL THE AGGREGATE OF THE AMOUNTS RECEIVED BE DEEMED AS INTEREST HEREUNDER. In the event that a court determines that PURCHASER has charged or received interest hereunder, and that said amount is in excess of the highest applicable rate, the rate in effect hereunder shall automatically be reduced to the maximum rate permitted by applicable law and PURCHASER shall promptly refund to Merchant any interest received by PURCHASER in excess of the maximum lawful rate, it being intended that Merchant not pay or contract to pay, and that PURCHASER not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by Merchant under applicable law. MERCHANT ACKNOWLEDGES THAT PENNSYLVANIA LAW APPLIES TO THE WITHIN AGREEMENT.

1.11 Monthly Assessment of Merchant Cash Flow Merchant hereby authorizes PURCHASER to initiate one or more ACH debits at the specified "Daily Retrieval Rate" from the Account as an approximation of the base payment due under the Specified Percentage. It is the Merchant's responsibility to provide financial information (e.g. bank statements, credit card processing statements, general ledger) regarding its gross receivables, to reconcile the daily payments made against the Specified Percentage, permitting PURCHASER to debit or credit the difference to Merchant on a monthly basis so that the Daily Retrieval Rate equals the Specified Percentage.

1.12 Power of Attorney Merchant irrevocably appoints PURCHASER as its agent and attorney-in-fact with full authority to take any action or execute any instrument or document to settle all obligations due to PURCHASER from Processor, or in the case of a violation by

Merchant of Section 1.12 or the occurrence of an Event of Default under Section 4 hereof, from Merchant, under this Agreement, including without limitation (i) to obtain and adjust insurance; (ii) to collect monies due or to become due under or in respect of any of the Collateral; (iii) to receive, endorse and collect any checks, notes, drafts, instruments, documents or chattel paper in connection with clause (i) or clause (ii) above; (iv) to sign Merchant's name on any invoice, bill of lading, or assignment directing customers or account debtors to make payment directly to PURCHASER; and (v) to file any claims or take any action or institute any proceeding which PURCHASER may deem necessary for the collection of any of the unpaid Purchased Amount from the Collateral, or otherwise to enforce its rights with respect to payment of the Purchased Amount.

1.13 Protections Against Default. Merchant represents and warrants that it will not violate Conditions (a) through (e) below and in the event of default thereunder the following Protections 1 through 8 may be invoked by PURCHASER, immediately and without notice to Merchant in the event: (a) Merchant takes any action to discourage the use of electronic check processing that are settled through Processor, or permits any event to occur that could have an adverse effect on the use, acceptance, or authorization of checks for the purchase of Merchant's services and products including but not limited to direct deposit of any checks into a bank account without scanning into the PURCHASER electronic check processor; (b) Merchant changes its arrangements with Processor in any way that is adverse to PURCHASER; (c) Merchant changes the electronic check processor through which the Receipts are settled from Processor to another electronic check processor, or permits any event to occur that could cause diversion of any of Merchant's check transactions to another processor; (d) Merchant interrupts the operation of this business (other than adverse weather, natural disasters or acts of God) transfers, moves, sells, disposes, transfers or otherwise conveys its business or assets without (i) the express prior written consent of PURCHASER, and (ii) the written agreement of any purchaser or transferee to the assumption of all of Merchant's obligations under this Agreement pursuant to documentation satisfactory to PURCHASER; or (e) Merchant takes any action, fails to take any action, or offers any incentive—economic or otherwise—the result of which will be to induce any customer or customers to pay for Merchant's services with any means other than checks that are settled through Processor. These protections are in addition to any other remedies available to PURCHASER at law, in equity or otherwise pursuant to this Agreement. Protection 1. The full uncollected Purchase Amount plus all fees due under this Agreement and the attached Security Agreement become due and payable in full immediately.

Protection 2. Upon breach of ANY MATERIAL PROVISION OR BREACH OF REPRESENT-ATIONS AND WARRANTIES in this Agreement, PURCHASER may enter that confession of judgment (judgment) with the Clerk of the Court and execute thereon.

Protection 3. Purchaser may enforce its security interest in the Collateral identified in Article III hereof.

Protection 4. The entire Unpaid Purchase Amount shall become immediately refundable to PURCHASER from Merchant.

Protection 5. Purchaser may proceed to protect and enforce its rights and remedies by lawsuit. In any such lawsuit, in which Purchaser shall recover judgment against Merchant, Merchant shall be liable for the full costs of PURCHASER'S legal action, including all reasonable attorneys' fees and court costs.

Protection 6. Merchant shall, upon execution of this Agreement, deliver to PURCHASER an **executed assignment of lease of Merchant's premises** in favor of CBSG. Upon breach of any provision in this paragraph 1.13, PURCHASER may exercise its rights under such assignment of lease.



Protection 7. PURCHASER may debit Merchant's depository accounts wherever situated by means of ACH debit or facsimile signature on a computer-generated check drawn on Merchant's bank account. **Protection 8.** In the event Merchant changes or permits the change of the Processor approved by CBSG, or adds an additional Processor, in violation of Section 1.11 above, CBSG shall have the right, without waiving any of its rights and remedies and without notice to Merchant, to notify the new or additional Processor of the sale of the Receipts hereunder and to direct such new or additional Processor to make payment directly to CBSG of all or any portion of the amount received by such Processor.

1.14 Protection of Information. Merchant and each person signing this Agreement on behalf of Merchant and/or as Owner, in respect of himself or herself personally, authorizes PURCHASER to disclose information concerning Merchant's and each Owner's credit standing (including credit bureau reports that PURCHASER obtains) and business conduct only to agents, affiliates, subsidiaries, and credit reporting bureaus. Merchant and each Owner hereby waives to the maximum extent permitted by law any claim for damages against PURCHASER or any of its affiliates relating to any (i) investigation undertaken by or on behalf of PURCHASER as permitted by this Agreement or (ii) disclosure of information as permitted by this Agreement.

1.15 Confidentiality. Merchant understands and agrees that the terms and conditions of the products and services offered by PURCHASER, including this Agreement and any other PURCHASER documentations (collectively, "Confidential Information") are proprietary and confidential information of PURCHASER. Accordingly, unless disclosure is required by law or court order, Merchant shall not disclose Confidential Information of PURCHASER to any person other than an attorney, accountant, financial advisor or employee of Merchant who needs to know such information for the purpose of advising Merchant ("Advisor"), provided such Advisor uses such information solely for the purpose of advising Merchant and first agrees in writing to be bound by the terms of this Section 1.13.

1.16 D/B/A's. Merchant hereby acknowledges and agrees that PURCHASER may be using "doing business as" or "d/b/a" names in connection with various matters relating to the transaction between PURCHASER and Merchant, including the filing of UCC-1 financing statements and other notices or filings.

II. MERCHANT REPRESENTATIONS, WARRANTIES AND COVENANTS Merchant represents, warrants and covenants that as of this date and during the term of this Agreement:

2.1 Financial Condition and Financial Information. Bank and financial statements, and future statements furnished to PURCHASER, fairly represent the financial condition of Merchant at such dates. Merchant has a continuing, affirmative obligation to advise PURCHASER of any material or adverse change in its financial condition, operation or ownership. PURCHASER may request statements at any time during the performance of this Agreement and the Merchant shall provide them to PURCHASER within 5 business days. Merchant's failure to do so is a material breach of this Agreement.

2.2 Governmental Approvals. Merchant is in compliance and shall comply with all laws and has valid permits, authorizations and licenses to own, operate and lease its properties and to conduct the business in which it is presently engaged.

2.3 Authorization. Merchant, and the person(s) signing this Agreement on behalf of Merchant, have full power and authority to incur and perform the obligations under this Agreement, all of which have been duly authorized.

2.4 Insurance. Merchant will maintain business-interruption insurance naming CBSG as loss payee and additional insured in amounts and against risks as are satisfactory to PURCHASER and shall provide PURCHASER proof of such insurance upon request.

2.5 Electronic Check Processing Agreement. Merchant will not change its processor, add terminals, change its financial institution or bank account(s) or take any other action that could have any adverse effect upon Merchant's obligations under this Agreement, without PURCHASER'S prior written consent. Any such change shall be a material breach of this Agreement.

2.6 Change of Name or Location. Merchant will not conduct Merchant's businesses under any name other than as disclosed to the Processor and PURCHASER or change any of its places of business.

2.7 Daily Batch Out. Merchant will batch out receipts with the Processor on a daily basis.

2.8 Estoppel Certificate. Merchant will at any time, and from time to time, upon at least one (1) day's prior notice from PURCHASER to Merchant, execute, acknowledge and deliver to PURCHASER and/or to any other person, person firm or corporation specified by PURCHASER, a statement certifying that this Agreement is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified and stating the modifications) and stating the dates which the Purchased Amount or any portion thereof has been repaid.

2.9 No Bankruptcy. As of the date of this Agreement, Merchant does not contemplate and has not filed any petition for bankruptcy protection under Title 11 of the United States Code and there has been no involuntary petition brought or pending against Merchant. Merchant further warrants that it does not anticipate filing any such bankruptcy petition and it does not anticipate that an involuntary petition will be filed against it. In the event that the Merchant files for bankruptcy protection or is placed under an involuntary filing Protections 2 and 3 are immediately invoked. **2.10 Working Capital Funding.** Merchant shall not enter into any arrangement, agreement or commitment that relates to or involves the Receipts, whether in the form of a purchase of, a loan against, collateral against or the sale or purchase of credits against, Receipts or future check sales with any party other than PURCHASER.

2.11 Unencumbered Receipts. Merchant has good, complete and marketable title to all Receipts, free and clear of any and all liabilities, liens, claims, changes, restrictions, conditions, options, rights, mortgages, security interests, equities, pledges and encumbrances of any kind or nature whatsoever or any other rights or interests that may be inconsistent with the transactions contemplated with, or adverse to the interests of PURCHASER.

2.12 Business Purpose. Merchant is a valid business in good standing under the laws of the jurisdictions in which it is organized and/or operates, and Merchant is entering into this Agreement FOR BUSINESS PURPOSES ONLY and not as a consumer for personal, family or household purposes.

2.13 Default under Other Contracts. Merchant's execution of and/or performance under this Agreement will not cause or create an event of default by Merchant under any contract with another person or entity.

2.14 3rd Party Negotiators with Regard to This Agreement and the Obligations Herein. Merchant hereby agrees not to retain any 3rd

party negotiators, consolidators, or credit relief agencies with regard to its obligations under the terms of this Agreement. Merchant will maintain and allow direct communication with PURCHASER at all times during the course of this Agreement and shall not engage any 3rd party to negotiate its obligations as stated in this Agreement. Should Merchant violate this subsection 2.14, Merchant will be liable for the additional fee as specific in the attached Appendix A.

III. EVENTS OF BREACH OF REPRESENTATIONS, WARRANTIES, AND COVENANTS AND REMEDIES

3.1 Events of Breach of Representations, Warranties and Covenants . The occurrence of any of the following events shall constitute an "Event of a Breach of Representations, Warranties, and Covenants" hereunder: (a) Merchant shall violate any term or covenant in this Agreement; (b) Any representation or warranty by Merchant in this Agreement shall prove to have been incorrect, false or misleading in any material respect when made; (c) Merchant shall admit in writing its inability to pay its debts, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against Merchant seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, or composition of it or its debts; (d) the sending of notice of termination by Guarantor; (e) Merchant shall transport, move, interrupt, suspend, dissolve or terminate its business; (f) Merchant shall transfer or sell all or substantially all of its assets; (h) Merchant shall make or send notice of any intended bulk sale or transfer by Merchant; (i) Merchant shall use multiple depository accounts without the prior written consent of PURCHASER; (j) Merchant shall change its depositing account without the prior written consent of PURCHASER; (k) Merchant shall perform any act that reduces the value of any Collateral granted under this Agreement; (l) Merchant shall engage a third party to renegotiate the terms of this Agreement on Merchant's behalf; (m) Merchant shall engage a third party in an attempt to cease direct communication and/or contact with PURCHASER; or (n) Merchant shall default under any of the terms, covenants and conditions of any other agreement with PURCHASER.

3.2 Remedies. In case any Event of a Breach of Representations, Warranties and Covenants, Default occurs and is not waived pursuant to Section 4.4 hereof, PURCHASER may proceed to protect and enforce its rights or remedies by suit in equity or by action at law, or both, whether for the specific performance of any covenant, agreement or other provision contained herein, or to enforce the discharge of Merchant's obligations hereunder (including the Personal Guarantee) or any other legal or equitable right or remedy. IN THE EVENT OF VIOLATION OF THE REPRESENTATIONS AND WARRANTIES BY MERCHANT, PURCHASER may also file a Complaint in Confession of Judgment pursuant to the Warrant of Attorney contained herein. All rights, powers and remedies of PURCHASER in connection with this Agreement may be exercised at any time by PURCHASER after the occurrence of an Event of Default, are cumulative and not exclusive, and shall be in addition to any other rights, powers or remedies provided by law or equity.



3.3 WARRANT OF ATTORNEY TO CONFESS JUDGMENT. UPON THE OCCURRENCE OF A VIOLATION OF THE REPRESENTATIONS AND WARRANTIES MADE HERETOFORE BY MERCHANT, MERCHANT AND GUARANTOR IRREVOCABLY AUTHORIZE AND EMPOWER ANY ATTORNEY OR ANY CLERK OF ANY COURT OF RECORD, TO APPEAR FOR AND CONFESS JUDGMENT AGAINST MERCHANT AND GUARANTOR FOR SUCH SUMS AS ARE DUE AND/OR MAY BECOME DUE UNDER THIS MERCHANT AGREEMENT OR ANY ACCOMPANYING DOCUMENTS, WITH OR WITHOUT DECLARATION, WITH COSTS OF SUIT, WITHOUT STAY OF EXECUTION AND WITH AN AMOUNT, FOR LIEN PRIORITY PURPOSES, EQUAL TO TEN PERCENT (10%) OF THE AMOUNT OF SUCH JUDGMENT, BUT NOT LESS THAN ONE THOUSAND DOLLARS (\$1,000.00), ADDED FOR ATTORNEYS' COLLECTION FEES, WITH THE ACTUAL AMOUNT OF ATTORNEY'S FEES AND COSTS TO BE DETERMINED IN ACCORDANCE WITH THE SECTION OF THIS MERCHANT AGREEMENT "ATTORNEY'S FEES AND COLLECTION COSTS." TO THE EXTENT PERMITTED BY LAW, MERCHANT AND GUARANTOR: (1) WAIVE THE RIGHT OF INQUISITION ON ANY REAL ESTATE LEVIED ON, VOLUNTARILY CONDEMNNS THE SAME, AUTHORIZES THE PROTHONOTARY OR CLERK TO ENTER UPON THE WRIT OF EXECUTION THIS VOLUNTARY CONDEMNATION AND AGREES THAT ANY REAL ESTATE MAY BE SOLD ON A WRIT OF EXECUTION; (2) WAIVE AND RELEASE ALL RELIEF FROM ALL APPRAISEMENT, STAY, EXEMPTION OR APPEAL LAWS OF ANY STATE NOW IN FORCE OR HEREINAFTER ENACTED; AND (3) RELEASE ALL ERRORS IN SUCH PROCEEDINGS. IF A COPY OF THIS MERCHANT AGREEMENT, VERIFIED BY AFFIDAVIT BY OR ON BEHALF OF PURCHASER SHALL HAVE BEEN FILED IN SUCH ACTION, IT SHALL NOT BE NECESSARY TO FILE THE ORIGINAL MERCHANT AGREEMENT AS A WARRANT OF ATTORNEY. THE AUTHORITY AND POWER TO APPEAR FOR AND CONFESS JUDGMENT AGAINST MERCHANT AND GUARANTOR SHALL NOT BE EXHAUSTED BY THE INITIAL EXERCISE THEREOF AND MAY BE EXERCISED AS OFTEN AS PURCHASER SHALL FIND IT NECESSARY AND DESIRABLE AND THIS BUSINESS CASH ADVANCE AND SECURITY AGREEMENT SHALL BE A SUFFICIENT WARRANT THEREFOR. PURCHASER MAY CONFESS ONE OR MORE JUDGMENTS IN THE SAME OR DIFFERENT JURISDICTIONS FOR ALL OR ANY PART OF THE AMOUNTS OWING HEREUNDER, WITHOUT REGARD TO WHETHER JUDGMENT HAS THERETOFORE BEEN CONFESSED ON MORE THAN ONE OCCASION FOR THE SAME AMOUNTS. IN THE EVENT ANY JUDGMENT CONFESSED AGAINST THE MERCHANT OR GUARANTOR HEREUNDER IS STRICKEN OR OPENED UPON APPLICATION BY OR ON MERCHANT'S OR GUARANTOR'S BEHALF FOR ANY REASON, PURCHASER IS HEREBY AUTHORIZED AND EMPOWERED TO AGAIN APPEAR FOR AND CONFESS JUDGMENT AGAINST MERCHANT OR GUARANTOR FOR ANY PART OR ALL OF THE AMOUNTS OWED HEREUNDER, AS PROVIDED FOR HEREIN, IF DOING SO WILL CURE ANY ERRORS AND DEFECTS IN SUCH PRIOR PROCEEDINGS. 3.31 NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FACTORING AGREEMENT, THE GUARANTY, THE CONFESSION OF JUDGMENT, THE SECURITY AGREEMENT, OR ANY OTHER DOCUMENTS EXECUTED BY GUARANTOR IN CONNECTION WITH THE ADVANCE OF FUNDS TO SELLER, ALL PARTIES ACKNOWLEDGE THAT RECOURSE TO THE GUARANTOR AND THE GUARANTOR'S ASSETS IS PERMITTED ONLY FOR BREACHES OF THE REPRESENTATIONS AND WARRANTIES MADE BY THE SELLER IN THE FACTORING AGREEMENT.

3.4 Costs. Merchant shall pay to PURCHASER all reasonable costs associated with (a) a breach by Merchant of the Covenants in this Agreement and the enforcement thereof, and (b) the enforcement of PURCHASER'S remedies set forth in Section 4.2 above, including but not limited to court costs and attorneys' fees.

3.5 Required Notifications. Merchant is required to give PURCHASER written notice within 24 hours of any filing under Title 11 of the United States Code. Merchant is required to give PURCHASER seven days' written notice prior to the closing of any sale of all or substantially all of the Merchant's assets or stock. **IV. MISCELLANEOUS**

4.1 Modifications; Agreements. No modification, amendment, waiver or consent of any provision of this Agreement shall be effective unless the same shall be in writing and signed by PURCHASER.

4.2 Assignment. PURCHASER may assign, transfer or sell its rights to receive the Purchased Amount or delegate its duties hereunder, either in whole or in part.

4.3 Notices. All notices, requests, consent, demands and other communications hereunder shall be delivered by certified mail, return receipt requested, to the respective parties to this Agreement at the addresses set forth in this Agreement and shall become effective only upon receipt.

4.4 Waiver Remedies. No failure on the part of PURCHASER to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise thereof or the exercise of any other right. The remedies provided hereunder are cumulative and not exclusive of any remedies provided by law or equity.

4.5 Binding Effect; Governing Law, Venue and Jurisdiction. This Agreement shall be binding upon and inure to the benefit of Merchant, PURCHASER and their respective successors and assigns, except that Merchant shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of PURCHASER which consent may be withheld in PURCHASER'S sole discretion. PURCHASER reserves the rights to assign this Agreement with or without prior written notice to Merchant. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without regards to any applicable principals of conflicts of law. Any suit, action or proceeding arising hereunder, or the interpretation, performance or breach hereof, shall, if PURCHASER so elects, be instituted in any court sitting in Pennsylvania, (the "Acceptable Forums"). Merchant agrees that the Acceptable Forums are convenient to it, and submits to the jurisdiction of the Acceptable Forums and waives any and all objections to jurisdiction or venue. Should such proceeding be initiated in any other forum, Merchant waives any right to oppose any motion or application made by PURCHASER to transfer such proceeding to an Acceptable Forum.

4.6 Survival of Representation, etc. All representations, warranties and covenants herein shall survive the execution and delivery of this Agreement and shall continue in full force until all obligations under this Agreement shall have been satisfied in full and this Agreement shall have terminated.

4.7 Severability in case any of the provisions in this Agreement is found to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of any other provision contained herein shall not in any way be affected or impaired.

4.8 Entire Agreement. Any provision hereof prohibited by law shall be ineffective only to the extent of such prohibition without invalidating the remaining provisions hereof. This Agreement and **Security Agreement** hereto embody the entire agreement between Merchant and PURCHASER and supersede all prior agreements and understandings relating to the subject matter hereof.

4.9 JURY TRIAL WAIVER. THE PARTIES HERETO WAIVE TRIAL BY JURY IN ANY COURT IN ANY SUIT, ACTION OR PROCEEDING ON ANY MATTER ARISING IN CONNECTION WITH OR IN ANY WAY RELATED TO THE TRANSACTIONS OF WHICH THIS AGREEMENT IS A PART OR THE ENFORCEMENT HEREOF. THE PARTIES HERETO ACKNOWLEDGE THAT EACH MAKES THIS WAIVER KNOWINGLY, WILLINGLY AND VOLUNTARILY AND WITHOUT DURESS, AND ONLY AFTER EXTENSIVE CONSIDERATION OF THE RAMIFICATIONS OF THIS WAIVER WITH THEIR ATTORNEYS.

4.10 CLASS ACTION WAIVER. THE PARTIES HERETO WAIVE ANY RIGHT TO ASSERT ANY CLAIMS AGAINST THE OTHER PARTY AS A REPRESENTATIVE OR MEMBER IN ANY CLASS OR REPRESENTATIVE ACTION, EXCEPT WHERE SUCH WAIVER IS PROHIBITED BY LAW AGAINST PUBLIC POLICY. TO THE EXTENT EITHER PARTY IS PERMITTED BY LAW OR COURT OF LAW TO PROCEED WITH A CLASS OR REPRESENT-ATIVE ACTION AGAINST THE OTHER, THE PARTIES HEREBY AGREE THAT: (1) THE PREVAILING PARTY SHALL NOT BE ENTITLED TO RECOVER ATTORNEYS' FEES OR COSTS ASSOCIATED WITH PURSUING THE CLASS OR REPRESENTATIVE ACTION (NOT WITHSTANDING ANY OTHER PROV-ISION IN THIS AGREEMENT); AND (2) THE PARTY WHO INITIATES OR PARTICIPATES AS A MEMBER OF THE CLASS WILL NOT SUBMIT A CLAIM OR OTHERWISE PARTICIPATE IN ANY RECOVERY SECURED THROUGH THE CLASS OR REPRESENT-ATIVE ACTION.

4.11 Counterparts & Facsimile/Email Signatures. This Agreement may be executed in any number of counterparts each of which shall be deemed to be an original, all of which together shall be deemed one and the same instrument. Further, facsimile and email signatures shall be deemed to be originals for all purposes.



Merchant's Legal Name: ACTIVECARE, INC
D/B/A: VOLU-SOL, REAL TIME HEALTH, GWIRE CORPORATION, ORBIT MEDICAL RESPONSE, RAPID MEDICAL RESPONSE, GREENWIRE:

Guarantor's Legal Name: Jeffrey Scott Peterson
SS # (Guarantor):

Physical Address: 1365 WEST BUSINESS PARK DRIVE CITY/STATE: OREM, UT ZIP: 84058

FED ID # (Merchant): 87-0578125

SECURITY AGREEMENT

Security Interest. To secure SELLER/MERCHANTS'S performance obligations to PURCHASER under the "Factoring Agreement", SELLER/MERCHANT hereby grants to PURCHASER a security interest in (a) all accounts, chattel paper, documents, equipment, general intangibles, instruments, and inventory, as those terms are defined in Article 9 of the Uniform Commercial Code (the "UCC"), now or hereafter owned or acquired by SELLER/MERCHANT; and (b) all proceeds, as that term is defined in Article 9 of the UCC (a and b collectively, the "Collateral").

Cross-Collateral. To secure Guarantor's payment and performance obligations to PURCHASER under this Security Agreement and Guaranty (the "Agreement"), Guarantor hereby grants PURCHASER a security interest in __ (the "Additional Collateral"). Guarantor understands that PURCHASER will have a security interest in the aforesaid Additional Collateral upon execution of this Agreement.

SELLER/MERCHANT and Guarantor each acknowledge and agree that any security interest granted to PURCHASER under any other agreement between SELLER/MERCHANT or Guarantor and PURCHASER (the "Cross-Collateral") will secure the obligations hereunder and under the FACTORING Agreement.

SELLER/MERCHANT and Guarantor each agrees to execute any documents or take any action in connection with this Agreement as PURCHASER deems necessary to perfect or maintain PURCHASER'S first priority security interest in the Collateral, the Additional Collateral and the Cross-Collateral, including the execution of any account control agreements. SELLER/MERCHANT and Guarantor each hereby authorizes PURCHASER to file any financing statements deemed necessary by PURCHASER to perfect or maintain PURCHASER's security interest, which financing statement may contain notification that SELLER/MERCHANT and Guarantor have granted a negative pledge to PURCHASER with respect to the Collateral, the Additional Collateral and the Cross-Collateral, and that any subsequent lien or may be tortuously interfering with PURCHASER's rights. SELLER/MERCHANT and Guarantor shall be liable for and PURCHASER may charge and collect all costs and expenses, including but not limited to attorney's fees, which may be incurred by PURCHASER in protecting, preserving and enforcing PURCHASER'S security interest and rights.

Negative Pledge. SELLER/MERCHANT and Guarantor each agrees not to create, incur, assume, or permit to exist, directly or indirectly, any lien on or with respect to any of the Collateral, the Additional Collateral or the Cross-Collateral, as applicable.

Consent to Enter Premises and Assign Lease. PURCHASER shall have the right to cure SELLER/MERCHANT default in the payment of rent on the following terms. In the event SELLER/MERCHANT is served with papers in an action against SELLER/MERCHANT for nonpayment of rent or for summary eviction, PURCHASER may execute its rights and remedies under the Assignment of Lease. SELLER/MERCHANT also agrees that PURCHASER may enter into an agreement with SELLER/MERCHANT landlord giving PURCHASER the right: (a) to enter SELLER/MERCHANT'S premises and to take possession of the fixtures and equipment therein for the purpose of protecting and preserving same; and (b) to assign SELLER/MERCHANT'S lease to another qualified SELLER/MERCHANT capable of operating a business comparable to SELLER/MERCHANT at such premises.

Remedies. Upon any Event of Default, PURCHASER may pursue any remedy available at law (including those available under the provisions of the UCC), or in equity to collect, enforce, or satisfy any obligations then owing, whether by acceleration or otherwise.

SELLER/MERCHANT

/s/Jeffrey Scott Peterson

BY: Jeffrey Scott Peterson



GUARANTY

Personal Guaranty of Performance. The undersigned Guarantor(s) hereby guarantees to PURCHASER, SELLER/MERCHANT'S performance of all of the representations, and warranties made by SELLER/MERCHANT in this Agreement and the Factoring Agreement, as each agreement may be renewed, amended, extended or otherwise modified (the "Guaranteed Obligations"). Guarantor's obligations are due at the time of any breach by Merchant of any representation or warranty, or covenant made by Merchant in this Agreement and the Merchant Agreement.

Guarantor Waivers. In the event that SELLER/MERCHANT violates its representations and warranties under the FACTORING AGREEMENT, PURCHASER may enforce its rights under this Agreement without first seeking to obtain payment from Merchant, any other guarantor, or any Collateral, Additional Collateral or Cross-Collateral PURCHASER may hold pursuant to this Agreement or any other guaranty.

PURCHASER does not have to notify Guarantor of any of the following events and Guarantor will not be released from its obligations under this Agreement if it is not notified of: (i) SELLER/MERCHANT'S violation of the representations and warranties of the FACTORING AGREEMENT or any renewal, extension or other modification of the FACTORING AGREEMENT. In addition, PURCHASER may take any of the following actions without releasing Guarantor from any of its obligations under this Agreement : (i) renew, extend or otherwise modify the FACTORING AGREEMENT or SELLER/MERCHANT'S other obligations to PURCHASER; (ii) release SELLER/MERCHANT from its obligations to PURCHASER; (iii) sell, release, impair, waive or otherwise execute upon any collateral securing the Guaranteed Obligations ; and (iv) foreclose on any collateral securing the Guaranteed Obligations or any other guarantee of the Guaranteed Obligations in a manner that impairs or precludes the right of Guarantor to obtain reimbursement for payment under this Agreement. Until all obligations are fulfilled under the FACTORING AGREEMENT and SELLER/MERCHANT'S other obligations to PURCHASER under the FACTORING AGREEMENT and this Agreement are paid in full, Guarantor shall not seek reimbursement from Merchant or any other guarantor for any amounts paid by it under this Agreement. Guarantor permanently waives and shall not seek to exercise any of the following rights that it may have against SELLER/MERCHANT, any other guarantor, or any collateral provided by SELLER/MERCHANT or any other guarantor, for any amounts paid by it, or acts performed by it, under this Agreement: (i) subrogation; (ii) reimbursement; (iii) performance; (iv) indemnification; or (v) contribution. In the event that PURCHASER must return any amount paid by SELLER/MERCHANT or any other guarantor of the Guaranteed Obligations because that person has become subject to a proceeding under the United States Bankruptcy Code or any similar law, Guarantor's obligations under this Agreement shall include that amount. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FACTORING AGREEMENT, THE GUARANTY, THE CONFESSION OF JUDGMENT, THE SECURITY AGREEMENT, OR ANY OTHER DOCUMENTS EXECUTED BY GUARANTOR IN CONNECTION WITH THE ADVANCE OF FUNDS TO SELLER, ALL PARTIES ACKNOWLEDGE THAT RECOURSE TO THE GUARANTOR AND THE GUARANTOR'S ASSETS IS PERMITTED ONLY FOR BREACHES OF THE REPRESENTATIONS AND WARRANTIES MADE BY THE SELLER IN THE FACTORING AGREEMENT.

GUARANTOR ACKNOWLEDGEMENT. Guarantor acknowledges that: (i) He/She understands the seriousness of the provisions of this Agreement; (ii) He/She has had a full opportunity to consult with counsel of his/her choice; and (iii) He/She has consulted with counsel of its choice or has decided not to avail himself/herself of that opportunity.

JOINT AND SEVERAL LIABILITY. The obligations hereunder of the persons or entities constituting Guarantor under this Agreement are joint and several.

MERCHANT

/s/Jeffrey Scott Peterson

EIN# 87-0578125

Driver's License Number: 154642376

OWNER/GUARANTOR

BY: Jeffrey Scott Peterson

(Signature)

SS#

Driver's License Number:

THE TERMS, DEFINITIONS, CONDITIONS AND INFORMATION SET FORTH IN THE "MERCHANT AGREEMENT", INCLUDING THE "TERMS AND CONDITIONS", ARE HEREBY INCORPORATED IN AND MADE A PART OF THIS SECURITY AGREEMENT AND GUARANTY.

CAPITALIZED TERMS NOT DEFINED IN THIS SECURITY AGREEMENT AND GUARANTY, SHALL HAVE THE MEANING SET FORTH IN THE MERCHANT AGREEMENT, INCLUDING THE TERMS AND CONDITIONS.



DISCLOSURE FOR CONFESSION OF JUDGMENT

AFFIANT: Jeffrey Scott Peterson

OBLIGEE: Complete Business Solutions Group, Inc. d/b/a Par Funding

The undersigned has executed, and/or is executing, on even date herewith, one or more of the following instruments under which the undersigned is obligated to repay monies to Obligee:

- 1. Factoring Agreement dated April 17, 2017; and

A. THE UNDERSIGNED ACKNOWLEDGES AND AGREES THAT THE ABOVE DOCUMENTS CONTAIN PROVISIONS UNDER WHICH OBLIGEE MAY ENTER JUDGMENT BY CONFESSION AGAINST THE UNDERSIGNED. BEING FULLY AWARE OF THE UNDERSIGNED'S RIGHTS TO PRIOR NOTICE AND A HEARING ON THE VALIDITY OF ANY JUDGMENT OR OTHER CLAIMS THAT MAY BE ASSERTED AGAINST THE UNDERSIGNED BY OBLIGEE THEREUNDER BEFORE JUDGMENT IS ENTERED, THE UNDERSIGNED HEREBY FREELY, KNOWINGLY, AND INTELLIGENTLY WAIVES THESE RIGHTS AND EXPRESSLY AGREES AND CONSENTS TO OBLIGEE'S ENTERING JUDGMENT AGAINST THE UNDERSIGNED BY CONFESSION PURSUANT TO THE TERMS THEREOF.

B. THE UNDERSIGNED ALSO ACKNOWLEDGES AND AGREES THAT THE ABOVE DOCUMENTS CONTAIN PROVISIONS UNDER WHICH OBLIGEE MAY, AFTER ENTRY OF JUDGMENT AND WITHOUT EITHER NOTICE OR A HEARING, FORECLOSE UPON, ATTACH, LEVY, OR OTHERWISE SEIZE PROPERTY OR PROCEED AGAINST THE INTERESTS OF THE UNDERSIGNED IN PROPERTY (REAL OR PERSONAL) IN FULL OR PARTIAL PAYMENT OR SATISFACTION OF THE JUDGMENT OR JUDGMENTS. BEING FULLY AWARE OF THE UNDERSIGNED'S RIGHTS AFTER JUDGMENT IS ENTERED (INCLUDING THE RIGHT TO MOVE TO OPEN OR STRIKE THE JUDGMENT OR JUDGMENTS), THE UNDERSIGNED HEREBY FREELY, KNOWINGLY AND INTELLIGENTLY WAIVES THESE RIGHTS AND EXPRESSLY AGREES AND CONSENTS TO OBLIGEE'S TAKING SUCH ACTIONS AS MAY BE PERMITTED UNDER APPLICABLE STATE AND FEDERAL LAW WITHOUT PRIOR NOTICE TO THE UNDERSIGNED.

C. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FACTORING AGREEMENT, THE GUARANTY, THE CONFESSION OF JUDGMENT, THE SECURITY AGREEMENT, OR ANY OTHER DOCUMENTS EXECUTED BY GUARANTOR IN CONNECTION WITH THE ADVANCE OF FUNDS TO SELLER, ALL PARTIES ACKNOWLEDGE THAT RECOURSE TO THE GUARANTOR AND THE GUARANTOR'S ASSETS IS PERMITTED ONLY FOR BREACHES OF THE REPRESENTATIONS AND WARRANTIES MADE BY THE SELLER IN THE FACTORING AGREEMENT.

D. The undersigned hereby certifies that the financial accommodations being provided by the Obligee are for a business purpose, and not for personal, family or household use.

E. The statements made in this Disclosure for Confession of Judgment are made subject to the penalties of 18 Pa.C.S.A. § 4904 relating to unsworn falsification to authorities.

EIN# 87-0578125 Driver's License Number: 154642376

OWNER/GUARANTOR

BY: Jeffrey Scott Peterson (Signature)/s/Jeffrey Scott Peterson

SS#Driver's License Number:

MERCHANT

By: Jeffrey Scott Peterson /s/Jeffrey Scott Peterson



AUTHORIZATION AGREEMENT FOR DIRECT DEPOSIT (ACH CREDIT) AND DIRECT PAYMENTS (ACH DEBITS)

This Authorization Agreement for Direct Deposit (ACH Credit) and Direct Payments (ACH Debits) is part of (and incorporated by reference into) the FACTORING AGREEMENT. You should keep this important legal document for your records.

DISBURSEMENT OF BUSINESS CASH ADVANCE PROCEEDS: By signing below, Seller/Merchant authorizes PURCHASER to disburse the Cash Advance Proceeds less the amount of any applicable fees upon approval by initiating an ACH credit to the checking account indicated below (or a substitute checking account Seller/Merchant later identifies and is acceptable to PURCHASER) (hereinafter referred to as the "Designated Checking Account") in the disbursement amount set forth in the accompanying documents. This authorization is to remain in full force and effect until PURCHASER has received written notification from Seller/Merchant of its termination in such time and in such manner as to afford PURCHASER and Merchant's depository bank a reasonable opportunity to act on it.

AUTOMATIC PAYMENT PLAN: Enrollment in PURCHASER's Automatic Payment Plan is required for approval. By signing below, Seller/Merchant agrees to enroll in the Automatic Payment Plan and authorizes PURCHASER to collect payments required under the terms of Seller/Merchant Agreement by initiating ACH debit entries to the Designated Checking Account in the amounts and on the dates provided in the payment schedule set forth in the accompanying Seller/Merchant Agreement. Seller/Merchant authorizes PURCHASER to increase the amount of any scheduled ACH debit entry or assess multiple ACH debits for the amount of any previously scheduled payment(s) that was not paid as provided in the payment schedule and any unpaid Fees. This authorization is to remain in full force and effect until PURCHASER has received written notification from Seller/Merchant of its termination in such time and in such manner as to afford PURCHASER and Seller/Merchant's depository bank a reasonable opportunity to act on it. PURCHASER may suspend or terminate Seller/Merchant's enrollment in the Automatic Payment Plan immediately if Seller/Merchant fails to keep Seller/Merchant's designated checking account in good standing or if there are insufficient funds in Merchant's checking account to process any payment.

If Seller/Merchant revokes the authorization or PURCHASER suspends or terminates Seller/Merchant's enrollment in the Automatic Payment Plan, Seller/Merchant still will be responsible for making timely payments pursuant to the alternative payment methods described in the Seller/Merchant Agreement.

BUSINESS PURPOSE ACCOUNT: By signing below, Seller/Merchant attests that the Designated Checking Account was established for business purposes and not primarily for personal, family or household purposes.

ACCOUNT CHANGES: Seller/Merchant agrees to notify PURCHASER promptly if there are any changes to the account and routing numbers of the Designated Checking Account

MISCELLANEOUS: PURCHASER is not responsible for any fees charged by Seller/Merchant's bank as the result of credits or debits initiated under this agreement. The origination of ACH transactions to Merchant's account must comply with the provisions of U.S. law.

Signature: /s/Jeffrey Scott Peterson Date:

Bank Name:

City: State: Zip:

Routing Number:

Account Number:

Business Name on Account:

Address on Account:

Seller/Merchant Phone #: Tax ID Number:

Email:

Signature:

Title:





BANK ACCOUNT DISCLOSURE AFFIDAVIT

For the purpose of obtaining the Business Cash Advance evidence by the Merchant Agreement of this same date herewith (the "Business Cash Advance") from Complete Business Solutions Group, Inc., the undersigned Seller/Merchant hereby makes the following statement under penalty of law:

PLEASE SIGN OPTION ONE OR TWO

OPTION 1 – DISCLOSURE AND AUTHORIZATION FOR ADDITIONAL ACCOUNTS:

The Seller/Merchant hereby declares that in addition to the designated for ACH debit, the Seller/Merchant also has the following additional account(s) which he authorizes us to use in the event we are unable to debit from the designated account:

Bank Name
Name on Account
Account Number
Routing Number
Fed ID number associated with this account
Name associated with this account
Phone number of person whose name is associated with this account

Bank Name
Name on Account
Account Number
Routing Number
Fed ID number associated with this account
Name associated with this account
Phone number of person whose name is associated with this account

Bank Name
Name on Account
Account Number
Routing Number
Fed ID number associated with this account
Name associated with this account
Phone number of person whose name is associated with this account

Bank Name
Name on Account
Account Number
Routing Number
Fed ID number associated with this account
Name associated with this account
Phone number of person whose name is associated with this account

****attach additional pages if necessary****

Seller/Merchant Signature Dated

Seller/Merchant Signature Dated

OPTION 2 - By signing below, the merchant swears, under penalty of law, that he has no accounts in any lending institution in addition to the one provided for ACH debit

Seller/Merchant Signature /s/Jeffrey Scott Peterson Dated

Seller/Merchant Signature Dated



AUTHORIZATION TO RESUME ACH DEBITING FORM

NAME OF SELLER/MERCHANT: ActiveCare, Inc

INFORMATION (To be filled out by the customer)

I authorize Company (as shown above) to resume electronically debiting my bank account as detailed below, including a non-sufficient fund fee if applicable, until the debt to the company is paid in full.

Full Name on Account: ActiveCare, Inc.

Account #: Routing #:

x

124000054

Account Type (select one): Checking Savings

Account Class (select one): Consumer Account Business Account

Payment amount: \$12,999.99 Number of Payments: 193

Date of next payment: Frequency of payments:

I understand that I may cancel this authorization by contacting the company at least five (5) business days prior to the payment due date. I further understand that canceling my ACH authorizations does not relieve me of the responsibility of paying my account in full, and that if I cancel or revoke this authorization before the debt is paid in full, the Company may take additional actions including legal actions to secure the debt.

Customer signature: /s/ Jeffrey Scott Peterson
4/17/17

Date:

Customer Printed Name: ActiveCare, Inc.- Jeffrey Peterson
Customer contact Telephone #: 877-219-6050



141 N. 2nd Street Philadelphia, Pennsylvania 19106
Phone: 215-922-2636 Fax: 888-803-4886

Dear Client,

Thank you for accepting this offer from Complete Business Solutions Group D/b/a Par Funding. We look forward to being your factoring partner for as long as you need.

Daily ACH Program:

Complete Business Solutions Group will require viewing access to your bank account prior to funding as part of our underwriting process, as well as during the time you have a balance with our company.

Please be assured that we carefully safeguard your confidential information and only essential top level personnel will have access to it.

Please fill out the form below with the information necessary to access your account.

**Be sure to indicate capital or lower case letters.

NAME OF BANK;

BANK PORTAL WEBSITE:

USERNAME:

PASSWORD:

SECURITY QUESTION/ANSWER 1:

SECURITY QUESTION/ANSWER 2:

SECURITY QUESTION/ANSWER 3:

ANY OTHER INFORMATION NECESSARY TO ACCESS YOUR ACCOUNTS:



APPENDIX A: THE FEE STRUCTURE

1. Origination Fee: \$995.00 to cover underwriting and related expenses
2. ACH Program Fee - \$399.00 – The ACH program is labor intensive and is not an automated process, requiring us to charge this fee to cover related costs;
3. NSF Fee - \$75.00 (each) - Up to FOUR TIMES ONLY before a default is declared;
4. Rejected ACH - \$100.00 – If a merchant directs the bank to reject our debit ACH;
5. Bank Change Fee - \$50.00 – If a merchant requires a change of account to be debited requiring us to adjust our system;
6. Blocked Account - \$250.00 – If a merchant blocks CBSG's ACH debit of the Account, bounces more than 4 debits of the Account or simultaneously uses multiple bank accounts or credit-card processors to process its receipts;
7. Default Fee - \$500.00 default fee – If a merchant changes bank accounts or switches to another credit card processor without CBSG's consent, or commits another default pursuant to the Agreement;
8. 3rd Party Intermediary Fee – \$4,000.00 deposit toward reasonable related expenses incurred by PURCHASER. If PURCHASER receives a communication from a 3rd party debt relief/renegeotiator entity or individual which has been retained by Merchant and which contacts PURCHASER on Merchant's behalf seeking to redirect communication (related to the obligations contained in this Agreement) to itself/themselves and away from Merchant. This fee shall be used to covers Purchaser's reasonable expenses in retaining counsel or other parties to handle this additional administration required by this retention of the intermediary by PURCHASER. Any portion of the fee that is not used by PURCHASER for this purpose shall be returned to Merchant at the conclusion of this Factoring Agreement or related legal action.
9. Collections Expense – In the event of default, Seller / Merchant shall be responsible for all reasonable costs of collections, including, but not limited to, counsel fees, filing fees and any other fees which may be incurred.
10. Miscellaneous Service Fees – Merchant shall pay certain fees for services related to the origination and maintenance of accounts. Each Merchant shall receive their funding electronically to their designated bank account and will be charged \$30.00 for a Fed Wire. The current charge for the underwriting, UCC, ACH Program and origination of each Merchant will be paid from the funded amount. Merchant will be charged \$100.00 for every additional change of their operating bank account once they are active with CBSG. Additional copies of prior monthly statements will incur a fee of \$10.00 each.
11. Risk Assessment Fee - \$249.00
12. UCC Fee – \$195.00

Joint Venture Agreement

THIS JOINT VENTURE AGREEMENT ("Agreement") is entered into effective this 31^S day of March, 2017 by and between ActiveCare, Inc, a Delaware corporation and Colorado Choice Health Plans, a Colorado non-profit corporation ("CCHP").

RECITALS

- A. CCHP has nurses who have expertise in disease management especially as it relates to the chronic illness of diabetes ("DM Service").
- B. AC has a product and service that aides diabetics in managing their chronic illness.
- C. AC desires to expand its services and develop DM services.
- D. CCHP agrees to consult and offer its DM services in exchange for a \$500,000 Debenture Note ("Debenture Note" attached hereto as Exhibit A).

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, agreements, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, parties agree as follows:

I. Engagement.

- (a) Services. AC hereby engages CCHP to perform the services described in Exhibit B attached hereto as such exhibit may be amended or supplemented pursuant to the terms of the Agreement from time to time (the "Services"), and CCHP hereby accepts such engagement and agrees to provide the services. CCHP and AC will mutually agree upon the method, details and means of performing the services.
 - (b) Performance of the Services.
 - (i) For each month during the Term (as defined below), CCHP commits to dedicate its best efforts to render the Services, provided, that CCHP shall work as many hours as may be reasonably necessary to timely render the Services pursuant to this Agreement.
 - (ii) CCHP shall render to AC and certain of its affiliates the Services in a timely and professional manner consistent with industry standards, in accordance with this Agreement.
 - (iii) If the Services rendered go beyond the scope outlined in Exhibit **B** attached hereto, then CCHP may charge separately for those Services based upon a pre-approved rate schedule.
 - (iv) CCHP may not subcontract or otherwise delegate its obligations under this Agreement without AC's prior written consent. In performing the Services, CCHP agrees to provide its own personnel, equipment, tools and other materials at its own expense. In connection with providing the Services, the parties hereby agree that, unless otherwise consented to in writing by AC, the only person that will render the Services shall be CCHP.
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- (v) AC shall make its facilities and equipment available to CCHP as reasonably necessary in connection with the Services. For any work performed on AC's or any of its affiliates' premises CCHP shall comply with all security, confidentiality, safety and health policies of AC and such affiliates.
- (vi) Subject to compliance with AC's obligations hereunder, CCHP shall retain the sole control and discretion to determine the methods by which CCHP performs the Services and the places at which, the equipment and supplies with which, and the hours during which such Services are to be rendered.

2. Independent Contractor Relationship. CCHP's relationship with AC and its affiliates shall be that of an independent contractor and nothing in this Agreement should be construed to create a partnership joint venture, agency or employer-employee relationship between the parties. The CCHP is not the agent of AC or any of its affiliates and is not authorized and shall not have any authority to make any representation, contract or commitment, on behalf of AC or its affiliates, or otherwise bind AC or its affiliates in any respect whatsoever.

3. Compensation.

- (a) Debenture Note. In consideration of the Services to be performed by CCHP, AC will invest \$500,000 into a Debenture Note attached hereto as Exhibit A.
- (b) Fees Beyond the Scope of Service. Any Services rendered that are beyond the Scope of Service found in Exhibit A shall be negotiated in advance and be paid separately.
- (c) Expenses. AC shall reimburse CCHP for all reasonable travel, lodging, communications, and out-of-pocket expenses incurred by CCHP in connection with providing the services; provided any such expenses shall be approved in advance in writing by AC and shall be reasonably documented.

4. Term and Termination

- (a) This Agreement shall commence on the date of this Agreement and continue in effect for an initial period at least one (1) year or until the Debenture Note is paid off in full whichever is longer.
 - (b) Termination. Notwithstanding Section 4, this Agreement may be terminated in accordance with any of the following:
 - (i) Upon the mutual written agreement of the parties, effective on the date so mutually agreed;
 - (ii) By either party, effective immediately upon written notice to the other party, if the other party materially breaches any term or provision of this Agreement and fails to cure such breach within ten (10) days after receipt of written notice of the breach;
 - (iii) By either party, effective immediately upon written notice thereof, if it becomes illegal or impossible for any party to perform its obligations under the terms of this Agreement for any reason whatsoever; or
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(iv) Automatically upon the bankruptcy or insolvency of either party.

(c) Effect of Termination. The termination or expiration of this Agreement shall in no way affect or impair any right which has accrued to either party hereto prior to the date when such termination or expiration became effective. Upon the effective date of any termination or expiration of this Agreement, CCHP shall immediately cease performing the Services. AC shall pay the Consultant for all Services performed up through the date of termination or expiration. The provisions of Sections 2, 3(b), 5, 6, 7, 8 and 9, and this Section 4(c) shall survive any expiration or other termination of this Agreement. Termination of this Agreement by either party shall not act as a waiver of any breach of this Agreement and shall not act as a release of either party from any liability for breach of such party's obligations under this Agreement. Neither party shall be liable to the other for damages of any kind solely as a result of terminating or expiration of this Agreement in accordance with its terms, and termination of this Agreement by a party shall be without prejudice to any other right or remedy of such party under this Agreement or applicable law.

5. Confidentiality.

(a) Confidential Information. By virtue of this Agreement, CCHP will have access to confidential, proprietary and trade secret information and materials of AC (or its affiliates, suppliers, vendors, customers or any other third party to whom AC owes a duty of confidentiality), in whatever form, tangible or intangible, whether disclosed orally, in writing or otherwise, that is provided to CCHP before or after the execution of this Agreement under circumstances reasonably indicating that it is confidential or proprietary (collectively, the "Confidential Information"). Confidential Information includes, without limitation, any trade secrets and know-how, and any:

- (i) Information, ideas or materials of a technical or creative nature, such as inventions, improvements, discoveries, developments, techniques, processes, research and development plans and results, reports, drawings, designs, specifications, works of authorship, data, formulas, files, HTML, computer source and object code, patent applications, and other materials and concepts relating to AC's business, services, processes or technology;
 - (ii) Information, ideas or materials of a business nature, such as development plans, marketing and sales plans and forecasts, budgets and unpublished financial states, and other information regarding finances, profits, costs, marketing, purchasing, sales, operations, policies, procedures, personnel, salaries, customers, suppliers and contract terms;
 - (iii) All personal property, including, without limitation, books, manuals, records, files, reports, notes, contracts, lists, blueprints and other documents or materials, or copies thereof, received by CCHP or prepared for AC in the course of CCHP's rendering of Services to AC; and
 - (iv) Any other trade secrets, information, ideas or materials of or relating in any way to the past, present, planned or foreseeable business, products, developments, technology or activities of AC (or its affiliates, employees, licensors, suppliers, vendors, clients, customers or any other third parties to whom AC owes a duty of confidentiality).
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Confidentiality Information does not include that which (A) is already in CCHP's possession at the time of disclosure to AC, (B) is or becomes part of public knowledge other than as a result of any action or inaction of CCHP, (C) is obtained by CCHP from an unrelated third party without a duty of confidentiality, or (D) is independently developed by CCHP other than in connection with these Services.

- (b) Restrictions on Use. CCHP shall not use Confidential Information for any purpose other than in furtherance of this Agreement and the activities described herein. CCHP shall not disclose Confidential Information to any third parties except as otherwise permitted hereunder. CCHP shall maintain Confidential Information with at least the same degree of care it uses to protect its own proprietary information of a similar nature or sensitivity, but no less than reasonable care under the circumstances. CCHP shall promptly advise AC in writing of any misappropriation or misuse of Confidential Information of which CCHP becomes aware.
 - (c) Exclusions. Notwithstanding the foregoing, this Agreement shall not prevent CCHP from disclosing Confidential Information to the extent required by a judicial order or other legal obligation, provided, that, in such event, CCHP shall promptly notify AC to allow intervention (and shall cooperate with AC) to contest or minimize the scope of the disclosure (including application for a protective order). Further, CCHP may disclose the terms and conditions of this Agreement: (i) in confidence, to legal counsel; (ii) in confidence, to accountants; and (iii) in connection with the enforcement of this Agreement or any rights hereunder.
 - (d) Equitable Relief. CCHP acknowledges that AC considers the Confidential Information to contain trade secrets and that any unauthorized use or disclosure of such information would cause AC irreparable harm for which its remedies at law would be inadequate. Accordingly, CCHP acknowledges and agrees that AC will be entitled, in addition to any other remedies available to it at law or in equity, to the issuance of injunctive relief, without bond, enjoining any breach or threatened breach of CCHP's obligations hereunder with respect to the Confidential Information, and such further relief as any court of competent jurisdiction may deem just and proper.
 - (e) Return of Materials. Upon termination of this Agreement, CCHP will immediately return to AC all Confidential Information embodied in tangible (including electronic) form or, at CCHP's discretion, destroy all such Confidential Information and certify in writing to AC that all such Confidential Information has been destroyed.
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- (f) Disclaimer. AC hereby disclaims all warranties of any kind, whether express, implied, statutory or otherwise, with respect to any Confidential Information or other information or materials supplied by AC to CCHP hereunder.
6. Warranties. CCHP represents, warrants and covenants to AC that: (a) CCHP has the full power and authority to enter into this Agreement and to perform his obligations hereunder, without the need for any consents, approvals or immunities not yet obtained; (b) CCHP has the right to grant the rights and assignments granted herein, without the need for any assignments, releases, consents, approvals, immunities or other rights not yet obtained; (c) the Services, including, without limitation, any Deliverables (as defined below) required hereunder, shall be free from material errors or other defects and shall substantially conform to any specifications for such Services and/or deliverables; and (d) that the issuance of the Debenture Note by and on behalf of CCHP to AC is validly issued; and is legally binding to CCHP; and has received all requisite approvals.
7. Deliverables. AC is and shall be, the sole and exclusive owner of all rights, title and interests throughout the world in and to the results and proceeds of the Services performed in this Agreement, including but not limited to any Deliverables. CCHP hereby agrees that the Deliverables are hereby deemed a "work made for hire" as defined in 17 U.S.C. 101 for the Company. If for any reason, any of the Deliverables do not constitute a "work made for hire", CCHP hereby irrevocably assigns to the Company, in each case without additional consideration, all of his right, title and interest throughout the world in and to the Deliverables. Any assignment of copyrights under this Agreement includes all rights of paternity, integrity, disclosure and withdrawal and any other rights that may be known as "moral rights" (collectively, "Moral Rights"). CCHP hereby irrevocably waives, to the extent permitted by applicable law, any and all claims you may now or hereafter have in any jurisdiction to any Moral Rights with respect to the Deliverables. CCHP hereby acknowledges and agrees that (a) it has no right or license to use, publish, reproduce, prepare derivative works based upon, distribute, perform, or display any Deliverables, and (b) it has no right or license to use AC's trademarks, service marks, trade names, logos, symbols or brand names.
8. Indemnification. CCHP shall indemnify and hold harmless, and AC's request defend, AC and its affiliates, successors and assigns (and its and their officers, managers, employees, customers and agents) from and against any and all claims, losses, liabilities, damages, settlements, expenses and costs (including, without limitation, attorneys' fees and court costs) which arise out of or relate to (a) any breach (or claim or threat thereof that, if true, would be a breach) of this Agreement by CCHP, including, without limitation, any breach or alleged breach of any representation or warranty of CCHP set forth in Section 6; or (b) any third party claim or threat thereof that the Services (or the exercise of the rights granted herein with respect thereto) infringe, misappropriate or violate any patent, copyright, trademark, trade secret, publicity, privacy or other rights of any third party, or are defamatory or obscene.
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9. Miscellaneous.

- (a) Entire Agreement. This Agreement is the final, complete and exclusive agreement between the parties relating to the subject matter hereof, and supersedes all prior or contemporaneous discussions, proposals, negotiations, understandings, representations, warranties, promises, agreements and other communications, whether oral or written, between the parties relating to such subject matter and all past courses of dealing or industry customs.
- (b) Severability. If the application of any provisions of this Agreement to any particular facts or circumstances shall for any reason be held to be invalid, illegal or unenforceable by a court, arbitration panel or other tribunal of competent jurisdiction, then (i) the validity, legality and enforceability of such provision as applied to any other particular facts or circumstances, and the other provisions of this Agreement, shall not in any way be affected or impaired thereby, and (ii) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties. If, moreover, any provision contained in this Agreement shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be construed by limiting and reducing it, so as to be enforceable to the extent compatible with applicable law.
- (c) Governing Law. This Agreement is to be construed in accordance with and governed by the internal laws of the State of Utah without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Utah to the rights and duties of the parties.
- (d) Jurisdiction and Venue. Any legal suit, action or proceeding arising out of or relating to this Agreement shall be commenced in a federal or state court located in the County of Utah, Utah, and each party hereto (i) irrevocably submits to the exclusive jurisdiction and value of any such court in any such suit, action or proceeding, and (ii) irrevocably waives (to the extent permitted by applicable law) any objection which it now or hereafter may have to the laying of venue of any such action or proceeding brought in any of the foregoing courts in and of the State of Utah, and any objection on the ground that any such action or proceeding in any such court has been brought in an inconvenient forum.
- (e) WAIVER OF JURY TRIAL EACH OF THE PARTIES HEREBY WAIVES ITS RIGHT TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY, IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY PARTY AGAINST THE OTHER PARTY, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. EACH OF THE PARTIES AGREES THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR ANY PROVISION HEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT.
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- (f) Fees and Costs. The prevailing party or parties in any arbitration, mediation, court action, or other adjudicative proceeding arising out of or relating to this Agreement shall be reimbursed by the party or parties who do not prevail for their reasonable attorneys', accountants', and experts' fees and for the costs of such proceeding. For purposes of this Section 9(F), "prevailing party" includes, without limitation, a party who agrees to dismiss an action or proceeding upon the other's payment of sums allegedly due or performance of the covenants allegedly breached, or who obtains substantially the relief sought. The provision set forth in this Section 9(I) shall survive the merger of these provisions into any judgment.
- (g) Waiver. The waiver by either party of a breach of or a default under any provision of this Agreement shall not be effective unless in writing and shall not be construed as a waiver of any subsequent breach of or default under the same or any other provision of this Agreement, nor shall any delay or omission on the part of either party to exercise or avail itself of any right or remedy that it has or may have hereunder operate as a waiver of any right or remedy.
- (h) Modification. No amendment or modification to this Agreement shall be valid or binding upon the parties unless in writing and signed by each party.
- (i) Remedies. All rights and remedies hereunder shall be cumulative, may be exercised singularly or concurrently and, unless otherwise stated herein, shall not be deemed exclusive.
- (j) Notices. All notices, invoices, payments, and other communications made under this Agreement (each, a "Notice") shall be in writing and sent to the appropriate party at the address set forth for such party on the signature page below, or at such other address as such party may designate by ten (1) days advanced Notice to the other party in accordance with this Section 9(j). Notice shall be given when received on a business day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply: (i) Notices sent by electronic means, including facsimile and electronic mail shall be deemed to have been received upon the sending Party's receipt of its confirmation of successful transmission, such as facsimile machine's confirmation or the "return receipt requested" function for electronic mail, provided, that if the day on which such electronic communication is received is not a business day or is after five (5:00) p.m. local time at the recipient party's address to where deliver is made, then such electronic communication shall be deemed to have been received on the next following business day; (ii) Notice sent by overnight mail or courier shall be deemed to have been received on the next day after it was sent or such earlier time as confirmed by the receiving party or courier; and (iii) Notice sent by first class mail, postage prepaid, shall be deemed received five (5) business days after mailing.
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- (k) Construction. The captions and section and paragraph headings used in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement. The construction of this Agreement shall not take into consideration the party who drafted or whose representative drafted any portion of this Agreement, and no canon of construction shall be applied that resolves ambiguities against the drafter of the document.
- (l) Exhibits. All Exhibits attached hereto are hereby incorporated by reference into, and made a part of, this Agreement.
- (m) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original of this Agreement, but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered by facsimile, or by email in portable document format (.pdf) and delivery of the executed signature page by such method will be deemed to have the same effect as if the original signature had been delivered to other the parties.
- (n) Relationship of Parties. This Agreement shall not be construed as creating an agency, partnership, joint venture or any other form of association, for tax purposes or otherwise, between the parties, and the parties shall at all times be and remain independent contractors. Except as expressly agreed by the parties in writing, neither party shall have any right or authority, express or implied, to assume or create any obligation of any kind, or to make any representation or warranty, on behalf of the other party or to bind the other party in any respect whatsoever.
- (o) Parties in Interest. Except as otherwise specifically provided herein to the contrary, nothing in this Agreement shall confer any rights or remedies under or by reason of this Agreement on any person other than the parties hereto and their respective permitted successors and assigns nor shall anything in the Agreement relieve or discharge the obligation or liability of any third person to any party to this Agreement, nor shall any provision give any third person any right of subrogation or action over or against any party to this Agreement.

[SIGNATURES TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Joint Venture Agreement as of the date first written above.

"AC"

ACTIVECARE, INC.,
a Delaware corporation

By: /s/ Jeffrey Peterson
Name: Jeffrey Peterson
Title: Chief Executive Officer

Address: 1365 West Business Park Drive Suite 100

Orem, UT 84058
Attn: Jeffrey Peterson Telephone: 877-219-6050 Facsimile:
855-864-2511 Email: jjimAactivecare.com

"CCHP"

Colorado mice Heal

By: Cynthia Palmer

Its: CEO

Address: 700 Main St.

Suite #100
Alamosa, CO 81101

Debenture Amount: \$500,000.00

Date: March 31, 2017

SUBORDINATED DEBENTURE

This Subordinated Debenture ("Debenture") is entered into effective as of the date referenced above by and between Colorado Choice Health Plans, a Colorado non-profit corporation ("CCHP") and ActiveCare, a Delaware corporation ("AC")

1. Commitment. In exchange for AC payment of cash to CCHP in the amount of five hundred thousand dollars (\$500,000) (the "Debenture Amount"), CCHP promises, agrees and covenants to pay to AC the Debenture Amount, with interest at the rate of five percent (5%) per annum on the unpaid balance from time to time, subject to the terms and conditions set forth herein.
 2. Subordination. The rights of AC to repayment under this Debenture, whether in the course of operations of CCHP in the ordinary course of business or in connection with any liquidation or proceeding relating to the solvency of CCHP, are subordinate to the rights of all policyholders, claimant and beneficiary claims, and all other classes of creditors of CCHP other than subordinated debenture holders.
 3. Not a Liability of CCHP. Until such time as, and only to the extent that, the Commissioner of the Colorado Department of Regulatory Agencies, Division of Insurance ("Division of Insurance") has authorized the repayment of sums evidenced by this instrument, amounts due hereunder shall not constitute an obligation or liability of CCHP for any purposes. Amounts evidenced by this Debenture shall be reflected as a liability on the books or financial statements of CCHP only to the extent that (i) the Division of Insurance has authorized the repayment of the same and (ii) such approved amounts remain outstanding.
 4. Compliance with Colorado Insurance Regulation 4-7-1. Section 10:

 - a. This Subordinated Debenture is subject to the prior approval of the Division of Insurance and shall not be effective until such approval is obtained.
 - b. The repayment of principal and/or accrued interest shall be payable only out of SURPLUS FUNDS of CCHP and only with **PRIOR WRITTEN APPROVAL OF THE COMMISSIONER OF INSURANCE FOR THE STATE OF COLORADO**. Further, this Subordinated Debenture may not be converted into any other form of indebtedness of CCHP or any other interest in CCHP without the prior written approval of the Division of Insurance.
 - c. Payments by CCHP to AC may only be made from available funds in excess of CCHP's minimum net surplus required to be maintained by the Division of Insurance.
 5. Treatment as Surplus. The Parties acknowledge and agree that the Debenture Amount shall be treated by CCHP as surplus, pursuant to C.R.S. 10-16-411(1) and Colorado Insurance Regulation 4-7-1, Section 10.
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6. Term. This Debenture shall be due and payable on March 31, 2018 together with any accrued interest, subject to the prior approval of the Division of Insurance.

7. Prepayment. It is the intent and desire of the parties hereto that the indebtedness evidenced by this Debenture be paid and satisfied in full as soon as possible. CCHP shall have the right to prepay, in whole or in part, the indebtedness evidenced by this Debenture at any time without penalty, provided that after such prepayment CCHP shall be left possessed of sufficient assets to satisfy the net surplus requirements of the Division of Insurance.

8. Entire Agreement. This instrument constitutes the entire agreement between the Parties.

9. Assignment. This agreement may not be assigned or transferred without the prior written consent of both Parties.

10. Colorado Law. This agreement shall be construed in accordance with and subject to Colorado law.

Cynthia Palmer, CEO
Colorado Choice Health Plans
700 Main Street
Alamosa, CO 81101

ActiveCare

dd

Name: Jeffrey Peterson

Signature: /s/ Cynthia Palmer

Signature: /s/ Jeffrey Peterson

Title: CEO

Title: Chief Executive Officer

Date:

Date:

Exhibit B

DESCRIPTION OF THE SERVICES

1. CCHP to offer guidance and expertise as to the software required to streamline AC's disease management portal to become more commercialized.
 2. Help identify weaknesses in AC's diabetes programs.
 3. Assist AC in creating its own disease management expertise and team.
 4. Identify improvement for AC member engagement programs.
 5. Identify and assist AC in modifying and improving its diabetic programs
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AMENDMENT #5
TO THE SECURITIES PURCHASE AGREEMENT AND
TO THE \$2,000,000 PROMISSORY NOTE

This Amendment #5, dated April 19, 2017 (this "Amendment"), is by and between ActiveCare, Inc., a Delaware corporation (the "Issuer") and JMJ Financial (the "Investor") (referred to collectively herein as the "Parties")

WHEREAS, the Issuer and the Investor entered into a Securities Purchase Agreement Document SPA-09192016 (the "SPA") dated as of September 19, 2016, pursuant to which the Issuer issued to the Investor a \$1,500,000 Promissory Note (subsequently amended to be a \$2,000,000 Promissory Note) (the "Note"), a Warrant, and Origination Shares. All capitalized terms not otherwise defined herein shall have the meanings given such terms in the SPA.

WHEREAS, the Issuer and the Investor previously entered into Amendment #1 to the SPA and the Note dated November 17, 2016;

WHEREAS, the Issuer and the Investor previously entered into Amendment #2 to the SPA and the Note dated January 30, 2017;

WHEREAS, the Issuer and the Investor previously entered into Amendment #3 to the SPA and the Note dated March 1, 2017; and

WHEREAS, the Issuer and the Investor previously entered into Amendment #4 to the SPA and the Note dated March 27, 2017.

NOW, THEREFORE, the Issuer and the Investor agree as follows:

1. Extension of Maturity Date. The sentence in the Note that commences with "The Maturity Date is the earlier of ..." shall be amended and replaced in its entirety with the following:

"The Maturity Date is the earlier of May 20, 2017 or the third business day after the closing of the Issuer's securities offering pursuant to the S-1 registration statement filed with the SEC on July 19, 2016 with a file number of 333-212589 (the "Registration Statement")."

2. Extension of Origination Shares Delivery Dates. The references to the date of April 15, 2017 in Sections 1.3.1 and 1.3.2 of the SPA (as provided in Amendment #4 to the SPA) shall be replaced with the date of May 20, 2017.

3. Conditional Waiver of Default. The Investor conditionally waives the defaults for the Issuer's failure to meet the Maturity Date of the Note and delivery date for the Origination Shares (as previously extended by Amendment #4), but the Investor does not waive any damages, fees, penalties, liquidated damages, or other amounts or remedies otherwise resulting from such defaults (which damages, fees, penalties, liquidated damages, or other amounts or remedies the Investor may choose in the future to assess, apply or pursue in its sole discretion) and the Investor's conditional waiver of default is conditioned on the Issuer's not being in default of and not breaching any term of the Note or the SPA or any other Transaction Documents at any time subsequent to the date of this Amendment (if the Issuer triggers an event of default or breaches any term of the Note, the SPA, or the Transaction Documents at any time subsequent to the date of this Amendment, the Investor may issue a notice of default for the Issuer's failure to meet the Maturity Date of the Note and delivery date of the Origination Shares provided by Amendment #4).
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ALL OTHER TERMS AND CONDITIONS OF THE SPA, AS PREVIOUSLY AMENDED, REMAIN IN FULL FORCE AND EFFECT.

Please indicate acceptance and approval of this Amendment #5 dated April 19, 2017 by signing below:

/s/ Jeffrey S. Peterson
Jeffrey S. Peterson
ActiveCare, Inc.
Chief Executive Officer

/s/ Justin Keener
JMJ Financial
Its Principal
