**IN THE UNITED STATES DISTRICT COURT**
**FOR THE DISTRICT OF PUERTO RICO**

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| KENDALL HOPE TUCKER, an individual<br><br>Plaintiff,<br><br>v.<br><br>AD PRACTITIONERS, LLC, a Puerto Rico limited liability corporation, GREG POWEL, an individual, and IAN ROBERTSON, an individual, JANE DOE, RICHARD ROE, and ABC INSURANCE COMPANY.<br><br>Defendants. | Civil Case No. 3:21-cv-01347<br><br>**COMPLAINT**<br><br>**JURY TRIAL DEMANDED**<br><br>**RE: BREACH OF CONTRACT, FRAUD, AND RELATED CAUSES OF ACTION** |

## COMPLAINT

**TO THE HONORABLE COURT:**

COMES NOW, Plaintiff Kendall Hope Tucker ("Tucker" or "Plaintiff"), by and through her undersigned counsel, for her Complaint against Ad Practitioners, LLC ("AP"), Greg Powel ("Powel), and Ian Robertson ("Robertson"), (collectively, "Defendants"), wherein she most respectfully requests, states, and prays as follows:

## NATURE OF THE ACTION

1. This is an action for breach of contract, fraud, and related causes of action arising from Defendants' unlawfully tricking Tucker into selling her company under false pretenses and willfully breaching agreements and promises made to her in connection with the same.

2. Tucker also intends to amend this complaint to add additional claims for employment law and civil rights violations under federal and Puerto Rico law. Such claims are

subject to administrative exhaustion requirements, which Tucker is pursuing. Tucker intends to add such claims to this action once they become ripe.

## THE PARTIES

3. Plaintiff Kendall Hope Tucker is an individual who currently resides in Dorado, Puerto Rico, but who is domiciled in the Commonwealth of Massachusetts. Tucker and her fiancé maintain their primary residence and conduct their finances in Middlesex County, Massachusetts. Tucker maintains her driver's licenses in the Commonwealth of Massachusetts and her fiancé maintains his in North Carolina.

4. Defendant AP is a Puerto Rico limited liability corporation with its principal place of business in Dorado, Puerto Rico.

5. Defendant Greg Powel is an individual who resides in Dorado, Puerto Rico, and has done so at all times relevant to the Complaint.

6. Defendant Ian Robertson is an individual who resides in Dorado, Puerto Rico, and has done so at all times relevant to the Complaint.

7. Defendants Jane Doe, Richard Roe, and ABC Insurance Company are unknown to this day, but are individuals and/or entities who are responsible or contributed to the events that give rise to this complaint.

## JURISDICTION AND VENUE

8. This Court has subject matter jurisdiction over this action because the matter in controversy exceeds the sum of $75,000, exclusive of interest and costs, and because Plaintiff and Defendants, respectively, are citizens of different states under 28 U.S. Code §§ 1332(a)(1) and (e), thus invoking the Court's diversity jurisdiction.

9. This Court has personal jurisdiction over all Defendants because they have sufficient minimum contacts with the Commonwealth of Puerto Rico, and/or have otherwise intentionally availed themselves of the significant benefits provided by the Commonwealth Puerto Rico, rendering the exercise of jurisdiction by this Court permissible under traditional notions of fair play and substantial justice.

10. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b)(1)-(2) because Defendants are all resident in this judicial district, are subject to the Court's personal jurisdiction here, and a substantial part of the events or omissions giving rise to the claims discussed herein occurred in this judicial district.

## FACTUAL ALLEGATIONS

11. After a successful career studying political science and data science at Columbia University and the University of Oxford and working in politics and in consulting, in June of 2015, Tucker founded Polis (later referred to as "Knoq"), a startup focused on improving in-person sales and analytics.

12. Knoq has been used by Google Fiber, NRG, Inspire Energy, Fluent Home Security and many other well respected direct-to-home brands.

13. Tucker is a recognized leader in the in-person analytics space, having been named to Forbes' "30 under 30" in 2017, just two years after founding Knoq. Prior to Knoq's fraudulent acquisition by AP, Tucker successfully built multiple teams for Knoq across the country, from Kansas City to Salt Lake City, and Boston, and grew the Company to over sixty employees.

14. Knoq was initially a political platform that mobilized canvassers by using data on more than 197 million Americans. It suggested where people should canvass and what they should say when they did.

15. Knoq has worked with congressional candidates, such as Beto O'Rourke, Mitt Romney and Doug Jones, and their technology was used to knock on 10 million U.S. doors to date.

16. After beginning as a door-to-door software and data company working within the political sphere, Knoq pivoted to focus on consumer in-person sales.

17. Prior to its acquisition by AP, Tucker shepherded Knoq through its $2.5 million seed round, in a fundraise led by Haystack VC, bringing the total funding to $6.5 million.

18. Other notable backers included Alexis Ohanian and Garry Tan's Initialized Capital, as well as Joe Montana's Liquid2 Ventures, Fathom Capital, and Background Capital.

**Knoq's Acquisition by AP and Defendants' Fraudulent Statements During Negotiations**

19. Late last year, Knoq was fraudulently acquired by AP in a deal that Powel and Robertson led on behalf of AP. During the negotiations on or about August 26, 2020 and September 10, 2020, Powel and Robertson made numerous statements to Tucker that fraudulently induced her to sell her interest in Knoq. Out of the three offers presented to Tucker, she chose AP because Powel and Robertson led her to believe that the Knoq app would live on in some form and that Knoq employees could continue to positively impact millions of people. She was also led to believe that, in choosing AP, her entire team (including Tucker herself) would become longstanding employees of AP, and that they and Knoq's investors had the best chance of making the most money out of all of the available options. Powel and Robertson also assured her that it was the best financial outcome for Knoq's team and for Tucker's investors.

20. Even before Tucker noticed Powel's anti-female, gender-based animus towards her directly, Knoq's VP of Engineering noted that Powel would not stop talking over and interrupting Tucker when she was speaking during calls and meetings.

21. Eventually, Tucker felt compelled to ask Powel explicitly why there were no women or people of color on AP's executive team thus far, aside from Powel's sister. In response, Powel told Tucker that this was an important issue and that her joining the team would be the first step in diversifying AP's executive ranks. This was only a matter of a few months before Powel and Robertson ultimately fired Tucker, the only female non-family member on AP's executive team.

22. Also concerning was another series of incidents in the middle of negotiations, during which Powel and Robertson introduced Knoq to one of Powel's partners, Lightfire Partners, with whom AP and Knoq would be working closely to build a contact center.

23. On the first call with this important partner, its managing director, Michael Griffin, remarked, "Foreigners and people who don't look like us are naturally lazy and need to be more closely managed," or words to that effect. The Knoq team, including Tucker, were absolutely appalled and horrified.

24. While the Knoq team was commenting on what they perceived as a racist statement to AP during a meeting, AP's Head of Finance and Operations, Robertson, texted Powel and Tucker, and asked, "Wait, you don't like racists?"

25. In response to raising this serious concern to AP, Powel also insisted to Tucker that AP should continue working with the partner because AP had already "invested a lot in the relationship." Powel also told Tucker that he would "consider getting rid of them" once the deal between the companies was closed and that Powel would talk to the managing director about what was said to make sure that it never happened again. This conversation occurred on or about November 12, 2020. Tucker relied on Powel to keep that promise and to remedy the situation. Powel never did.

26. Even worse, Powel and Robertson misled Tucker about the compensation that would be paid to the Knoq team and its investors, including Tucker, by way of the negotiated earnout.

27. Powel and Robertson initially offered Tucker a large salary, plus benefits, and also offered the entire Knoq team jobs at AP.

28. The problem, as Tucker pointed out to Powel and Robertson at the time, was that Powel and Robertson offered very little upfront cash to satisfy Knoq's investors.

29. Tucker explained to Powel and Robertson that she had other offers that were more interesting to her investors and that Powel and Robertson would need to do something to sweeten the deal and ensure that it closed.

30. Tucker told Powel and Robertson that an earnout based on accomplishing goals together would be something she would consider and that the same would appease her investors.

31. Powel and Robertson told Tucker that AP already had 2,000-5,000 daily leads that the contact center could use and another 20,000 daily leads that would be easy to obtain. Powel and Robertson then talked about building out a contact center and estimated the profits that could be made by doing this.

32. After this meeting, Powel and Robertson said that Powel would go back to the drawing board and come up with a plan that was conservative, but that could get the parties to a place where the deal would be appealing to Tucker and her investors.

33. On or about September 10, 2020, Robertson sent Tucker an email with a first draft of what an earnout could look like.

34. As Robertson explained during the related call on September 17, 2020 with Tucker, Sarah Baker, and Powel, he felt that these numbers were merely conservative.

35. Robertson stated that, with the teams working together, the companies could definitely accomplish monumental success.

36. He told Tucker that they would start by hiring 100+ call center representatives and any and all engineers needed to be successful. He also said that AP had about 500,000 in-house leads annually that were "very high intent" and that the companies could purchase another 10,000,000 such leads.

37. After that call, Tucker reviewed the model and made changes, based on what she thought was more realistic. Tucker wanted a higher percentage of profits.

38. When Powel rejected that proposal, Tucker explained that, in that case, she wanted a larger upside. It was at that point that Powel agreed to an $18M earnout, assuring Tucker that the goals to trigger the earnout could easily be hit.

39. These newly proposed terms were presented to Knoq's board for consideration.

40. The Knoq board ultimately approved the deal and the companies signed an LOI based on the information presented by Powel and Robertson during negotiations, on or about October 9, 2020.

41. Powel was so intent on convincing Tucker that the earnout would happen, Powel even said that she and the other members of the Knoq team should consider it as part of their "wages."

42. Knoq's leadership, led by Tucker, then told the Knoq team about the acquisition and presented the team with information about the earnout. Powel and Robertson were on this call and even took and answered questions from Knoq employees.

43. It was not until Tucker joined AP that she started to realize that Powel and Robertson had lied about much of the information Powel, Robertson, and AP used to entice her

to close the deal. For example, when the Knoq team actually joined, Powel changed his story, saying that AP had fewer than 2,000 contacts that could be used for the contact center coming into its site monthly.

44. AP was also unable to discuss any tangible details about purchasing contacts. In addition, since December 30, 2020, AP has not hired a single new engineer and it has been reluctant to grow the size of its contact center because Powel decided that it was not going to be "profitable."

45. AP also failed to purchase more than 300 daily contacts or collect any additional high-intent contacts on AP's sites, as promised. This was despite Powel telling the AP executive team that Knoq was going to be a startup within AP and that it would be giving Knoq any resources needed to be successful, including hiring engineers and contact center representatives, in addition to whatever else that might be needed. Furthermore, AP failed to terminate the relationship between it and Lightfire Partners.

46. In reality, Powel, Robertson, and AP had no intention of fulfilling their promises and obligations made during the course of negotiations or to meet the terms of the earnout to ensure that Tucker and her colleagues would be paid what Powel and Robertson characterized as the Knoq team's "wages."

47. Powel and Robertson even presented different goal numbers during negotiations to Tucker, while presenting much lower numbers in an executive team OKR presentation once the deal closed and Tucker and her team joined AP, demonstrating all along that Powel and Robertson knew the numbers they presented relating to the earnout during negotiations would not ultimately be the actual amount.

**The Knoq Team Moves to Puerto Rico**

48. The Knoq team's first two weeks in Puerto Rico were difficult. There were team members crying almost every day because they could not figure out how to register their car, could not understand why their paystubs seemed improper, or why everything took longer than they expected. They had moved from Boston, where the team was extremely close, and were surprised that after days of being there, none of AP's executives had welcomed them or offered to help them in their transition, aside from one lunch.

49. Every time a Knoq team member asked a question, specifically to AP's Head of Finance and Operations, Mr. Robertson, they were essentially brushed off and assured everything would work out.

**Powel Begins Discriminating Against Tucker Immediately After She Starts**

50. Knoq had been built on the idea that well-intentioned feedback would allow everyone to improve.

51. To this end, at brunch one day, the Knoq team and another new employee decided to put together a guide on moving to Puerto Rico that AP would be able to share with anyone they subsequently recruited. They felt this was crucial, as they had not been given one when they started, and they had been given very little guidance and help.

52. The employees were excited to help improve AP's processes. Knoq created and sent the draft outline of the guide to AP's HR staff and to AP's executive team.

53. Days went by and no one from the Knoq team had received any response, even an acknowledgment of receipt, until Tucker met with Powel in a one-on-one.[1]

54. In that meeting, Powel told her that the onboarding guide outline "wasn't culturally sensitive and that [she] didn't want to be known around the office as 'a bitch.'" Powel

[1] The draft outline that had been created was never finalized, nor was it ever discussed again.

also said that she "didn't want to have [her] colleagues thinking, 'Fuck you' every time they saw [her]."

55. Tucker was horrified and saddened at the exchange with Powel. Being called a "bitch" two weeks into her employment, and after she had just sold her company and moved across the country, rattled her deeply. Nevertheless, she decided to keep her head down and focus on hitting her goals.

56. At this early point in her employment, she did not feel safe giving feedback to AP's executive leadership, but she did continue to work hard and ask for Powel's feedback in every one of her one-on-ones' with him.

57. Each week, the feedback Powel gave her was glowing, even while the relationship was disintegrating.

58. For example, in early March, Powel told her, "You are very adaptable and I'm getting great feedback about you from across the Company. You are revenue forward and have a strong bias towards action and getting shit done." Nevertheless, Powel told Tucker that he "did not like [her] voice on social media" because "[she] talked too much about being a 'female founder' and what [she] had learned throughout her startup journey."

59. Powel further argued that talking about being a founder would draw attention to the disparity in how much money Tucker had and how much AP made versus how much money Puerto Rican employees were underpaid and undervalued. That caused Tucker to ask whether AP was paying Puerto Ricans a living wage and what more AP and Knoq could do to help alleviate pay disparities.

60. In a series of subsequent conversations, Powel and Robertson told Tucker that they would love to have Puerto Ricans on the AP executive team, but that there were no Puerto Ricans they could find who "had the right experiences."

61. In a few of these conversations during which he disparaged Puerto Ricans, Powel gave Tucker examples, such as saying that the Head of HR, a Puerto Rican woman, "wasn't good in front of audiences and can't be trusted to speak for the Company."

62. Powel also said that the Head of Social Media, a Puerto Rican woman, was "too difficult" and that the Office Manager/Executive Assistant, the only Puerto Rican woman who reported directly to Powel, "went on power trips" and needed to be "kept in her place."

63. While all of the above was occurring, Tucker was still dealing with Lightfire Partners, AP's controversial and problematic business partner.

64. The managing partner of Lightfire mostly refused to speak with Tucker or her Head of Operations, both women. He would, however, frequently meet with Powel behind Tucker's and the Head of Operations' backs and would make decisions contradicting the plans Tucker had previously made and been trying desperately to implement.

65. Tucker asked Powel to tell the managing partner that he needed to communicate with her directly, but to her knowledge, this never happened.

**Tucker Reports Discrimination to Robertson, But He Does Nothing**

66. After the discriminatory conduct continued to occur, in or around March of 2021, Tucker felt that she had no choice but to raise it with leadership. She approached Robertson (AP's Head of Finance and Operations), and told him that she had been reticent before to give feedback because she had already been called a "bitch" by a member of the executive team in her first two weeks.

67. That notwithstanding, she felt she had to report the behavior. She also told him that this person from the executive team was regularly telling her that an entire group of people at AP "hated" her, but had refused to tell her why or how she could improve.

68. Robertson, who also ran the HR department, asked Tucker why she was telling him all of this, as opposed to telling Powel directly. She told Robertson that she trusted him, which at that point, she did.

69. Robertson was visibly shaken at what he had heard. He said that the two should jointly submit a report and that he would help her. Robertson told Tucker that such behavior was unacceptable and that if she shared who this person was, that person would likely be fired. Robertson added that he did not know of anyone who had a problem with Tucker. Rather, people seemed to look up to Tucker in terms of what she could teach them.

70. Out of fear, Tucker told Robertson that she was not ready to share this person's identity, but that she would let him know if it got worse. Meanwhile, she hoped for the best.

71. Two weeks went by and the situation continued to deteriorate.

72. Tucker led a call with the contact center partner, which seemed to go well. But afterwards, Powel asked three employees, including two members of Tucker's own team to do a follow-up call. In that call, Powel spent an hour telling Tucker's team that she was indecisive, that Powel did not like her "tone," that she "didn't exhibit leadership skills" and she "didn't listen to anyone."

73. Tucker's colleagues called her immediately after the call and said they were panicked by Powel's outright hostility and the gendered, biased, disparaging language that Powel had used on this call.

74. In response, Tucker called Robertson and told him that Powel's behavior had gotten worse, but without identifying him by name.

75. In response, Robertson told Tucker that he could only help her if she told him who it was that was acting in this manner. Reluctantly, she told him that the aggressor was Powel, AP's CEO.

76. Without so much as a thought, Robertson immediately brushed Tucker's complaints aside and said that Powel would never do such things and that there is no gender-based discrimination at AP. He ended by telling her, "You should never have told me this. I need to represent the Company's best interest, not yours. I don't know what to do."

**AP Fires Tucker in Retaliation for Reporting Discrimination**

77. When Robertson refused to act, Tucker finally garnered the courage and decided to speak with Powel directly. She told Powel that she believed that she was being treated differently and was being undermined because she was a woman.

78. In response, Powel admitted to Tucker that all of the conduct described above was true and had actually occurred, but claimed that he did not act that way *because* she was a woman. In any event, Powel told her that he would work on the relationship and that he was committed to "improving together."

79. Tucker also e-mailed HR and stated that she had been struggling since her arrival at AP, experiencing more severe anxiety than she had ever had in her entire life. HR recommended a few doctors Tucker could talk to, but then never followed up with any details or further assistance.

80. After all of this, Tucker did not assume that things would magically repair themselves, but she did reasonably hope that everyone would move forward aligned on hitting

the jointly established goals. She renewed her commitment to her work and continued to try to motivate her team, who had been living through these events with her and were continuing to struggle themselves.

81. Unfortunately, Powel and AP never had any intention of remedying their ongoing discrimination and harassment against Tucker.

82. On April 15, 2021, Robertson, Powel, and AP's Head of HR pulled Tucker into a room and summarily terminated her. This occurred just nine days after Tucker's complaint to Robertson, six days after her complaint to Powel, and three days after Tucker e-mailed AP's Head of HR.

83. In that termination meeting, Powel told Tucker, "We've listened to your feedback over the last few weeks and clearly this isn't working out. You aren't happy here and we don't feel like this business unit is going to be successful with you leading it."

84. In other words, Powel openly admitted that he was firing Tucker for having engaged in protected activity in pushing back against illegal employment practices and gender-based discrimination and harassment.

85. When Tucker pointed this out, Powel said, "There's no gender based discrimination at the Company. You just aren't a fit. Let's collaborate on communications to the team so that this isn't bad for you and it isn't bad for your team."

86. At that point, Tucker left the meeting, returned her laptop, and walked out with her team, whom she told that she had just been fired.

87. After Tucker's termination, AP presented her with a separation agreement asking her to agree that her termination was "for just cause," and offering her $75,000 in exchange for a release of all claims, including for any additional compensation to which she was entitled, for

example, her annual salary of $110,000, her annual Class B shares distributions of $150,000 (untaxed), her 1,000 class A shares, her signing bonus of $15,000, and her portion of the $18M earnout (currently estimated to be approximately $6,436,927).

88. Tucker has since learned that Powel and AP are actively taking steps to avoid triggering the obligation to pay Tucker and her colleagues any portion of the earnout they had used to entice her to sell her company and join their team,

89. In an act of attempted extortion, on April 28, 2021, Robertson even went so far as to threaten Tucker that if she did not sign the proposed separation agreement, Robertson, Powel, and AP would disparage her and damage her ability "to actively fundraise in the future."

**COUNT 1: BREACH OF CONTRACT**

**(Against AP)**

90. Plaintiff realleges and incorporates by reference the allegations set forth in Paragraphs 1-89.

91. The Parties entered into a valid contract on December 30, 2020 ("the Stock Purchase Agreement") (attached hereto as **Exhibit A**).

92. Tucker fully performed and met her obligations under the Stock Purchase Agreement, except to the extent, if any, excused by the Defendants' misconduct.

93. The Stock Purchase Agreement provides, "The Earnout Amount shall be paid by Buyer to Sellers in accordance with Section 2.5." Section 2.5(a) states, "Buyer shall not take any action in bad faith including without limitation for the sole purpose of causing the Earnout Amount to be underreported."

94. The Defendants breached the contract by consistently undercutting Tucker's ideas and plans and refusing to let the team execute on necessary projects. In addition, Defendants

were intentionally slow to onboard the Knoq team and failed to hire contact center representatives, engineers, or buy contacts. The Defendants even failed to build pages to get contacts from the AP website.

95. When the Defendants ultimately did onboard a few necessary employees, including the Knoq team, the Defendants shortly thereafter created such a hostile environment that the Defendants forced the Knoq team to quit. To compound the problem, Defendants fired Tucker, who was key to ensuring the success needed to achieve the terms of the earnout, in retaliation for engaging in protected conduct.

96. As a direct, foreseeable, and proximate result of the breaches by the Defendants, Plaintiff suffered and continues to suffer substantial losses from Defendants' breach of contract, in excess of $6,436,927.

**COUNT 2: FRAUDULENT INDUCEMENT**

**(Against AP, Powel, and Robertson)**

97. Plaintiff realleges and incorporates by reference the allegations set forth in Paragraphs 1-96.

98. During negotiations, on several occasions, Powel and Robertson made claims that the earnout would be considered part of "wages." Relying on Powel's and Robertson's representations during negotiations, Knoq's board decided to approve the deal and Tucker agreed to sell her interests in Knoq. Pursuant to Powel's and Robertson's representations, Knoq's leadership, led by Tucker, informed the Knoq team about the acquisition and provided them with the information regarding the earnout. Both Powel and Robertson were on this call and failed to state otherwise. Rather, Powel and Robertson affirmed Tucker's statements and took questions from Knoq employees.

99. However, Powel and Robertson had no intention of honoring their statements, and merely made these representations in an attempt to persuade Tucker into closing the deal with AP.

100. Plaintiff reasonably relied on Powel's and Robertson's representations.

101. As the direct and proximate result of Powel's and Robertson's conduct, Plaintiff has suffered damages, including but not limited to, Knoq's inability to seek other acquirers, Plaintiff has lost her portion of the earnout, Plaintiff no longer has a job, and Plaintiff was tricked into selling her company under false pretenses. Plaintiff has been damaged in an amount to be proven at trial, but in excess of $6,436,927.

102. Powel's and Robertson's acts were willful, malicious, and fraudulent. Plaintiff is therefore entitled to damages under article 1536 of the Puerto Rico Civil Code.

**COUNT 3: BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING**

**(Against AP, Powel, and Robertson)**

103. Plaintiff realleges and incorporates by reference the allegations set forth in Paragraphs 1-102.

104. Plaintiff and Defendants entered into the Stock Purchase Agreement, which is a legal and binding contract.

105. Tucker fully performed and met her obligations under the Stock Purchase Agreement, except to the extent, if any, excused by the Defendants' misconduct.

106. However, Defendants had no intention of honoring many of their representations made in the Stock Purchase Agreement, during the negotiations regarding the Stock Purchase Agreement, and after the Stock Purchase Agreement.

107. Defendants caused damage to Plaintiff, including but not limited to, causing Plaintiff to lose her portion of the earnout, terminating Plaintiff illegally and causing her to lose her job, and tricking Plaintiff into selling her company under false pretenses.

108. By doing so, Defendants did not act fairly or in good faith.

109. Defendants' breaches of their implied duties of good faith and fair dealing are ongoing and have caused and continue to cause Plaintiff, inter alia, serious financial injury.

110. Defendants lacked good faith in their negotiations with Tucker. Good faith is a prerequisite for a valid contract under the Puerto Rico Civil Code and a lack of it gives a plaintiff the right to collect damages from defendants, including both economic and moral damages. Puerto Rico Civil Code, Articles 1060, 1063, 1167, 1168, 1223, 1536, et al.

**PRAYER FOR RELIEF**

Plaintiff respectfully prays for the following relief:

111. Judgment in Plaintiff's favor and against Defendants on all causes of actions alleged herein;

112. For compensatory and interest in an amount to be proven at trial;

113. For punitive damages and exemplary damages according to proof at trial;

114. For costs of suit incurred herein;

115. For prejudgment interest;

116. For attorneys' fees and costs, including as warranted by applicable laws; and

117. For such other and further relief as the Court may deem to be just and proper.

Furthermore, Plaintiff respectfully requests a jury trial on all claims so triable.

RESPECTFULLY SUBMITTED by Plaintiff, through their counsel, in San Juan, Puerto Rico, this 29TH day of July, 2021.

s/Roberto Busó-Aboy
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 EXHIBIT A

**Execution Version**

# STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement ("**Agreement**") is made as of December 30, 2020, by AD PRACTITIONERS LLC, a Puerto Rico limited liability company ("**Buyer**"), and those individuals who have executed the signature page to this Agreement (collectively, "**Sellers**" and individually, a "**Seller**").

## RECITALS

Sellers desire to sell, and Buyer desires to purchase, all issued and outstanding shares (the "**Shares**") of capital stock of Polis, Inc., a Delaware corporation (the "**Company**"), for the consideration and on the terms set forth in this Agreement.

The parties, intending to be legally bound, agree as follows:

**1. Definitions.** For purposes of this Agreement, the capitalized terms used and not defined herein shall have the meanings specified in Schedule 1.1 hereto.

**2. Sale and Transfer of Shares; Closing.**

**2.1 Shares.** Subject to the terms and conditions of this Agreement, and in reliance upon the representations, warranties, and covenants contained in this Agreement, at the Closing, Buyer hereby purchases the Shares from Sellers, and Sellers hereby sell and transfer the Shares to Buyer, free and clear of any Encumbrance.

**2.2 Purchase Price.** The purchase price for the Shares (the "**Purchase Price**") is One Million Seven Hundred Fifty Thousand Dollars ($1,750,000.00) (the "**Closing Payment**"), plus the Earnout Amount (if any). At the Closing, Buyer shall deliver the Closing Payment, which will be allocated as set forth on Schedule 2.2, by wire transfer to Sellers' Representative pursuant to written wire transfer instructions delivered to Buyer by Sellers' Representative at least two (2) Business Days prior to the Closing. The Closing Payment shall be reduced dollar-for-dollar by the outstanding principal balance, and accrued and unpaid interest thereon, of any indebtedness of the Company existing as of the Closing Date; except for the PPP Loan, which shall be handled as provided in Section 2.6. The Earnout Amount shall be paid by Buyer to Sellers in accordance with Section 2.5.

**2.3 Closing.** The purchase and sale (the "**Closing**") provided for in this Agreement will take place via electronic exchange of signatures on the date hereof. All actions to be taken and all documents to be executed or delivered at the Closing will be deemed to have been taken, executed, and delivered simultaneously upon mutual release by the parties.

**2.4 Closing Obligations.** At the Closing:

(a) Sellers shall deliver to Buyer:

(i) the Organizational Documents of the Company filed with any Governmental Body in connection with its organization, duly certified as of a recent date by the Secretary of State or other appropriate authority of the jurisdiction of its incorporation or organization, together with a certificate dated as of the Closing

Date from the Secretary of the Company to the effect that no amendments to such Organizational Documents have been filed since the date referred to above;

(ii) the Organizational Documents of the Company not filed with a Governmental Body in connection with its organization, certified as of the Closing Date by the Secretary of the Company;

(iv) certificates dated as of a date not more than thirty (30) days prior to the Closing Date as to the good standing of the Company and payment of applicable state Taxes and annual maintenance fees, issued by the appropriate Governmental Body of the jurisdiction of the Company's organization and each jurisdiction in which the Company is licensed or qualified to do business as specified in Schedule 3.1 of the Disclosure Schedules;

(iv) the PPP Escrow Agreement;

(v) note surrender agreements in the form of Exhibit 2.4(a)(v) executed by all convertible note holders of the Company (the "**Note Holders**");

(vi) an employment agreement in the form of Exhibit 2.4(a)(vi), executed by each Required Seller and Buyer;

(vii) a non-competition, non-solicitation, and non-disparagement agreement in the form of Exhibit 2.4(a)(vii) executed by each Required Seller in favor of Buyer; and

(viii) each of the Consents identified in Schedule 2.4(a)(viii) (the "**Material Consents**").

(b) Buyer shall deliver:

(i) to Sellers' Representative, the Closing Payment;

(ii) to Sellers' Representative, an employment agreement in the form of Exhibit 2.4(a)(vi), executed by each Required Seller and Buyer;

(iii) to Sellers' Representative, a non-competition, non-solicitation, and non-disparagement agreement in the form of Exhibit 2.4(a)(vii) executed by each Required Seller in favor of Buyer;

(iv) to Sellers' Representative, the PPP Escrow Agreement; and

(v) to the PPP Lender, the PPP Escrow Amount.

**2.5 Earnout Amount.**

(a) In the event that the Contribution for the Earnout Period is more than zero dollars ($0.00), Buyer shall pay the Earnout Amount in up to two (2) annual installments as set forth in this Section 2.5. The Earnout Amount for months one (1) through twelve (12) of the Earnout Period (the "**First Period**") shall be paid within ninety (90) days after the end of the First Period (which ninety-day period may be extended by Buyer by up to

sixty additional days if there is any delay in completing the audit of Buyer's financial statements), and the Earnout Amount for months thirteen (13) through twenty-four (24) of the Earnout Period (the "**Second Period**") shall be paid within ninety (90) days after the end of the Second Period (which ninety-day period may be extended by Buyer by up to sixty additional days if there is any delay in completing the audit of Buyer's financial statements). If the Contribution is negative for the First Period, there will not be any Earnout Amount for such period, and such negative amount shall carry forward to the Second Period. In such event, there shall only be an Earnout Amount for the Second Period if the sum of the Earnout Amount for the First Period and the Earnout Amount for the Second Period is a positive amount. The aggregate Earnout Amount for the entire Earnout Period shall be capped at $18,000,000.00 (the "**Earnout Cap**"). The Earnout Amount, if and when due, shall be paid by Buyer as set forth in Schedule 2.5(a) except as set forth below in Section 2.5(b). No interest shall accrue on the Earnout Amount. Buyer shall have the right to operate the Business Unit as it deems appropriate in its sole discretion following the Closing, with no obligation to operate the Business Unit in any particular manner, to maximize the Contribution or Earnout Amount or otherwise, or to continue such operations or provide any funding or capital therefor, or any fiduciary duty owed to Sellers in connection therewith. Notwithstanding the foregoing, Buyer shall not take any action in bad faith including without limitation for the sole purpose of causing the Earnout Amount to be underreported.

(b) Buyer, the Sellers and the Sellers' Representative agree and acknowledge that twenty-two point twenty-two percent (22.22%) of the Earnout Amount (up to a maximum of $4,000,000) shall be distributed in accordance with Schedule 2.5(b), but Buyer may, in its sole discretion, elect to pay to any of the earnout recipients identified in Schedule 2.5(b) who work for Buyer in Puerto Rico any portion of the Earnout Amount that is otherwise payable to them hereunder through the granting and vesting of profit interests in Buyer and distributions received in respect thereof. In such event, the parties acknowledge and agree that such portion of the Earnout Amount shall not constitute consideration for the sale of the Shares but rather consideration for such individuals' continued employment by and services to Buyer. In the event the employment of any of the individuals identified in Schedule 2.5(b) is terminated by Buyer (or an affiliate, as applicable) without Cause (as defined below) or such individual terminates his or her employment for Good Reason (as defined below), then such individual shall remain entitled to receive the full portion of the Earnout Amount he or she would have been entitled to receive if such individual was still engaged by Buyer (or an affiliate, as applicable) for the full Earnout Period. In the event the employment of any of the individuals identified in Schedule 2.5(b) is terminated by Buyer for Cause or such individual terminates his or her employment without Good Reason, then such individual shall only be entitled to a prorated portion of the Earnout Amount he or she would have otherwise been entitled to receive based on the period such individual was engaged by Buyer (or an affiliate, as applicable) (the "**Prorated Amount**"). For example, if the individual works for Buyer (or an affiliate, as applicable) for three months in year one and then quits without Good Reason, such individual shall only be entitled to receive 3/12 of the portion of the Earnout Amount for the first year and none of the portion of the Earnout Amount for the second year he or she would have been otherwise entitled to receive. In the event any individual listed in Schedule 2.5(b) is terminated by Buyer for Cause or such

individual terminates his or her employment without Good Reason, and as a result, is only entitled to the Prorated Amount, the remainder of the Earnout Amount such individual would have been entitled to receive had he or she remained engaged by Buyer (or an affiliate, as applicable) for the entire Earnout Period may be allocated as the Sellers' Representative sees fit, in her reasonable discretion after consultation with Buyer.

"**Cause**" is hereby defined as (i) continued or repeated failure or refusal by the individual to carry out his/her duties; (ii) violation by the individual of a state or federal criminal law (other than minor traffic violations or infractions), regardless of whether such violation is committed during the scope of employment or outside of the scope of employment; (iii) deception, fraud, misrepresentation or dishonesty by the individual; (iv) any incident materially compromising the individual's reputation or ability to represent his or her employer with the public; (v) any act or omission by the individual that substantially impairs his or her employer's business, goodwill or reputation; (vi) any material misconduct in the performance of the individual's duties or material violation of any company policy; (vii) any breach of any restrictive covenant in the individual's employment agreement or restrictive covenant agreement; or (viii) any material breach of any other provision in the individual's employment agreement or restrictive covenant agreement.

"**Good Reason**" shall exist if the Buyer (or an affiliate, as applicable) (i) materially reduces the individual's then current job duties and responsibilities without his or her written consent; provided, however, that a non-material diminution of title shall not provide the basis for a Good Reason resignation, (ii) decreases the individual's initial net base compensation offered by Buyer (or any affiliate thereof) after relocating to Puerto Rico, without his or her written consent, or (iii) other than anticipated relocations to Puerto Rico, transfers the individual to a geographic location of employment more than thirty (30) miles from his or her current location of employment and refuses to provide the individual with reasonable reimbursement for relocation and moving expenses which would be incurred by the individual in connection with such relocation.

(c) Buyer shall calculate the Contribution and any applicable Earnout Amount in accordance with applicable GAAP applied in a manner consistent with the preparation of the Company's financial statements. Within ninety (90) days following the end of the First Period and the Second Period (which ninety-day period may be extended by Buyer by up to sixty additional days if there is any delay in completing the audit of Buyer's financial statements), Buyer shall provide to Sellers' Representative a written statement showing the calculation of the Contribution and Earnout Amount for such period (the "**Calculation Statement**"), along with payment of the Earnout Amount as calculated by Buyer. Upon request by Sellers' Representative (and subject to Seller's Representative executing such access letters as may be reasonably required by Buyer), Buyer will make available to Sellers' Representative such pertinent financial and other records of Buyer as Sellers' Representative may reasonably request that were used by Buyer to calculate the Contribution and Earnout Amount (excluding any work papers that Buyer reasonably considers proprietary such as internal control documentation, engagement planning, time control and audit sign off, and quality control work papers). Sellers acknowledge and

agree that they shall not have any audit or inspection rights other than the right granted to Sellers' Representative in this paragraph, and any such rights are hereby waived by Sellers.

(d) If, within thirty (30) days following delivery of the Calculation Statement to Sellers' Representative, Sellers' Representative has not given Buyer written notice of an objection as to any amounts set forth in the Calculation Statement or the computation of the Contribution or Earnout Amount in the Calculation Statement (which written notice shall state in reasonable detail the basis of Sellers' Representative's objection) (the "**Objection Notice**"), the Contribution and Earnout Amount as computed by Buyer for such period will be final, binding, and conclusive on the parties.

(e) If Sellers' Representative timely gives Buyer an Objection Notice, and if Sellers' Representative and Buyer fail to resolve the issues raised in the Objection Notice within thirty (30) days after Buyer's receipt of the Objection Notice, Sellers' Representative and Buyer shall submit the issues remaining in dispute for resolution to an independent accounting firm located in Puerto Rico mutually acceptable to Buyer and Sellers' Representative (the "**Independent Accountant**").

(f) The parties shall negotiate in good faith in order to seek agreement on the procedures to be followed by the Independent Accountant, including procedures with respect to the presentation of evidence. If the parties are unable to agree upon procedures within ten (10) days of the submission to the Independent Accountant, the Independent Accountant shall establish such procedures giving due regard to the intention of the parties to resolve disputes as promptly, efficiently, and inexpensively as possible, which procedures may, but need not, be those proposed by either Buyer or Sellers' Representative. The Independent Accountant shall be directed to resolve only those issues in dispute and render a written report on its resolution of disputed issues with respect to the Calculation Statement and Objection Notice as promptly as practicable but not later than thirty (30) days after the date on which the Independent Accountant is engaged. So long as Sellers' Representative has been provided with appropriate documentation requested, any determination by the Independent Accountant will not be outside the range established by the amounts in (i) the Calculation Statement and the computation of the Contribution and Earnout Amount therein, and (ii) Sellers' Representative's proposed adjustments thereto set forth in the Objection Notice. Such determination will be final, binding, and conclusive on the parties.

(g) If the computation of the Contribution and Earnout Amount is submitted to the Independent Accountant for resolution:

(i) Sellers' Representative and Buyer shall execute any agreement required by the Independent Accountant to accept its engagement;

(ii) Sellers' Representative and Buyer shall promptly furnish or cause to be furnished to the Independent Accountant such work papers and other documents and information relating to the disputed issues as the Independent Accountant may request and are available to that party or its accountants or other Representatives, and shall be afforded the opportunity to present to the Independent Accountant,

with a copy to the other party, any other written material relating to the disputed issues;

(iii) the determination by the Independent Accountant, as set forth in a report to be delivered by the Independent Accountant to both Sellers' Representative and Buyer, will include all the changes in the computation of the Contribution and Earnout Amount required as a result of the determination made by the Independent Accountant;

(iv) any reconciliation payment required to be made by Buyer or Sellers based on the Independent Accountant's determination shall be made within thirty (30) days after the issuance of the Independent Accountant's report; and

(v) The fees and costs of the Independent Accountant shall be paid 50% by Buyer and 50% by Sellers; provided that Sellers' portion of such fees and costs shall be payable solely from any reconciliation payment due to Sellers pursuant to this Section 2.5 or any unpaid portion of the Earnout Amount.

(h) Sellers acknowledge and agree that Buyer intends (but shall not be required) to merge the Company with and into Buyer following the Closing (the "**Merger**"), in which case Buyer would be required to pay certain Taxes to the IRS in connection with the Merger ("**Merger Tax Costs**"). If the Merger is consummated by Buyer, Buyer shall have the right to (i) reduce the Contribution for the First Period by up to 50% to cover the Merger Tax Costs (or portion thereof), and the remaining balance of the Contribution for the First Period shall be used to calculate and pay the Earnout Amount for the First Period, and (ii) reduce the Contribution for the Second Period by up to 50% to cover the remaining balance of the Merger Tax Costs (as applicable), and the remaining balance of the Contribution for the Second Period shall be used to calculate and pay the Earnout Amount for the Second Period. The total Merger Tax Costs to be deducted from the Contribution for the entire Earnout Period shall not exceed $924,000, and Buyer shall be responsible for any Merger Tax Costs in excess of such amount. For the avoidance of doubt, if the Merger Tax Costs are $924,000 and (A) if the Contribution for the Earnout Period is zero or negative, Buyer shall be responsible for all such Merger Tax Costs; (B) if the Contribution for each year is $500,000, Buyer will deduct as an expense and reduce the Contribution for each year by $250,000 to cover partially the Merger Tax Costs, and the remaining $250,000 of Contribution for each year will be used to calculate and pay the Earnout Amount for such year (i.e., the Earnout Amount will be $50,000.00 for each year); (C) if the Contribution for each year is $1,000,000, Buyer will deduct as an expense and reduce the Contribution for the First Period by $500,000 to cover partially the Merger Tax Costs, and the remaining Contribution balance of $500,000 for the First Period will be used to calculate and pay the Earnout Amount for the First Period (i.e., the Earnout Amount for the First Period will be $100,000), and Buyer will deduct as an expense and reduce the Contribution for the Second Period by $424,000 to cover the remaining Merger Tax Costs, and the remaining Contribution balance of $576,000 for the Second Period will be used to calculate and pay the Earnout Amount for the Second Period (i.e., the Earnout Amount for the Second Period will be $115,200); and (D) if the Contribution for each year is $2,000,000, Buyer will deduct as an expense and reduce the Contribution for the First Period by $924,000 to cover fully the Merger Tax Costs, the remaining Contribution balance of $1,076,000 for the First

Period will be used to calculate and pay the Earnout Amount for the First Period (i.e., the Earnout Amount for the First Period will be $215,200), and all of the Contribution for the Second Period will be used to calculate and pay the Earnout Amount for the Second Period (i.e., an Earnout Amount of $400,000 for the Second Period). In addition, the Earnout Cap will be increased by an amount equal to 20% of the aggregate amount of deductions made by Buyer from the Contribution to cover Merger Tax Costs pursuant to this paragraph.

**2.6 PPP Loan.** At the Closing, Buyer shall deposit in escrow with the PPP Lender, as escrow agent, the PPP Escrow Amount pursuant to the PPP Escrow Agreement. If, after the Closing, Buyer or the Company receives formal, written notification from the SBA or the PPP Lender (in form and substance reasonably satisfactory to Buyer) confirming that the PPP Loan has been fully or partially forgiven in accordance with all Legal Requirements applicable to the PPP Loan and the PPP Program, then Buyer shall instruct the Escrow Agent to (and the Escrow Agent shall, without requiring any further instruction) disburse to Buyer or its designee, which may be the Company, the portion of the PPP Escrow Amount that has been duly forgiven, and Buyer shall provide notice of such instruction to Sellers' Representative. Buyer and Sellers agree that, if after the Closing the Company or Buyer is required to make any principal or interest payment under the PPP Loan, Buyer shall instruct the Escrow Agent to (and the Escrow Agent shall, without requiring any further instruction) release from the PPP Escrow Amount an amount equal to the payment required to be made by the Company or Buyer not less than five (5) Business Days before the date that any such payment is due and payable, and Buyer shall provide notice of such instruction to Sellers' Representative. In the event any portion of the PPP Escrow Amount deposited by Buyer is not returned to Buyer by the end of the First Period, Buyer shall have the absolute right to offset such amount against payment of the Earnout Amount; provided, however, that in the event Buyer does offset such amount against payment of the Earnout Amount and the PPP Escrow Amount which was not previously returned to Buyer or the Company is subsequently returned to Buyer or the Company, Buyer shall remit such PPP Escrow Amount to Sellers' Representative, to be distributed in accordance with Section 2.5 as if such funds constituted an Earnout Amount.

## 3. Representations and Warranties of Sellers.

Each Seller, severally and not jointly, represents and warrants to Buyer as follows, except as expressly set forth on the Disclosure Schedule attached hereto as Exhibit A (the "**Disclosure Schedule**"); provided, however, that each Seller who is not a Required Seller is only making the representations and warranties below that are specifically applicable to that individual Seller, and each Seller who is not a Required Seller is not making representations and warranties with respect to any other Seller or the Company. Each Required Seller is making the below representations and warranties that are specifically applicable to such Required Seller, and is also making the representations and warranties below with respect to the Company. The Disclosure Schedule shall be arranged in numbered sections corresponding to the Sections contained in this Article 3. Any exception, limitation or information disclosed on any specific Section of the Disclosure Schedule shall only be deemed to apply to and shall only limit or qualify the representations and warranties in the same numbered Section of this Agreement and any others that may include a specific cross-reference thereto.

**3.1 Organization and Good Standing.**

(a) Schedule 3.1 lists the Company's legal name (and all prior names), its type of legal entity, its jurisdiction of organization, and each jurisdiction in which it is qualified to do business as a foreign entity. The Company is duly organized, validly existing, and in good standing under the laws of the State of Delaware, with full corporate power and authority to conduct its business as it is being conducted, to own or use its assets, and to perform all its obligations under Applicable Contracts. The Company is duly qualified to do business as a foreign entity and is in good standing under the laws of each jurisdiction that requires such qualification, as set forth in Schedule 3.1.

(b) The Company has delivered to Buyer copies of the Organizational Documents of the Company. The Company is not in default under or in violation of any of its Organizational Documents.

(c) The Company has not conducted business under or otherwise used, for any purpose or in any jurisdiction, any legal, fictitious, assumed, or trade name other than the names listed in Schedule 3.1.

**3.2 Enforceability and Authority; No Conflict.**

(a) This Agreement has been duly executed and delivered by such Seller and constitutes the legal, valid, and binding obligation of such Seller, enforceable against such Seller in accordance with its terms. Upon the execution and delivery of such Seller's Closing Documents by such Seller, such Seller's Closing Documents will constitute the legal, valid, and binding obligation of such Seller, enforceable against such Seller in accordance with its terms. Such Seller has the absolute and unrestricted right, power, authority, and capacity to execute and deliver, and to perform its obligations under, this Agreement and such Seller's Closing Document to which it is a party.

(b) Except as set forth in Schedule 3.2(b), neither the execution and delivery of this Agreement nor the consummation or performance of any Contemplated Transaction will, directly or indirectly (with or without notice or lapse of time):

(i) contravene, conflict with, or violate (A) any Organizational Document of the Company, or (B) any resolution adopted by the board of directors or the shareholders (or Persons exercising similar authority) of the Company;

(ii) contravene, conflict with, or violate, or give any Governmental Body or other Person the right to challenge any Contemplated Transaction, or to exercise any remedy or obtain any relief under, any Legal Requirement or any Order to which the Company or such Seller, or any assets owned or used by the Company, could be subject;

(iii) contravene, conflict with, violate, result in the loss of any benefit to which the Company is entitled under, or give any Governmental Body the right to revoke, suspend, cancel, terminate, or modify, any Governmental Authorization held by the Company or that otherwise relates to the business of, or any assets owned or used by, the Company;

(iv) cause the Company to become subject to, or to become liable for payment of, any Tax (other than the Merger Tax Costs);

(v) cause any assets owned or used by the Company to be reassessed or revalued by any Governmental Body;

(vi) breach, or give any Person the right to declare a default or exercise any remedy or to obtain any additional rights under, or to accelerate the maturity or performance of, or payment under, or cancel, terminate, or modify, any Applicable Contract or any Contract to which such Seller or the Company is a party;

(vii) result in the imposition or creation of any Encumbrance upon, or with respect to, any assets owned or used by the Company; or

(viii) result in, or give any other Person the right or option to cause or declare: (A) a loss of any Intellectual Property Asset, (B) the release, disclosure, or delivery of any Intellectual Property Asset by or to any escrow agent or other Person, or (C) the grant, assignment, or transfer to any other Person of any license, Encumbrance, or other right or interest under, to, or in any Intellectual Property Asset.

(c) Except as set forth in Schedule 3.2(c), neither the Company nor such Seller is or shall be required to give notice to, or obtain Consent from, any Person in connection with the execution and delivery of this Agreement or the consummation or performance of any Contemplated Transaction.

**3.3 Capitalization of Company.**

(a) After conversion (as referenced in Section 7.22), the authorized Equity Securities of the Company consist of 2,000,000 shares of common stock, par value $.001 per share, of which 1,351,853 shares are issued and outstanding; 232,085 shares of Series Seed Preferred Stock, par value $.001 per share, of which no shares are issued and outstanding; and 611,688 shares of Series Seed-2 Preferred Stock, par value $.001 per share, of which no shares are issued and outstanding. Sellers are the owners (of record and beneficially) of all of the Shares, free and clear of all Encumbrances, including any restriction on the right of such Seller to transfer the Shares to Buyer pursuant to this Agreement. The assignments, endorsements, stock powers, or other instruments of transfer to be delivered by such Seller to Buyer at the Closing will be sufficient to transfer such Seller's entire interest in the Shares (of record and beneficially) owned by such Seller. Upon transfer to Buyer of the Shares owned by such Seller, Buyer will receive good title to such Shares, free and clear of all Encumbrances. Schedule 3.3(a) lists Sellers and the number of Shares held by each Seller, and each Seller is the owner (of record and beneficially), free and clear of all Encumbrances, of the number of Shares specified next to his/her name in Schedule 3.3(a) and in the signature page executed by such Seller. Each Seller hereby irrevocably instructs the Company to register the Buyer as the registered owner of its Shares effective as of the Closing Date.

(b) All of the Shares have been duly authorized and validly issued and are fully paid and nonassessable. Except as set forth in Schedule 3.3(b), there are no shareholder

or other Contracts relating to any of the Shares, including the sale, voting, or transfer thereof. None of the Shares was issued in violation of the Securities Act or any other Legal Requirement. The Company does not have any outstanding subscription, option, warrant, call or exchange right, convertible note or security, or other Contract or other obligations in effect giving any Person the right to acquire (whether by preemptive rights or otherwise) any Equity Security of the Company.

(c) The Company does not own, and is not a party to or bound by any Contract to acquire, any Equity Security or other security of any Person or any direct or indirect equity or ownership interest in any other business. The Company is not obligated to provide funds to or make any investment (whether in the form of a loan, capital contribution, or otherwise) in any other Person.

**3.4 Financial Statements.** The Company has delivered to Buyer: (a) unaudited balance sheets of the Company as at December 31, 2019 (the "**Balance Sheet Date**") and as at December 31, 2018 and 2017, and the related unaudited statements of income, changes in shareholders' equity, and cash flows for each of the 2019, 2018 and 2017 fiscal years ended on such dates (collectively, the "**Annual Financial Statements**"), and (b) an unaudited balance sheet (the "**Interim Balance Sheet**") of the Company as at September 30, 2020 (the "**Interim Balance Sheet Date**"), and the related unaudited statements of income, changes in shareholders' equity, and cash flows for the nine (9) months then ended (collectively, the "**Interim Financial Statements**" and, together with the Annual Financial Statements, the "**Financial Statements**"). The Financial Statements (i) fairly present the financial condition and the results of operations, changes in shareholders' equity, and cash flows of the Company as at the respective dates of, and for the periods referred to in, the Financial Statements, and (ii) were prepared in accordance with GAAP, subject, in the case of the Interim Financial Statements, to normal recurring year-end adjustments (the effect of which will not, individually or in the aggregate, be material). The Financial Statements reflect the consistent application of GAAP throughout the periods involved, except as disclosed in the Disclosure Schedule. No financial statements of any Person other than the Company are required by GAAP to be included or reflected in the Financial Statements. The Financial Statements were prepared from, and are consistent with, the accounting Records of the Company.

**3.5 Books and Records.** The books of account and other Records of the Company, all of which have been made available to Buyer, are complete and correct in all material respects, and represent actual, bona fide transactions. The Company has at all times maintained complete and correct Records, in all material respects, of all issuances and transfers of its Equity Securities. At the Closing, all Records of the Company will be delivered to Buyer.

**3.6 Real and Personal Property.**

(a) The Company does not own, and has never owned, any real property.

(b) Schedule 3.6(b) lists all real estate currently leased by the Company as a lessee, sub-lessee, or assignee (the "**Leased Real Property**"), including a description of the premises leased. All Leased Real Property is leased pursuant to valid written leases

listed in Schedule 3.17(a) (the "**Leases**"). The Leases contain the entire agreement between the landlord of each of the leased premises and the Company, and there is no other Contract between the landlord and the Company affecting such Leased Real Property. The Company shall terminate all Leases, at its sole cost and expense, effective on or prior to the Closing Date.

(c) The Company owns all tangible personal property reflected as owned in the Interim Balance Sheet (other than inventory (if any) sold since the Interim Balance Sheet Date in the Ordinary Course of Business), free and clear of all Encumbrances, other than Permitted Encumbrances. All the tangible personal property purchased or otherwise acquired by the Company since the Interim Balance Sheet Date (other than inventory acquired and sold (if any) since the Interim Balance Sheet Date in the Ordinary Course of Business) is owned by the Company free and clear of all Encumbrances, other than Permitted Encumbrances. A copy of the fixed asset register of the Company has been delivered to Buyer. Such register contains a complete and correct list of the fixed assets of the Company as of the date specified.

**3.7 Condition and Sufficiency of Assets.**

(a) The equipment owned or leased by the Company is in good operating condition and repair and adequate for the uses to which it is being put, and none of such equipment is in need of maintenance or repairs other than ordinary, routine maintenance that is not material in nature or cost.

(b) The assets owned and leased by the Company constitute all the assets used in connection with the business of the Company.

**3.8 Accounts Receivable**. All accounts receivable of the Company, whether or not reflected on the Interim Balance Sheet, represent valid obligations arising from sales actually made or services actually performed in the Ordinary Course of Business. The accounts receivable of the Company are current and collectible in full net of the reserve (if any) shown on the Interim Balance Sheet (which reserve is adequate and calculated consistent with past practice in the preparation of the Financial Statements). There is no contest, claim, defense, or right of setoff, other than returns in the Ordinary Course of Business, with respect to any account receivable. Schedule 3.8 lists and sets forth the aging of all accounts receivable as of the Interim Balance Sheet Date.

**3.9 Inventories**. All inventories of the Company (if any), whether or not reflected on the Interim Balance Sheet, consist of a quality and quantity usable and, with respect to finished goods, saleable, in the Ordinary Course of Business. The Company is not in possession of any goods not owned by the Company. Except as set forth in Schedule 3.9, the inventories (other than goods in transit) of the Company are located on the premises of the Company.

**3.10 No Undisclosed Liabilities.** Except for the PPP Loan (which is addressed in Section 2.6), the Company has no liability or obligation of any nature (whether known or unknown and whether absolute, accrued, contingent, or otherwise), other than liabilities or obligations to the extent (i) shown on the Interim Balance Sheet and (ii) current liabilities incurred in the Ordinary Course of Business since the date of the Interim Balance Sheet (none of which results from, arises

out of, relates to, is in the nature of, or was caused by any breach of contract, breach of warranty, tort, infringement, or violation of any Legal Requirement); provided, however, that as of the Closing Date, the Company shall have sufficient cash to satisfy all of the liabilities and obligations described in items (i) and (ii).

**3.11 Taxes.**

(a) *Filed Returns and Tax Payments*

(i) The Company has filed or caused to be filed on a timely basis all Tax Returns that were required to be filed by or with respect to it pursuant to applicable Legal Requirements.

(ii) The Company has not requested any extension of time within which to file any Tax Return, except as to a Tax Return that has since been timely filed.

(iii) All Tax Returns filed by (or that include on a consolidated basis) the Company are complete and correct and comply with applicable Legal Requirements.

(iv) The Company has paid, or made provision for the payment of, all Taxes that have or could have become due for all periods covered by any Tax Return or otherwise, including pursuant to any assessment received by Sellers or the Company, except such Taxes, if any, that are listed in Schedule 3.11(a) and that are being contested in good faith by appropriate Proceedings and for which adequate reserves have been provided in the Interim Balance Sheet.

(v) The Company has withheld or collected and paid to the proper Governmental Body or other Person all Taxes required to be withheld, collected, or paid by it.

(vi) Schedule 3.11(a) lists each Tax Return filed by the Company since January 1, 2018, and the Company has delivered to Buyer copies of all such Tax Returns.

(vii) No claim has ever been made by any Governmental Body in a jurisdiction where the Company does not file Tax Returns that it is or could be subject to taxation by that jurisdiction, nor is there any reasonable basis for such a claim.

(b) *Audited or Closed Tax Years*

(i) Except as set forth in Schedule 3.11(b), no Tax Returns of the Company have been audited by the IRS or any other Governmental Body and the Company has not been notified by the IRS or any other Governmental Body that it intends to conduct an audit.

(ii) Schedule 3.11(b) lists all audits of all Tax Returns, including a description of the nature and, if completed, the outcome of each audit. The Company has delivered copies of any reports, statements of deficiencies, or similar

items with respect to such audits. Schedule 3.11(b) describes all adjustments to any Tax Return filed by or with respect to the Company for all taxable years since its organization, and the resulting deficiencies proposed by the IRS or other Governmental Body. Schedule 3.11(b) lists all deficiencies proposed as a result of such audits, all of which have been paid or, as set forth in Schedule 3.11(b), have been settled or are being contested in good faith by appropriate Proceedings. Except as set forth in Schedule 3.11(b), to the Knowledge of Sellers, no Governmental Body will assess any additional taxes for any period for which Tax Returns have been filed.

(iii) Except as set forth in Schedule 3.11(b), no Tax Return of the Company is under audit by the IRS or other Governmental Body, and no notice of such an audit has been received by the Company. To the Knowledge of Sellers, there are no threatened Proceedings for or relating to Taxes, and there are no matters under discussion with the IRS or other Governmental Body with respect to Taxes. Except as set forth in Schedule 3.11(b), no issues relating to Taxes have been raised in writing by the IRS or other Governmental Body during any pending audit, and no issues relating to Taxes have been raised in writing by the IRS or other Governmental Body in any audit that could recur in a later taxable period. Except as set forth in Schedule 3.11(b), there is no proposed Tax assessment against the Company.

(iv) Except as set forth in Schedule 3.11(b), no Proceedings are pending before the IRS or other Governmental Body with respect to the Taxes of the Company.

(v) Except as set forth in Schedule 3.11(b), neither the Company nor such Seller has given or been requested to give waivers or extensions (or is or would be subject to a waiver or extension given by any other Person) of any statute of limitations relating to the payment of Taxes of the Company or for which the Company could be liable.

(vi) Except as set forth in Schedule 3.11(b), no Encumbrance for Taxes exists with respect to any assets of the Company, except statutory liens for Taxes not yet due.

(c) *Accruals and Reserves*. The charges, accruals, and reserves with respect to Taxes on the accounting Records of the Company are adequate and are at least equal to the Company's reasonably anticipated liability for Taxes (if any).

(d) *Status of the Company*

(i) The Company is, and within the five-year period preceding the date of this Agreement has been, taxed as a corporation for federal income tax purposes. The Company is not, and within the five-year period preceding the date of this Agreement has not been, an "S corporation" within the meaning of Section 1361(a)(1) of the Code.

(ii) The Company has not been a member of any affiliated group of corporations which has filed a combined, consolidated, or unitary income Tax Return with any Governmental Body. The Company is not liable for the Taxes of any Person under Treasury Regulation Section 1.1502-6 or any successor or similar provision of any applicable Legal Requirement, as a transferee or successor, by contract, or otherwise.

(e) *Miscellaneous*

(i) There is no tax sharing agreement, tax allocation agreement, tax indemnity obligation, or similar agreement, arrangement, understanding, or practice, oral or written, with respect to Taxes that will require any payment by the Company.

(ii) The Company is not a party to any Contract that could result separately or in the aggregate in any payment (A) of an "excess parachute payment" within the meaning of Section 280G of the Code, or (B) that would not be deductible as a result of the application of Section 404 of the Code.

(iii) The Company is not required to include in income any adjustment pursuant to Section 481 of the Code by reason of a voluntary change in accounting method initiated by the Company.

(iv) The Company has not been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(v) Except as set forth in Schedule 3.11(e), the Company has not received, been the subject of, or requested a written ruling of a Governmental Body relating to Taxes, and the Company has not entered into a Contract with a Governmental Body relating to Taxes that would have a continuing effect after the Closing Date.

(vi) The Company has disclosed on its federal income Tax Returns all positions taken by it that could give rise to substantial understatement of federal income Tax within the meaning of Section 6662 of the Code.

(vii) The Company has never distributed stock of another Person or had its stock distributed by another Person, in a transaction that purported or was intended to be governed in whole or in part by Code Section 355 or Code Section 361.

(viii) The Company has not participated in any "reportable transaction" as defined in Treasury Regulation Section 1.6011-4(b) (or any successor or substitute thereof).

**3.12 No Material Adverse Change.** Since the Balance Sheet Date, the Company has not suffered any Material Adverse Change and no event has occurred, and no circumstance

exists, that can reasonably be expected to result in a Material Adverse Change, except as set forth in Schedule 3.12.

**3.13 Employee Benefits.**

(a) Schedule 3.13(a) lists each "employee benefit plan" as defined by Section 3(3) of ERISA, all specified fringe benefit plans as defined in Section 6039D of the Code, and all other material bonus, incentive-compensation, deferred-compensation, profit-sharing, stock-option, stock-appreciation-right, stock-bonus, stock-purchase, employee-stock-ownership, savings, severance, change-in-control, supplemental-unemployment, layoff, salary-continuation, retirement, pension, health, life-insurance, disability, accident, group-insurance, vacation, holiday, sick-leave, fringe-benefit, or welfare plan, and any other employee compensation or benefit plan, policy, practice, or Contract (whether qualified or nonqualified) and any trust, escrow, or other Contract related thereto that (i) is maintained or contributed to by the Company and (ii) provides benefits to, or describes policies or procedures applicable to, any current or former director, officer, employee, or service provider of the Company, or the dependents of any thereof, regardless of how (or whether) liabilities for the provision of benefits are accrued or assets are acquired or dedicated with respect to the funding thereof (each, an "**Employee Plan**"). Schedule 3.13(a) identifies as such any Employee Plan that is (x) a plan intended to meet the requirements of Section 401(a) of the Code or (y) a plan subject to Title IV of ERISA. Other than the Company, no corporation or trade or business has ever been controlled by, controlling, or under common control with such Seller within the meaning of Section 414 of the Code or Section 4001(a)(14) or 4001(b) of ERISA.

(b) The Company has delivered to Buyer copies of (i) the documents comprising each Employee Plan; (ii) all trust agreements or insurance contracts related to each Employee Plan; (iii) all rulings, determination letters, opinion letters, no-action letters, or advisory opinions from the IRS, the United States Department of Labor, or any other Governmental Body that pertain to each Employee Plan and any open requests therefor; (iv) the most recent financial reports (audited and/or unaudited) and the annual reports, if any, filed with any Governmental Body with respect to each Employee Plan during the current year and each of the three preceding years; (v) all Contracts with third-party administrators, investment managers, consultants, or other independent contractors that relate to each Employee Plan; and (vi) all summary plan descriptions, summaries of material modifications, and employee handbooks regarding each Employee Plan.

(c) Except as set forth in Schedule 3.13(c), all amounts owed by the Company under the terms of any Employee Plan have been timely paid in full. Except as set forth in Schedule 3.13(c), each Employee Plan that provides health or welfare benefits is fully insured, and any incurred but not reported claims under each such Employee Plan that is not fully insured have been properly accrued. The Company has paid in full all required insurance premiums, subject only to normal retrospective adjustments in the Ordinary Course of Business, with respect to each Employee Plan.

(d) Except as set forth in Schedule 3.13(d), the Company has complied in all material respects with the applicable continuation requirements for each Employee Plan, including (i) Section 4980B of the Code (as well as its predecessor provision, Section

162(k) of the Code) and Sections 601 through 608, inclusive, of ERISA ("**COBRA**") and (ii) any applicable state Legal Requirements mandating welfare benefit continuation coverage for employees to the extent not preempted by ERISA.

(e) The form of each Employee Plan is in compliance with the applicable terms of ERISA and the Code and any other applicable Legal Requirements, and each Employee Plan has been operated in compliance with such Legal Requirements and the written Employee Plan documents. Neither the Company nor any fiduciary of an Employee Plan has violated the requirements of Section 404 of ERISA. Each required report and description of an Employee Plan (including IRS Form 5500 Annual Reports, Summary Annual Reports and Summary Plan Descriptions, and Summaries of Material Modifications) have been (to the extent required) timely filed with the IRS, the United States Department of Labor, or other Governmental Body and distributed as required, and all notices required by ERISA or the Code or any other Legal Requirement with respect to each Employee Plan have been appropriately given or, to the extent not timely provided, would not have a material adverse effect. The Company does not have any unfunded liability with respect to any deferred compensation, retirement, or other Employee Plan.

(f) Each Employee Plan that is intended to be qualified under Section 401(a) of the Code has received, or is based on a form of plan that has received, a favorable determination letter or opinion from the IRS, which is current or the time for receiving has not yet expired. To the Knowledge of Sellers, no circumstance exists that could reasonably result in revocation of any such favorable determination or opinion letter. Each trust created under any such Employee Plan has been determined to be exempt from taxation under Section 501(a) of the Code, and, to the Knowledge of Sellers, no circumstance exists that could reasonably result in a revocation of such exemption. No Employee Plan is intended to meet the requirements of Code Section 501(c)(9). Except as set forth in Schedule 3.13(f), no circumstance exists that could reasonably give rise to a loss of any intended tax consequence or to any Tax under Section 511 of the Code with respect to any Employee Plan.

(g) There has never been any Proceeding relating to any Employee Plan and, to the Knowledge of Sellers, no such Proceeding is threatened. To the Knowledge of Sellers, no event has occurred or circumstance exists, other than the existence of the Employee Plans, that could give rise to or serve as a basis for the commencement of any such Proceeding. Neither the Company nor any fiduciary of an Employee Plan has engaged in a transaction with respect to any Employee Plan that could subject the Company or Buyer to a Tax or penalty imposed by either Section 4975 of the Code or Section 502(l) of ERISA or a violation of Section 406 of ERISA. Neither the execution and delivery of this Agreement nor the consummation or performance of any Contemplated Transaction will, directly or indirectly (with or without notice or lapse of time), result in the assessment of a Tax or penalty under Section 4975 of the Code or Section 502(l) of ERISA or result in a violation of Section 406 of ERISA.

(h) Except as set forth in Schedule 3.13(h), neither the execution and delivery of this Agreement nor the consummation or performance of any Contemplated Transaction will, directly or indirectly (with or without notice or lapse of time), obligate the Company to pay any separation, severance, termination, or similar benefit to, or accelerate the time

of vesting for, change the time of payment to, or increase the amount of compensation due to, any director, employee, officer, former employee, or former officer of the Company. There is no Contract providing for payments that could subject any Person to liability under Section 4999 of the Code.

(i) Other than the continuation coverage requirements of COBRA or applicable state law, the Company has no obligation or potential liability for benefits to employees, former employees, or their dependents following termination of employment or retirement under any Employee Plan.

(j) Except as set forth in Schedule 3.13(j), neither the execution and delivery of this Agreement nor the consummation or performance of any Contemplated Transaction will, directly or indirectly (with or without notice or lapse of time), result in an amendment, modification, or termination of any Employee Plan. No written or oral representation has been made to any employee or former employee of the Company promising or guaranteeing any employer payment or funding for the continuation of medical, dental, life, or disability coverage for any period of time beyond the end of the current plan year (except to the extent of coverage required under COBRA or applicable state law). No written or oral representation has been made to any employee or former employee of the Company concerning the employee benefits of Buyer (other than any employment offers made by Buyer in writing to the employees identified by Buyer in its sole discretion).

(k) The Company does not contribute to, have any obligation to contribute to, or have any liability with respect to, any "employee pension benefit plan" within the meaning of Section 3(2) of ERISA that is a "defined benefit plan" within the meaning of Section 3(35) of ERISA.

(l) The Company does not contribute to, have any obligation to contribute to, or have any liability with respect to, a "multiemployer plan" within the meaning of Section 3(37) of ERISA or Section 414(f) of the Code or a plan that has two or more contributing sponsors, at least two of whom are not under common control within the meaning of Section 413(c) of the Code.

(m) Except as set forth in Schedule 3.13(m), no Employee Plan is subject to Section 409A of the Code. Each Employee Plan subject to Section 409A of the Code ("**Deferred Compensation Plan**") complies in all material respects with Section 409A of the Code. The Company has not (i) granted to any Person an interest in any Deferred Compensation Plan that is, or upon the lapse of a substantial risk of forfeiture with respect to such interest will be, subject to the Tax imposed by Section 409A(a)(1)(B) or (b)(4)(A) of the Code, or (ii) materially modified any Deferred Compensation Plan in a manner that could cause an interest previously granted under such plan to become subject to the Tax imposed by Section 409A(a)(1)(B) or (b)(4) of the Code.

**3.14 Compliance with Legal Requirements; Governmental Authorizations.**

(a) Except as set forth in Schedule 3.14(a):

(i) the Company has at all times been in compliance with each Legal Requirement that is or was applicable to it or the conduct of its business or the ownership or use of any of its assets;

(ii) no event has occurred or circumstance exists that (with or without notice or lapse of time) (A) could constitute or result in a violation by the Company of, or a failure on the part of the Company to comply with, any Legal Requirement, or (B) could give rise to any obligation on the part of the Company to undertake, or to bear all or any portion of the cost of, any remedial action; and

(iii) the Company has not received any notice or other communication (whether oral or written) from any Governmental Body or any other Person regarding (A) any actual, alleged, or potential violation of, or failure to comply with, any Legal Requirement, or (B) any actual, alleged, or potential obligation on the part of the Company to undertake, or to bear all or any portion of the cost of, any remedial action.

(b) Schedule 3.14(b) lists each Governmental Authorization that is held by the Company or that otherwise relates to the business of, or to any assets owned or used by, the Company. Each Governmental Authorization listed in Schedule 3.14(b) is valid and in full force and effect. Except as set forth in Schedule 3.14(b):

(i) the Company has at all times been in compliance with each such Governmental Authorization;

(ii) no event has occurred or circumstance exists that could (with or without notice or lapse of time) (A) constitute or result, directly or indirectly, in a violation of, or a failure on the part of the Company to comply with, any Governmental Authorization listed in Schedule 3.14(b), or (B) result, directly or indirectly, in the revocation, suspension, cancellation, termination, or modification of any such Governmental Authorization;

(iii) the Company has not received any notice or other communication (whether oral or written) from any Governmental Body or any other Person regarding (A) any actual, alleged, or potential violation of, or failure to comply with, any Governmental Authorization, or (B) any actual, proposed, or potential revocation, suspension, cancellation, termination, or modification of any Governmental Authorization; and

(iv) all applications required to have been filed for the renewal or reissuance of the Governmental Authorizations listed in Schedule 3.14(b) have been duly filed on a timely basis with the appropriate Governmental Bodies, and all other filings required to have been made with respect to such Governmental Authorizations have been duly made on a timely basis with the appropriate Governmental Bodies.

(c) The Governmental Authorizations listed in Schedule 3.14(b) constitute all Governmental Authorizations necessary to permit the Company lawfully to continue to

conduct its business in the manner in which it conducts such business and to own and use its assets in the manner in which it owns and uses such assets.

**3.15 Legal Proceedings; Orders.**

(a) Except as set forth in Schedule 3.15(a), since the Company's organization there has not been, and there is not pending or, to the Knowledge of Sellers, threatened, any Proceeding:

(i) by or against the Company or that otherwise relates to or could affect the business of, or any assets owned or used by, the Company; or

(ii) by or against such Seller that relates to the Shares; or

(iii) that challenges, or that could have the effect of preventing, delaying, making illegal, imposing limitations or conditions on, or otherwise interfering with, any Contemplated Transaction.

To the Knowledge of Sellers, no event has occurred or circumstance exists that could give rise to or serve as a basis for the commencement of any such Proceeding. The Company has delivered to Buyer copies of all pleadings, correspondence, and other documents relating to each pending or threatened Proceeding listed in Schedule 3.15(a). None of the pending or threatened Proceedings listed in Schedule 3.15(a), individually or in the aggregate, will or could reasonably be expected to result in an adverse consequence to the Company or in the Company incurring any Loss or being subjected to any Order.

(b) Except as set forth in Schedule 3.15(b):

(i) there is no Order to which the Company, or any assets owned or used by the Company, is subject; and

(ii) such Seller is not subject to any Order that relates to the business of, or any assets owned or used by, the Company.

(c) Except as set forth in Schedule 3.15(c):

(i) the Company has at all times been in compliance with each Order to which it, or any assets owned or used by it, is or has been subject;

(ii) no event has occurred or circumstance exists that could constitute or result in (with or without notice or lapse of time) a violation of, or failure to comply with, any Order to which (A) the Company, or any assets owned or used by the Company, is subject, or (B) such Seller is subject that relates to the business of, or any assets owned or used by, the Company; and

(iii) neither the Company nor such Seller has, at any time received any notice or other communication (whether oral or written) from any Governmental Body or any other Person regarding any actual, alleged, or potential violation of, or failure to comply with, any Order to which (A) the Company, or any assets owned

or used by the Company, is subject, or (B) such Seller is subject that relates to the business of, or any assets owned or used by, the Company.

**3.16 Absence of Certain Changes and Events.** Except as set forth in Schedule 3.16, since the Interim Balance Sheet Date, the Company has conducted its business only in the Ordinary Course of Business, and there has not been any:

(a) issuance of or change in the authorized or issued Equity Securities of the Company; purchase, redemption, retirement, or other acquisition by the Company of any Equity Security of the Company; or declaration or payment of any dividend or other distribution or payment in respect of the Equity Securities of the Company;

(b) amendment to the Organizational Documents of the Company;

(c) other than any payments by the Company of bonuses, salaries, benefits, or other compensation in the Ordinary Course of Business, payment, increase or decrease by the Company of any bonus, salary, benefit, or other compensation to any holder of an Equity Security, director, manager, officer, employee, or consultant or entry into or amendment of any employment, severance, bonus, retirement, loan, or other Contract with any holder of any Equity Security, director, manager, officer, employee, or consultant;

(d) adoption of, amendment to, or material increase or decrease in the payments to or benefits under any Employee Plan;

(e) damage to or destruction or loss of any asset owned or used by the Company, whether or not covered by insurance;

(f) entry into, modification, termination, or expiration of, or receipt of notice of termination of, any Applicable Contract listed in Schedule 3.17(a);

(g) sale (other than sales of inventory in the Ordinary Course of Business), lease, other disposition of, or imposition of an Encumbrance on any asset owned or used by the Company;

(h) release or waiver of any claim or right of the Company;

(i) change in the accounting methods used by the Company;

(j) capital expenditure (or series of related capital expenditures) by the Company either involving more than $25,000.00 or outside the Ordinary Course of Business;

(k) capital investment in, loan to, or acquisition of the securities or assets of, any Person (or series of related capital investments, loans, and acquisitions) by the Company or acquisition (by merger, exchange, consolidation, acquisition of Equity Securities or assets, or otherwise) of any Person by the Company;

(l) note, bond, debenture, or other indebtedness for borrowed money issued, created, incurred, assumed, or guaranteed (including advances on existing credit facilities) by the Company;

(m) Contract by the Company or any Seller to do any of the foregoing; or

(n) other material occurrence, event, action, failure to act, or transaction outside the Ordinary Course of Business involving the Company.

**3.17 Contracts.**

(a) Schedule 3.17(a) lists, and the Company has delivered to Buyer a copy of, each Applicable Contract:

(i) involving the performance of services, delivery of goods or materials, or payments by the Company of an amount or value in excess of $25,000.00;

(ii) involving the performance of services, delivery of goods or materials, or payments to the Company of an amount or value in excess of $25,000.00;

(iii) that was not entered into in the Ordinary Course of Business;

(iv) affecting the ownership of, leasing of, title to, use of, or any leasehold or other interest in, any real or personal property;

(v) with any labor union or other employee representative of a group of employees relating to wages, hours, or other conditions of employment;

(vi) involving any joint venture, partnership, or limited liability company agreement involving a sharing of profits, losses, costs, Taxes, or other liabilities by the Company with any other Person;

(vii) containing covenants that in any way purport to restrict the right or freedom of the Company or any other Person for the benefit of the Company to (A) engage in any business activity, (B) engage in any line of business or compete with any Person, or (C) solicit any Person to enter into a business or employment relationship, or enter into such a relationship with any Person;

(viii) providing for payments to or by any Person based on sales, purchases, or profits, other than direct payments for goods or services;

(ix) containing an effective power of attorney granted by the Company;

(x) containing or providing for an express undertaking by the Company to be responsible for consequential, special, or liquidated damages or penalties;

(xi) for capital expenditures in excess of $25,000.00;

(xii) involving payments to or from the Company that are not denominated in U.S. dollars;

(xiii) involving the settlement, release, compromise, or waiver of any material rights, claims, obligations, duties, or liabilities;

(xiv) relating to indebtedness of the Company;

(xv) relating to a distributor, reseller, OEM, dealer, manufacturer's representative, broker, finder's, sales agency, advertising agency, manufacturing, assembly, or product design and development relationship with the Company;

(xvi) under which the Company has loaned to, or made an investment in, or guaranteed the obligations of, any Person;

(xvii) relating to any bond or letter of credit; and

(xviii) that cannot be terminated by the Company immediately after the Closing with thirty (30) days' (or less) prior written notice and without liability to the Company (or its successor); and

(xix) constituting an amendment, supplement, or modification (whether oral or written) in respect of any of the foregoing.

(b) Except as set forth in Schedule 3.17(b):

(i) each Applicable Contract listed in Schedule 3.17(a) is in full force and effect, and is valid and enforceable in accordance with its terms.

(c) Except as set forth in Schedule 3.17(c):

(i) the Company has been in material compliance with each Applicable Contract since the effective date of such Applicable Contract;

(ii) to the Knowledge of Sellers, each other Person that has any obligation or liability under any Applicable Contract has been in material compliance with such Applicable Contract since the effective date of such Applicable Contract;

(iii) to the Knowledge of Sellers, no event has occurred or circumstance exists that (with or without notice or lapse of time) could result in a breach of, or give the Company or other Person the right to declare a default or exercise any remedy under, or accelerate the maturity or performance of or payment under, or cancel, terminate, or modify, any Applicable Contract;

(iv) to the Knowledge of Sellers, no event has occurred or circumstance exists under or by virtue of any Applicable Contract that (with or without notice or lapse of time) would cause the creation of any Encumbrance affecting any assets owned or used by the Company; and

(v) the Company has not given to, or received from, any other Person any notice or other communication (whether oral or written) regarding any actual, alleged, or potential breach of any Applicable Contract.

(d) There is no renegotiation of, attempt to renegotiate, or outstanding rights to renegotiate any Applicable Contract with any Person, and no Person has made written demand for such renegotiation.

(e) Each Applicable Contract relating to the sale, design, manufacture, or provision of products or services by the Company has been entered into in the Ordinary Course of Business and without the commission of any act alone or in concert with any other Person, or any consideration having been paid or promised, in violation of any Legal Requirement.

**3.18 Insurance.**

Schedule 3.18 contains a complete and accurate list of all policies of insurance insuring the Company, directors, officers and employees of the Company or the assets of the Company against casualty, liability or other risks, the name of the insurer of each policy, the type of policy provided by such insurer and a description of any material claims made thereunder. Such insurance policies (true, correct and complete copies of which have provided to Buyer) are in full force and effect as stated therein; the premiums therefor due as of the Closing have been paid in full; the Company is not in default of any material provision thereof; and, with respect to any material claims made under such policies, no insurer has made any "reservation of rights" or refused to cover all or any portion of such material claims. The Company has not received any notice of any proposed material increase in the premiums payable for coverage, or proposed reduction in the scope (or discontinuation) of coverage, under any of such insurance policies. Except for group insurance policies containing any element of life insurance, there is no insurance policy on the life of any Person, the premium for which is paid, or contributed to, by the Company.

**3.19 Environmental Matters.** Except as set forth in Schedule 3.19:

(a) The Company has at all times materially complied with all Environmental Laws.

(b) The Company has not received any Order, notice, or other communication (written or oral) relating to any actual, alleged, or potential violation of or failure to comply with any Environmental Law, or any actual or potential Environmental, Health, and Safety Liability.

(c) There are no pending or, to the Knowledge of Sellers, threatened claims or Encumbrances resulting from any Environmental, Health, and Safety Liability or arising under or pursuant to any Environmental Law, with respect to or affecting any asset owned or used by the Company or in which it has or had an interest.

(d) To the Knowledge of Sellers, the Company does not have any Environmental, Health, and Safety Liability and no event has occurred or circumstance exists that (with or without notice or lapse of time) could result in the Company (i) having any Environmental, Health and Safety Liability or (ii) violating any Environmental Law.

**3.20 Employees and Consultants.**

(a) Schedule 3.20(a) lists the following information for each current employee of the Company, including each employee on leave of absence or layoff status: name, job title, date of hiring, date of commencement of employment, details of leave of absence or layoff, rate of compensation, bonus arrangement, and any change in compensation or bonus since January 1, 2020, vacation, sick time, and personal leave accrued as of November 30, 2020, and service credited for purposes of vesting and eligibility to participate under any Employee Plan.

(b) Schedule 3.20(b) lists the following information for every current independent contractor, consultant, or sales agent of the Company: name, responsibilities, date of engagement, and compensation. Each such independent contractor, consultant, or sales agent qualifies as an independent contractor in relation to the Company for purposes of all applicable Legal Requirements, including those relating to Taxes, insurance, and employee benefits.

(c) The Company has terminated the employment of every employee of the Company and has terminated the contract, engagement or other arrangement with every independent contractor, consultant, and sales agent of the Company, and the Company does not owe any wages, consideration, fees, benefits, compensation or other liability to any of the foregoing.

(d) Schedule 3.20(d) lists the following information for each retired employee or director of the Company (if any), or their dependents, receiving benefits or scheduled to receive benefits from the Company in the future: name, pension benefits, pension option election, retiree medical insurance coverage, retiree life insurance coverage, and other benefits.

**3.21 Labor Disputes; Compliance.**

(a) The Company has at all times materially complied with all Legal Requirements relating to employment practices, terms, and conditions of employment, equal employment opportunity, nondiscrimination, sexual harassment, immigration, wages, hours, benefits, collective bargaining and similar requirements, the payment of Social Security and similar Taxes, and occupational safety and health.

(b) Except as set forth in Schedule 3.21(b):

(i) the Company is not and has not been a party to any collective bargaining agreement or other labor contract;

(ii) there has not been, there is not pending or existing, and, to the Knowledge of Sellers, there is not threatened, any strike, slowdown, picketing, work stoppage, employee grievance process, organizational activity, or other labor dispute involving the Company;

(iii) to the Knowledge of Sellers, no event has occurred or circumstance exists that could provide the basis for any work stoppage or other labor dispute;

(iv) there has not been, and there is not pending or, to the Knowledge of Sellers, threatened against or affecting the Company any Proceeding relating to the alleged violation of any Legal Requirement pertaining to labor relations or employment matters, including any charge or complaint filed with the National Labor Relations Board or any comparable Governmental Body;

(v) no application or petition for an election or for certification of a collective bargaining agent is pending;

(vi) there has not been, and there is not pending or, to Sellers' Knowledge, threatened, any lockout of any employees by the Company; and

(vii) there has not been, and there is not pending or, to the Knowledge of Sellers, threatened, against the Company any charge of discrimination or sexual harassment filed with the Equal Employment Opportunity Commission or similar Governmental Body, and no event has occurred or circumstances exist that could provide the basis for any such charge.

**3.22 Intellectual Property Assets.**

(a) *Definition of Intellectual Property Assets*

The term "**Intellectual Property Assets**" means all intellectual property owned, licensed (as licensor or licensee), or used by the Company, including:

(i) the name of the Company, assumed, fictional, business and trade names, registered and unregistered trademarks, service marks, and logos, and trademark and service mark applications (collectively, "**Marks**");

(ii) patents, patent applications (collectively, "**Patents**"), and Invention Disclosures;

(iii) registered and unregistered copyrights in both published works and unpublished works (collectively, "**Copyrights**");

(iv) all rights in mask works (as defined in Section 901 of the Copyright Act of 1976);

(v) all (1) computer programs, firmware and other software embedded in hardware devices, software code (whether in source code, object code or other form), subroutines, interfaces, including APIs, mobile applications, platforms, models, objects, comments, screens, user interfaces, report formats, templates, menus, buttons, icons, algorithms, methodologies and implementations thereof, (2) development tools, descriptions and flow charts, (3) data, files, metadata, databases and compilations of data, whether machine readable or otherwise and (4) programmers' annotations, notes, documentation, product user manuals, training materials and other work product used to design, plan, organize, maintain, support or develop any of the foregoing, irrespective of the media on which it is recorded (collectively "**Software**").

(vi) all know-how, trade secrets, confidential or proprietary information, customer lists, technical information, data, databases, process technology, plans, drawings, inventions, and discoveries, whether or not patentable (collectively, "**Trade Secrets**"); and

(vii) all rights in Internet websites, Internet domain names, subdomains, content, material, email accounts, social media accounts, keywords, profiles, pages, feeds, registrations and other presences on or in connection with any (1) social media or social networking website or online service, (2) blog or microblog, (3) mobile application, (4) photo, video or other content-sharing website, (5) virtual game world or virtual social world, (6) rating and review website, (7) wiki or similar collaborative content website or (8) message board, bulletin board, or similar forum held by the Company (collectively "**Net Names**").

(b) *Nature of Intellectual Property Assets*

(i) The Intellectual Property Assets owned by the Company, together with the Intellectual Property Assets licensed by the Company and listed in Schedule 3.22(b)(i), are all those used in or necessary for the conduct of the business of the Company as it is currently being conducted. The Intellectual Property Assets listed in Schedule 3.22(b)(i) constitute the only Intellectual Property Assets that are used and not owned by the Company. The Company is the owner of each of the owned Intellectual Property Assets, free and clear of any Encumbrance, and has the right to use them without payment to any Person. The Company is not bound by, and none of the owned Intellectual Property Assets is subject to, any Contract that in any way limits or restricts the ability of the Company to use, exploit, assert, or enforce any such owned Intellectual Property Asset anywhere in the world.

(ii) All former and current employees or independent contractors of the Company have executed written Contracts with the Company that assign to the Company all rights to any inventions, improvements, discoveries or information, and works of authorship of such employee or independent contractor relating to the business of the Company.

(iii) No funding, facilities, or personnel of any Governmental Body, any educational institution, or any other Person (other than the Company) were used, directly or indirectly, to develop or create, in whole or in part, any owned Intellectual Property Asset.

(iv) The Company has not assigned or otherwise transferred any interest in, or agreed to assign or otherwise transfer any interest in, any owned Intellectual Property Asset to any other Person, except pursuant to nonexclusive licenses in the Ordinary Course of Business.

(v) The Company is not and never was a member or promoter of, or a contributor to, any industry standards body or other organization that could require

or obligate the Company to grant or offer to any other Person any license or right to any Intellectual Property Asset.

(c) *Patents*

(i) Schedule 3.22(c) lists all Patents and invention disclosures relating to inventions conceived or reduced to practice by one or more officers, employees, independent contractors, or other parties with whom the Company may have collaborated in connection with developments on behalf of the Company's business ("**Invention Disclosures**").

(ii) All Patents are in compliance with all applicable Legal Requirements (including payment of filing, examination, and maintenance fees, and proofs of working or use), are valid and enforceable, and are not subject to any maintenance fees, taxes, or actions falling due within 90 days after the Closing Date. No Invention Disclosure describes any invention that has been publicly disclosed or offered for sale, creating a bar to filing patent applications within 90 days after the Closing.

(iii) No Patent has been or is involved in any interference, reissue, reexamination, or opposition Proceeding, and, to the Knowledge of Sellers, no such Proceeding is threatened.

(d) *Marks*

(i) Schedule 3.22(d) lists all Marks.

(ii) Except as set forth in Schedule 3.22(d), all Marks have been registered with the United States Patent and Trademark Office and foreign countries where the Company does substantial business related to the goods or services associated with such Marks, are in compliance with all applicable Legal Requirements (including the timely post-registration filing of affidavits of use and incontestability and renewal applications), are valid and enforceable, and are not subject to any maintenance fees, taxes, or actions falling due within 90 days after the Closing Date.

(iii) No Mark has been or is involved in any dispute, opposition, invalidation, or cancellation Proceeding and, to the Knowledge of Sellers, no such Proceeding is threatened.

(e) *Copyrights*

(i) Schedule 3.22(e) lists all registered Copyrights and all material unregistered Copyrights used in connection with the products or services provided by the Company.

(ii) All registered Copyrights are in compliance with all applicable Legal Requirements, and all the Copyrights listed in Schedule 3.22(e) are valid and

enforceable, and are not subject to any maintenance fees, taxes, or actions falling due within 90 days after the Closing Date.

(iii) To the Knowledge of Sellers, no Copyright listed in Schedule 3.22(e) is or has been infringed or has been challenged, and, to the Knowledge of Sellers, no such challenge is threatened. To the Knowledge of Sellers, none of the subject matter of any Copyright infringes or is alleged to infringe any copyright of any Person or is a derivative work based upon the work of any other Person.

(f) *Trade Secrets*

(i) The Company has taken all reasonable precautions to protect each Trade Secret (including the enforcement by the Company of a policy requiring each employee or contractor to execute proprietary information and confidentiality agreements substantially in the Company's standard form, and all current and former employees and independent contractors of the Company have executed such an agreement).

(ii) To the Knowledge of Sellers, no Trade Secret is part of the public knowledge or literature or has been used, divulged, or appropriated either for the benefit of any Person (other than the Company) or to the detriment of the Company. To the Knowledge of Sellers, no Trade Secret is subject to any adverse claim or has been challenged. To the Knowledge of Sellers, no Trade Secret infringes or is alleged to infringe any intellectual property right of any Person.

(g) *Software*

All Software owned, licensed, or used by the Company (other than commonly available, noncustomized third-party software licensed to the Company for internal use on a nonexclusive basis) is listed in Schedules 3.22(c), (e), or (f). The Company has all rights necessary to use all copies of all Software used by the Company.

(h) *Net Names*

(i) Schedule 3.22(h) lists all Net Names.

(ii) All Net Names have been registered in the name of the Company and are in compliance with all applicable Legal Requirements.

(iii) No Net Name has been or is involved in any dispute, opposition, invalidation, or cancellation Proceeding and, to the Knowledge of Sellers, no such Proceeding is threatened.

**3.23 Compliance with the Foreign Corrupt Practices Act and Export Control and Antiboycott Laws.** Neither the Company nor, to the Knowledge of Sellers, any Representative of the Company in its capacity as such has violated the Foreign Corrupt Practices Act or the anticorruption laws of any jurisdiction where the Company does business. The Company has at all times complied with all Legal Requirements relating to

export control and trade sanctions or embargoes. The Company has not violated the antiboycott prohibitions contained in 50 U.S.C. Sections 2401 *et seq*. or taken any action that can be penalized under Section 999 of the Code.

**3.24 Relationships with Related Persons.** Except as set forth on Schedule 3.24, (a) the Company is not a party to any contract with, or indebted, either directly or indirectly, to any of its current or former officers, directors or stockholders, or any of their respective relatives or affiliates, (b) none of such persons is indebted to the Company or has any direct or indirect ownership interest in, or any contractual or business relationship with, any Person with which the Company is affiliated or with which the Company has a business relationship, or any Person which, directly or indirectly, competes with the Company, and (c) none of the current or former officers, directors or stockholders of the Company have any interest in any assets, including proprietary rights, used in or pertaining to the business, or in any supplier, distributor or customer of the Company.

**3.25 Customers and Suppliers.** Schedule 3.25 lists for each of 2019 and 2020 the names of the respective customers that were, in the aggregate, the ten largest customers in terms of dollar value of products or services, or both, sold by the Company or through its application ("**Major Customers**"). Schedule 3.25 also lists for each such year, the names of the respective suppliers or vendors that were, in the aggregate, the ten largest suppliers or vendors in terms of dollar value of products or services, or both, to the Company ("**Major Suppliers**"). Except as set forth in Schedule 3.25, no Major Customer or Major Supplier has given the Company notice (written or oral) terminating, canceling, reducing the volume under, or renegotiating the pricing terms or any other material terms of any Applicable Contract or relationship with the Company or threatening to take any of such actions, and, to the Knowledge of Sellers, no Major Customer or Major Supplier intends to do so.

**3.26 Product Liabilities and Warranties.**

(a) Except as set forth in Schedule 3.26(a), the Company has not incurred any material Loss as a result of any defect or other deficiency (whether of design, materials, workmanship, labeling, instructions, or otherwise) with respect to any product designed, manufactured, sold, leased, licensed, or delivered, or any service provided by the Company, whether such Loss is incurred by reason of any express or implied warranty (including any warranty of merchantability or fitness), any doctrine of common law (tort, contract, or other), any other Legal Requirement, or otherwise. No Governmental Body has alleged to the Company in writing that any product designed, manufactured, sold, leased, licensed, or delivered by the Company is defective or unsafe or fails to meet any product warranty or any standards promulgated by any such Governmental Body. No product designed, manufactured, sold, leased, licensed, or delivered by the Company has been recalled, and the Company has not received any notice of recall (written or oral) of any such product from any Governmental Body.

**3.27 Brokers or Finders.** Neither the Company nor such Seller, and none of their respective Representatives, has incurred any obligation or liability, contingent or

otherwise, for any brokerage or finder's fee or agent's commission or other similar payment in connection with this Agreement or the Contemplated Transactions.

**3.28 PPP Loan.** The Company has complied with all Legal Requirements applicable to the PPP Loan and the PPP Program, including for the application of the PPP Loan, the disbursement and use of the proceeds thereof, and the forgiveness thereof. The proceeds of the PPP Loan were used by the Company in accordance with the requirements of the PPP Program for the full forgiveness of the PPP Loan. The Company has completed and submitted to the PPP Lender a forgiveness application requesting the forgiveness of the entire outstanding principal balance of, and accrued interest on, the PPP Loan together will all required supporting documentation, and, to the Knowledge of Sellers, there is no reason that the full amount of the PPP Loan will not be forgiven.

**3.29 Convertible Notes.** The note surrender agreements delivered by the Note Holders to Buyer pursuant to Section 2.4(a)(v) are effective to cancel, terminate and extinguish all convertible notes of the Company that are outstanding as of the Closing Date, and the portion of the Closing Payment that is payable to each Note Holder pursuant to Schedule 2.2 hereto constitutes the entirety of the consideration that each such Note Holder is entitled to receive under such convertible notes upon the cancellation thereof and/or the change of control of the Company contemplated herein. On and after the date hereof, none of the Note Holders will have any right to receive any shares of capital stock of the Company upon exercise or conversion of the notes or otherwise or any other right under the notes.

## 4. Representations and Warranties of Buyer.

Buyer represents and warrants to Sellers as follows:

### 4.1 Organization and Good Standing.

Buyer is a limited liability company duly organized, validly existing, and in good standing under the laws of the Commonwealth of Puerto Rico.

### 4.2 Enforceability and Authority; No Conflict.

(a) The execution, delivery, and performance by Buyer of this Agreement have been duly authorized by all necessary company action. This Agreement has been duly executed and delivered by Buyer and constitutes the legal, valid, and binding obligation of Buyer, enforceable against Buyer in accordance with its terms. Buyer has the absolute and unrestricted right, power, and authority to execute and deliver this Agreement and to perform its obligations hereunder.

(b) Neither the execution and delivery of this Agreement nor the consummation or performance of any Contemplated Transaction will directly or indirectly (with or without notice or lapse of time):

(i) contravene, conflict with, or violate (A) any Organizational Document of Buyer, or (B) any resolution adopted by the members or manager of Buyer;

(ii) contravene, conflict with, or violate, or give any Governmental Body or other Person the right to challenge any Contemplated Transaction, or to exercise any remedy or obtain any relief under, any Legal Requirement or any Order to which Buyer, or any assets owned or used by Buyer, is subject; or

(iii) breach, or give any Person the right to declare a default or exercise any remedy or to obtain any additional rights under, or to accelerate the maturity or performance of, or payment under, or to cancel, terminate, or modify, any Contract to which Buyer is a party.

(c) Buyer is not required to give notice to or obtain Consent from any Person in connection with the execution and delivery of this Agreement or the consummation or performance of any Contemplated Transaction.

**4.3 Investment Intent.** Buyer is acquiring the Shares for its own account and not with a view to their distribution within the meaning of Section 2(11) of the Securities Act.

**4.4 Certain Proceedings.** There is no Proceeding pending against Buyer that challenges, or could have the effect of preventing, delaying, making illegal, imposing limitations or conditions on, or otherwise interfering with, any Contemplated Transaction. To Buyer's Knowledge, no such Proceeding has been threatened.

**4.5 Brokers or Finders.** Neither Buyer nor any of its Representatives has incurred any obligation or liability, contingent or otherwise, for any brokerage or finder's fee, agent's commission, or other similar payment in connection with this Agreement or the Contemplated Transactions.

## 5. Post-Closing Covenants.

### 5.1 Cooperation and Proceedings; Access to Records.

(a) After the Closing, at Buyer's expense, the Required Sellers shall cooperate with Buyer and its counsel and make themselves reasonably available to Buyer and the Company in connection with the institution or defense of any Proceeding, whether existing, threatened, or anticipated, involving or relating to the Contemplated Transactions, Buyer, any Seller, or the Company, including providing testimony, Records, and other information.

(b) Each Required Seller and Buyer will make available to the other any Records in the nonrequesting party's custody or control for the purpose of preparing any financial statement or Tax Return or preparing for or defending any tax-related examination of the requesting party or the Company by any Governmental Body. The party requesting such Records will reimburse the nonrequesting party for the reasonable out-of-pocket costs and expenses incurred by the nonrequesting party. The nonrequesting party will afford access to such Records during normal business hours, upon reasonable advance notice given by the requesting party, and subject to such reasonable limitations as the nonrequesting party may impose to delete or redact sensitive or privileged information.

**5.2 Confidentiality.**

(a) As used in this Section 5.2, the term "**Confidential Information**" includes any of the following information held or used by or relating to the Company:

(i) all information that is a Trade Secret;

(ii) all information concerning product specifications, data, know-how, formulae, compositions, processes, designs, sketches, photographs, graphs, drawings, samples, inventions and ideas, past, current, and planned research and development, current and planned manufacturing or distribution methods and processes, computer hardware, Software and computer software, database technologies, systems, structures and architectures; and

(iii) all information concerning the business and affairs of the Company, including historical and current financial statements, financial projections and budgets, tax returns and accountants' materials, historical, current, and projected sales, capital spending budgets and plans, business plans, strategic plans, marketing and advertising plans, publications, client and customer and prospect lists and files, current and anticipated customer requirements, price lists, market studies, Contracts, the names and backgrounds of key personnel and personnel training techniques and materials, however documented.

(b) Each Seller acknowledges the confidential and proprietary nature of the Confidential Information and agrees that such Seller shall, except to the extent required for a Seller who is employed by the Company or the Buyer to fulfill his or her duties in the course of such employment, from and after the Closing: (i) keep the Confidential Information confidential and deliver promptly to Buyer, or immediately destroy at Buyer's option, all embodiments and copies of the Confidential Information that are in such Seller's possession; (ii) not use the Confidential Information for any reason or purpose; and (iii) without limiting the foregoing, not disclose the Confidential Information to any Person, except with Buyer's Consent.

(c) Section 5.2(b) does not apply to that part of the Confidential Information that becomes generally available to the public other than as a result of a breach of this Section 5.2 by any Seller. Confidential Information shall not be deemed "generally available to the public" merely because it is included or incorporated in more general information that is publicly available or because it combines features which individually may be publicly available.

(d) If any Seller becomes compelled in any Proceeding to make any disclosure that is prohibited by this Section 5.2, such Seller shall, to the extent legally permissible, provide Buyer with prompt notice of such compulsion so that Buyer may seek an appropriate protective order or other appropriate remedy or waive compliance with the provisions of this Section 5.2. In the absence of a protective order or other remedy, such Seller may disclose that portion (and only that portion) of the Confidential Information that, based upon the opinion of such Seller's counsel, such Seller is legally compelled to disclose; provided, however, that such Seller shall use its best efforts to obtain written

assurance that any Person to whom any Confidential Information is so disclosed shall accord confidential treatment to such Confidential Information.

(e) Nothing in this Section 5.2 will diminish the protections and benefits under applicable Legal Requirements to which any Trade Secret of the Company is entitled. If any information that the Company asserts to be a Trade Secret under applicable Legal Requirements is found by a court of competent jurisdiction not to be such a Trade Secret, such information will nonetheless be considered Confidential Information of the Company for purposes of this Section 5.2.

## 6. Indemnification; Payment; Reimbursement; Remedies.

**6.1 Survival; Remedies.** Each covenant or agreement in this Agreement shall survive the Closing without limitation as to time until fully performed in accordance with its terms, and each representation and warranty in this Agreement or in any certificate, schedule or other writing delivered pursuant hereto or in connection herewith shall survive the Closing for the duration of the Survival Period, except: (a) as to matters as to which an Indemnified Person has made a claim for indemnity or given a notice of claim prior to the expiration of the Survival Period, which matters shall survive the expiration of the Survival Period until such claim is finally resolved and any obligations with respect thereto are fully satisfied; and (b) with respect to (A) any breach of any covenant, or (B) in the case of fraud or breaches for which specific performance or non-monetary equitable relief is available, all of which shall survive until the expiration of the statute of limitations applicable to the matters set forth therein (after giving effect to any waiver or extension thereof).

**6.2 Indemnification, Payment, and Reimbursement by Sellers.** Subject to the limitations set forth in this Article 6, each Seller, jointly and severally but subject to Section 6.4 and 6.5, shall indemnify and hold harmless Buyer, the Company, and their respective officers, managers, directors, stockholders, members, employees, agents, assigns and successors (collectively, the "**Buyer Indemnified Persons**") from, and shall pay to Buyer Indemnified Persons the amount of, or reimburse Buyer Indemnified Persons for, any Loss that Buyer Indemnified Persons or any of them may suffer, sustain, or become subject to, as a result of, in connection with, or relating to:

(a) any breach of or inaccuracy in any representation or warranty made by Sellers in this Agreement, the Disclosure Schedules, or any other certificate, document, or other writing delivered by Sellers pursuant to this Agreement;

(b) any breach of any covenant or obligation of any Seller in this Agreement or in any certificate, document, or other writing delivered by any Seller pursuant to this Agreement; and

(c) (i) any Taxes of the Company not reflected on the Closing Date Balance Sheet relating to periods on or prior to the Closing Date, and (ii) any liability of the Company for Taxes of any other Person, as a transferee or successor, by Contract or otherwise, in each case to the extent that the Company does not have sufficient cash reserves as of the Closing Date to pay the amount thereof.

For clarity, although representations and warranties made in this Agreement are several and not joint as specified in Section 3, indemnification pursuant to this Section 6 is joint and several, as limited by the provisions herein.

**6.3 Indemnification, Payment, and Reimbursement by Buyer.** Subject to the limitations set forth in this Article 6, Buyer shall indemnify and hold harmless Sellers, Sellers' Representative and their respective officers, managers, directors, stockholders, employees, agents, assigns and successors (collectively, the "**Seller Indemnified Persons**") from, and shall pay to Seller Indemnified Persons the amount of, or reimburse Seller Indemnified Persons for, any Loss that Seller Indemnified Persons or any of them may suffer, sustain, or become subject to, as a result of, in connection with, or relating to:

(a) any breach of or inaccuracy in any representation or warranty made by Buyer in this Agreement or in any other certificate, document, or other writing delivered by Buyer pursuant to this Agreement; or

(b) any breach of any covenant or obligation of Buyer in this Agreement or in any certificate, document, or other writing delivered by Buyer pursuant to this Agreement.

**6.4 Limitations.** Notwithstanding any provision of this Agreement:

**(a) Deductible**. The Buyer Indemnified Persons, on the one hand, and the Seller Indemnified Persons on the other hand shall not be entitled to recover under Section 6.2(a), on the one hand, or Section 6.3(a) on the other hand, until the aggregate amount of all such Losses for which the applicable Indemnifying Person is liable exceeds $22,000 (the "**Deductible Amount**"), whereupon the Indemnified Person will be entitled to recovery of all amounts including the Deductible Amount (the "**First Dollar Threshold**"). Notwithstanding the foregoing, the First Dollar Threshold shall not apply with respect to (A) any inaccuracy in, or breach of, any of the Fundamental Reps, (B) any claim for fraud, and (C) any claim under Section 6.2(b) or Section 6.3(b), for which the applicable Indemnified Persons shall be entitled to recover from the first dollar of such Losses.

**(b) Cap**. The Buyer Indemnified Persons, on the one hand, and the Seller Indemnified Persons, on the other hand, shall not be entitled to recover under Section 6.2(a), on the one hand, or Section 6.3(a) on the other hand, against the Indemnifying Persons in an aggregate amount of Losses in excess of an amount equal to the Indemnity Cap. Notwithstanding the foregoing, the Indemnity Cap shall not apply with respect to (A) any inaccuracy in, or breach of, any of the Fundamental Reps, (B) fraud and (C) any claim under Section 6.2(b) or Section 6.3(b), for which the maximum amount recoverable by the Indemnified Persons, when added to all recovered Losses subject to the Indemnity Cap, shall be an amount equal to one hundred percent (100%) of the Earnout Amount actually paid or owed by Buyer. In addition, in the event any Seller commits fraud, then such Seller, and only such Seller, may be subject to claims for an additional amount equal to the portion of the Closing Payment received by such Seller.

**(c)** For purposes of calculating the amount of Losses incurred in connection with any misrepresentation, breach of warranty, or nonfulfillment of any covenant or agreement (but not for purposes of determining the existence of any such misrepresentation, breach of warranty, or nonfulfillment of any covenant or agreement), any and all materiality standards or

qualifications, including references to "material" or "Material Adverse Change," shall be disregarded.

**6.5 Setoff Right; Sole Remedy.** Except as referenced in the last sentence of Section 6.4(b), Buyer and Sellers hereby acknowledge and agree that Buyer's (and Buyer Indemnified Persons') sole source of recovery for Losses under this Article 6 shall be to retain a portion of the Earnout Amount due under Section 2.5. Subject to the provisions of this Article 6, including without limitation Sections 6.4, 6.7 and 6.8 (as applicable), upon notice to Sellers' Representative specifying in reasonable detail the basis therefor, Buyer may set off any amount to which it claims to be entitled from any Seller or Sellers under this Article 6 against any portion of the Earnout Amount due to Sellers. The exercise of such right of setoff by Buyer in good faith, whether or not ultimately determined to be justified, will not constitute a default under this Agreement, regardless of whether any Seller disputes such setoff claim, or whether such setoff claim is for a contingent or an unliquidated amount. Except for remedies that cannot be waived as a matter of law, and specific performance, injunctive, provisional or other non-monetary equitable relief, this Article 6 shall be the sole and exclusive remedy for breaches of this Agreement (including any covenant, obligation, representation or warranty contained in this Agreement or in any certificate or other agreement delivered pursuant to or in connection with this Agreement) or otherwise in respect of the sale of the Shares contemplated hereby.

**6.6 Third-Party Claims.**

(a) A Person benefited by Section 6.2 or 6.3 (an "**Indemnified Person**") shall give notice of the assertion of a Third-Party Claim to Sellers' Representative (on behalf of Sellers) or Buyer (an "**Indemnifying Person**"), as the case may be; provided, however, that no failure or delay on the part of an Indemnified Person in notifying an Indemnifying Person will relieve the Indemnifying Person from any obligation under this Article 6 except to the extent that the failure or delay materially prejudices the defense of the Third-Party Claim by the Indemnifying Person.

(b) (i) Except as provided in Section 6.6(c), the Indemnifying Person may elect to assume the defense of the Third-Party Claim with counsel satisfactory to the Indemnified Person by (A) giving notice to the Indemnified Person of its election to assume the defense of the Third-Party Claim and (B) giving the Indemnified Person evidence acceptable to the Indemnified Person that the Indemnifying Person has adequate financial resources to defend against the Third-Party Claim and fulfill its obligations under this Article 6, in each case no later than 10 days after the Indemnified Person gives notice of the assertion of a Third-Party Claim under Section 6.6(a).

(ii) If the Indemnifying Person elects to assume the defense of a Third-Party Claim:

(A) it shall diligently conduct the defense and, so long as it diligently conducts the defense, shall not be liable to the Indemnified Person for any Indemnified Person's fees or expenses subsequently incurred in connection with the defense of the Third-Party Claim other than reasonable costs of investigation;

(B) the election will conclusively establish for purposes of this Agreement that the Indemnified Person is entitled to relief under this Agreement for any Loss arising, directly or indirectly, from or in connection with the Third-Party Claim (subject to the provisions of Section 6.5);

(C) no compromise or settlement of such Third-Party Claim may be effected by the Indemnifying Person without the Indemnified Person's consent unless (I) there is no finding or admission of any violation by the Indemnified Person of any Legal Requirement or any rights of any Person, (II) the Indemnified Person receives a full release of and from any other claims that may be made against the Indemnified Person by the Third Party bringing the Third-Party Claim, and (III) the sole relief provided is monetary damages that are paid in full by the Indemnifying Person; and

(D) the Indemnifying Person shall have no liability with respect to any compromise or settlement of such claims effected without its consent.

(iii) If the Indemnifying Person does not assume the defense of a Third-Party Claim in the manner and within the period provided in Section 6.6(b)(i), or if the Indemnifying Person does not diligently conduct the defense of a Third-Party Claim, the Indemnified Person may conduct the defense of the Third-Party Claim at the expense of the Indemnifying Person and the Indemnifying Person shall be bound by any determination resulting from such Third-Party Claim or any compromise or settlement effected by the Indemnified Person.

(c) Notwithstanding the foregoing, if an Indemnified Person determines in good faith that there is a reasonable probability that a Third-Party Claim may adversely affect it or any other Indemnified Person other than as a result of monetary damages for which it would be entitled to relief under this Agreement, the Indemnified Person may, by notice to the Indemnifying Person, assume the exclusive right to defend, compromise, or settle such Third-Party Claim.

(d) Each party consents to the nonexclusive jurisdiction of any court in which a Proceeding is brought against any Indemnified Person for purposes of determining any claim that an Indemnified Person may have under this Agreement with respect to such Proceeding or the matters alleged therein.

(e) With respect to any Third-Party Claim subject to this Article 6:

(i) any Indemnified Person and any Indemnifying Person, as the case may be, shall keep the other Person fully informed of the status of such Third-Party Claim and any related Proceeding at all stages thereof where such Person is not represented by its own counsel; and

(ii) both the Indemnified Person and the Indemnifying Person, as the case may be, shall render to each other such assistance as they may reasonably require of each other and shall cooperate in good faith with each other in order to ensure the proper and adequate defense of any Third-Party Claim.

(f) In addition to Section 5.2, with respect to any Third-Party Claim subject to this Article 6, the parties shall cooperate in a manner to preserve in full (to the extent possible) the confidentiality of all Confidential Information and the attorney-client and work-product privileges. In connection therewith, each party agrees that:

(i) it shall use its best efforts, in respect of any Third-Party Claim in which it has assumed or participated in the defense, to avoid production of Confidential Information (consistent with applicable law and rules of procedure); and

(ii) all communications between any party and counsel responsible for or participating in the defense of any Third-Party Claim shall, to the extent possible, be made so as to preserve any applicable attorney-client or work-product privilege.

(g) Any claim under this Article 6 for any matter involving a Third-Party Claim shall be indemnified, paid, or reimbursed promptly, subject to Section 6.8 below.

**6.7 Other Claims.** A claim under this Article 6 for any matter not involving a Third-Party Claim may be made by notice to Sellers' Representative (on behalf of Sellers) or Buyer, as the case may be. After the giving of any claim notice that does not involve a Third-Party Claim, the amount of indemnification to which an Indemnified Person shall be entitled under this Article 6 shall be determined: (i) by the written agreement between the Indemnified Person and the Indemnifying Person; (ii) pursuant to the instructions of a court of competent jurisdiction resulting from a final, non-appealable determination by such court regarding a claim set forth in such claim notice; or (iii) by any other means to which the Indemnified Person and the Indemnifying Person shall agree. The Indemnified Person shall have the burden of proof in establishing the amount of Losses suffered by it.

**6.8 Contested Amounts**. In the event that an Indemnified Person seeks indemnification for Losses pursuant to this Article 6, the procedures in this Section 6.8 shall also apply. Within thirty (30) days after delivery of a notice of claim, the Indemnifying Person shall provide to the Indemnified Person a written response (the "**Response Notice**") in which the Indemnifying Person must either: (i) agree that some or all of the Losses claimed should be indemnified and, in the case of any Losses claimed and not so agreed to, contest such claimed amount, or (ii) contest all of the Losses claimed. The Indemnifying Person may contest such claimed amount of Losses only based upon a good faith belief that all or such portion of such claimed amount does not constitute Losses for which the Indemnified Person is entitled to indemnification hereunder. If no such Response Notice is delivered by the Indemnifying Person within such thirty (30) day period, the Indemnifying Person shall be deemed to have agreed that all of the claimed amount should be indemnified. Any such amount agreed to, or so deemed to be agreed to, by the Indemnifying Person pursuant to this Section 6.8 shall be referred to herein as an "**Agreed Amount**." If the Indemnifying Party in the Response Notice contests all or part of the claimed amount (thereupon, the "**Contested Amount**"), the Indemnifying Person and the Indemnified Person shall attempt promptly and in good faith to agree upon the rights of the parties with respect to the Contested Amount. If the Indemnifying Person and the Indemnified Person should so agree, a memorandum setting forth such agreement shall be prepared and signed by both parties and, if such agreement provides that all or a portion of the Contested

Amount is to be paid to the Indemnified Person (all or such portion of such Contested Amount to be so paid to the Indemnified Person being also referred to herein as an "**Agreed Amount**"), the Indemnifying Person shall make such payments in accordance with the terms of this Agreement. If no such agreement can be reached after good faith negotiation within thirty (30) days of the delivery of the Indemnifying Person's Response Notice (or such longer period as the Indemnified Person and Indemnifying Person may mutually agree), the matter shall be settled in accordance with Section 7.15 of this Agreement.

**6.9 Mitigation and Insurance.** Each of the parties agrees to take all commercially reasonable steps to mitigate their respective Losses and the Losses of their respective Indemnified Persons upon and after becoming aware of any event or condition which could reasonably be expected to give rise to any Losses that are indemnifiable hereunder. If any event shall occur that would otherwise entitle an Indemnified Person to assert a claim for indemnification under Section 6.2 or 6.3, no Losses shall be deemed to have been sustained by such Indemnified Person to the extent of any proceeds (net of collection costs and any deductible) received by such Indemnified Person from any insurance policies maintained by or on behalf of such Indemnified Person with respect to such Losses. The parties will use commercially reasonable efforts to pursue and cause their respective Indemnified Persons to pursue a claim or claims under such insurance policies (to the extent available); provided, however, that no party or Indemnified Person shall have an obligation to have in place any particular insurance coverage and/or to commence litigation to recover any proceeds; provided, further, that for the avoidance of doubt, any additional Losses incurred by an Indemnified Person by reason of its pursuit of proceeds (including increases in insurance premiums) under any insurance policies pursuant to this Section 6.8 shall be indemnified by the Indemnifying Party.

## 7. Miscellaneous.

### 7.1 Expenses.

(a) Except as otherwise provided in this Agreement or the other documents to be delivered pursuant to this Agreement, each party will bear its respective fees and expenses incurred in connection with the preparation, negotiation, execution, and performance of this Agreement and the consummation and performance of the Contemplated Transactions, including all fees and expenses of its Representatives.

(b) All stamp, documentary, and other transfer Taxes (including any penalties and interest) incurred in connection with the sale of the Shares will be paid by Sellers. Each Seller will, at its own expense, file all necessary Tax Returns and other documentation with respect to the sale of its Shares and pay all such Taxes.

**7.2 Public Announcements.** Notwithstanding any confidentiality obligation to which Buyer is subject, any public announcement, including any press release, communication to employees, customers, suppliers, or others having dealings with the Company, or similar

publicity with respect to this Agreement or any Contemplated Transaction, will be issued, at such time, in such manner, and containing such content as Buyer determines.

**7.3 Sellers' Representative.**

(a) By the execution and delivery of this Agreement, each Seller hereby irrevocably constitutes and appoints Ms. Kendall H. Tucker (the "**Sellers' Representative**") as the true and lawful agent and attorney-in-fact of such Seller with full power of substitution to act in the name, place, stead and on behalf of such Seller with respect to the terms and provisions of this Agreement and the ancillary agreements contemplated hereunder as the same may be from time to time amended, and to do or refrain from doing all such further acts and things, and to execute all such documents, as the Sellers' Representative shall deem necessary, appropriate or advisable, in such person's sole discretion, in connection with this Agreement and the ancillary agreements contemplated hereunder, including, without limitation, the power:

I. To execute and deliver all ancillary agreements, certificates, and other documents that the Sellers' Representative deems necessary, appropriate or advisable in connection with the consummation of the Contemplated Transactions;

II. To receive and give receipt for all payments made by Buyer to any Seller under this Agreement, and any adjustments thereto;

III. To employ, at the expense of the Sellers, and obtain the advice of legal counsel, accountants and other professional advisors as the Sellers' Representative, in such person's sole discretion, deems necessary or advisable in the performance of such person's duties as the Sellers' Representative and to rely on their advice and counsel;

IV. To amend or waive any provision of this Agreement or any ancillary agreement, provided that any such amendment or waiver, if material to the rights and obligations of the Sellers in the reasonable judgment of the Sellers' Representative, shall be taken in the same manner with respect to all Sellers unless otherwise agreed by each Seller who is subject to any disparate treatment of a potentially adverse nature;

V. To agree with Buyer with respect to any matter or thing the Sellers' Representative deems necessary, appropriate or advisable in connection with the provisions of this Agreement calling for the agreement of the Sellers, give and receive notices on behalf of all Sellers and act on behalf of the Sellers in connection with any matter as to which the Sellers are or may be obligated to indemnify the Buyer or any Buyer Indemnified Person under this Agreement, all in the absolute discretion of the Sellers' Representative;

VI. To settle all disputes and claims that arise under this Agreement or any ancillary agreement or any other contract, certificate or instrument delivered in connection with this Agreement;

VII. To give any instruction to the PPP Lender, as escrow agent under the PPP Escrow Agreement, including any instruction to disburse any portion of the PPP Escrow Amount; and

VIII. To do or refrain from doing any further act or deed on behalf of the Sellers that the Sellers' Representative deems necessary, appropriate or advisable in such person's sole discretion relating to the subject matter of this Agreement as fully and completely as any Seller could do if personally present and acting.

(b) The appointment of the Sellers' Representative in this Section 7.3 shall be deemed coupled with an interest and shall be irrevocable, and shall be binding and enforceable on and against each Seller and its successors, assigns and affiliates, and the Buyer and any other person may conclusively and absolutely rely, without inquiry, upon any action of the Sellers' Representative as the act of each Seller in all matters referred to in this Agreement or the ancillary agreements. Each Seller hereby ratifies and confirms all that the Sellers' Representative shall do or cause to be done by virtue of the Sellers' Representative's appointment as the Sellers' Representative of such Seller. The Sellers' Representative shall act for the Sellers on all of the matters set forth in this Agreement in the manner the Sellers' Representative believes to be in the best interest of the Sellers and consistent with the Sellers' Representative's obligations under this Agreement, but the Sellers' Representative shall not be responsible to any Seller for any liability any Seller may suffer by reason of the performance by the Sellers' Representative of the Sellers' Representative's duties under this Agreement, including any liability resulting from any error of judgment, mistake of fact or law, or any act done or omitted to be done in good faith, other than liability arising from willful violation of law or gross negligence in the performance of the Sellers' Representative's duties under this Agreement.

(c) Each Seller hereby expressly acknowledges and agrees that the Sellers' Representative is authorized to act on behalf of such Seller notwithstanding any dispute or disagreement among the Sellers, and that the Buyer shall be entitled to rely on any and all action taken by the Sellers' Representative under this Agreement or the ancillary agreements without liability to, or obligation to inquire of, any Seller. Each Seller does hereby severally, in accordance with their Pro Rata Share, as applicable, agree to indemnify and hold the Sellers' Representative harmless from and against any and all liability (including fees and expenses of legal counsel) reasonably incurred or suffered as a result of the performance of the Sellers' Representative's duties under this Agreement.

(d) In the event the initial Sellers' Representative (or any subsequent Sellers' Representative appointed pursuant to this section) resigns (which resignation shall

require at least thirty (30) days' prior written notice to Buyer and Sellers), or otherwise becomes unable to serve, the Sellers shall, within thirty (30) days after notice thereof, via majority vote (based on the number of Shares they sold under this Agreement), determine and designate a successor Sellers' Representative, and if the Sellers fail to designate such successor within such period, any Seller or the Buyer may petition a court of appropriate jurisdiction for appointment of a successor Sellers' Representative. Each successor Sellers' Representative shall have all of the rights, powers and authority conferred on the Sellers' Representative in this Agreement.

**7.4 Further Assurances**. The parties will (a) execute and deliver to each other such other documents and (b) do such other acts and things as a party may reasonably request for the purpose of carrying out the intent of this Agreement, the Contemplated Transactions, and the documents to be delivered pursuant to this Agreement.

**7.5 Entire Agreement.** This Agreement supersedes all prior agreements, whether written or oral, between the parties with respect to its subject matter (including the letter of intent dated October 8, 2020 and, upon the Closing, any confidentiality obligation to which Buyer is subject) and constitutes (along with the Disclosure Schedules, the exhibits, and the other documents to be delivered pursuant to this Agreement) a complete and exclusive statement of the terms of the agreement between the parties with respect to the subject matter of this Agreement.

**7.6 Modification.** This Agreement may only be amended, supplemented, or otherwise modified by a writing executed by Buyer and the Sellers' Representative.

**7.7 Assignments and Successors.** No party may assign any of its rights or delegate any of its obligations under this Agreement without the prior consent of the other parties, except that Buyer may assign any of its rights and delegate any of its obligations under this Agreement to the purchaser of all or a substantial part of the equity securities or business of the Company, the Business Unit, or all or a substantial part of Buyer's assets or business, and may collaterally assign its rights under this Agreement to any financial institution providing financing in connection with the Contemplated Transactions. Any purported assignment of rights or delegation of obligations in violation of this Section 7.7 will be void. Subject to the foregoing, this Agreement will apply to, be binding in all respects upon, and inure to the benefit of the heirs, executors, administrators, legal representatives, successors, and permitted assigns of the parties.

**7.8 No Third-Party Rights.** Other than the Indemnified Persons and the parties, no Person will have any legal or equitable right, remedy, or claim under or with respect to this Agreement. This Agreement may be amended or terminated, and any provision of this

Agreement may be waived, without the consent of any Person who is not a party to the Agreement.

**7.9 Remedies Cumulative.** The rights and remedies of the parties are cumulative and not alternative.

**7.10 Governing Law.** All matters relating to or arising out of this Agreement or any Contemplated Transaction and the rights of the parties (whether sounding in contract, tort, or otherwise) will be governed by and construed and interpreted under the laws of the State of Delaware without regard to conflicts of laws principles that would require the application of any other law.

**7.11 Jurisdiction; Service of Process.** Except as otherwise provided in this Agreement, any Proceeding arising out of or relating to this Agreement or any Contemplated Transaction shall be brought in the Court of First Instance, San Juan Part, of the Commonwealth of Puerto Rico, or, if it has or can acquire jurisdiction, in the United States District Court for the District of Puerto Rico, and each of the parties irrevocably submits to the exclusive jurisdiction of each such court in any such Proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of such Proceeding shall be heard and determined only in any such court, and agrees not to bring any Proceeding arising out of or relating to this Agreement or any Contemplated Transaction in any other court. Each party acknowledges and agrees that this Section 7.11 constitutes a voluntary and bargained-for agreement between the parties. Process in any Proceeding referred to in the first sentence of this Section or elsewhere in this Agreement may be served on any party anywhere in the world, including by sending or delivering a copy of the process to the party to be served at the address and in the manner provided for the giving of notices in Section 7.15. Nothing in this Section 7.11 will affect the right of any party to serve legal process in any other manner permitted by law or at equity.

**7.12 Waiver of Jury Trial.** Each Party, knowingly, voluntarily, and intentionally, waives its right to trial by jury in any proceeding arising out of or relating to this Agreement or any Contemplated Transaction, whether sounding in contract, tort, or otherwise.

**7.13 Attorneys' Fees.** In the event any Proceeding is brought in respect of this Agreement or any of the documents referred to in this Agreement, the prevailing party will be entitled to recover reasonable attorneys' fees and other costs incurred in such Proceeding, in addition to any relief to which such party may be entitled.

**7.14 No Waiver.** Neither any failure nor any delay by any party in exercising any right, power, or privilege under this Agreement or any of the documents referred to in this Agreement will operate as a waiver of such right, power, or privilege, and no single or partial exercise of any such right, power, or privilege will preclude any other or further exercise of such right, power, or privilege or the exercise of any other right, power, or privilege. To the maximum extent permitted by applicable Legal Requirements, (a) no claim or right arising out of this Agreement or any of the documents referred to in this Agreement can be waived by a party, in whole or in part, unless made in a writing signed by such party or Sellers' Representative on behalf of a Seller; (b) a waiver given by a party

will only be applicable to the specific instance for which it is given; and (c) no notice to or demand on a party will (i) waive or otherwise affect any obligation of that party or (ii) affect the right of the party giving such notice or demand to take further action without notice or demand as provided in this Agreement or the documents referred to in this Agreement.

**7.15 Notices.** All notices and other communications required or permitted by this Agreement shall be in writing and will be effective, and any applicable time period shall commence, when (a) delivered to the following address by hand or by a nationally recognized overnight courier service (costs prepaid) addressed to the following address or (b) transmitted electronically to the following e-mail addresses, in each case marked to the attention of the Person (by name or title) designated below (or to such other address, e-mail address, or Person as a party may designate by notice to the other parties):

If to Sellers:

c/o Kendall H. Tucker
48 Atherton Street #2
Somerville, MA 02143
E-mail address: kendall@knoq.com

with a mandatory copy to:

Brown & Rosen LLC
100 State Street Suite 900
Boston, MA 02109
Attention: Joseph S. Rosen
E-mail address: jrosen@brownrosen.com

If to Buyer:

Ad Practitioners LLC
Metro Office Park
7 Calle 1 Suite 204
Guaynabo, PR 00968
Attention: Gregory Powel, CEO
E-mail address: gcp@adpractitioners.com

with a mandatory copy to:

Pietrantoni Mendez & Alvarez LLC
Popular Center – 19th Floor
208 Ponce de León Avenue
San Juan, PR 00918
Attention: Manuel E. del Valle
E-mail address: mdelvalle@pmalaw.com

**7.16 Severability.** If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

**7.17 Time of Essence.** With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

**7.18 Usage.**

(a) In this Agreement, unless expressly stated otherwise:

(i) the singular includes the plural and vice versa;

(ii) reference to any Person includes such Person's successors and assigns, if applicable, but only if such successors and assigns are permitted by this Agreement, and reference to a Person in a particular capacity excludes such Person in any other capacity;

(iii) reference to a gender includes other genders;

(iv) reference to any agreement, document, or instrument means such agreement, document, or instrument as amended or modified and in effect from time to time in accordance with its terms;

(v) reference to any Legal Requirement means that Legal Requirement as from time to time in effect, including any amendment, modification, codification, replacement, or reenactment of such Legal Requirement;

(vi) reference to any section or other provision of any Legal Requirement means that provision of such Legal Requirement as from time to time in effect, including any amendment, modification, codification, replacement, or reenactment of such section or other provision;

(vii) "hereunder," "hereof," "hereto," and words of similar import refer to this Agreement as a whole and not to any particular Article, Section, or other provision of this Agreement;

(viii) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term;

(ix) "or" is used in the inclusive sense of "and/or";

(x) "any" means "any and all";

(xi) with respect to the determination of any period of time, "from" means "from and including" and "to" means "to but excluding";

(xii) a reference to a document, instrument, or agreement also refers to all addenda, exhibits, or schedules thereto;

(xiii) a reference to a "copy" or "copies" of any document, instrument, or agreement means a copy or copies that are complete and correct; and

(xiv) a reference to a list, or any like compilation (whether in the Disclosure Schedules or elsewhere), means that the item referred to is complete and correct.

(b) Unless otherwise specified in this Agreement, all accounting terms used in this Agreement will be interpreted, and all accounting determinations under this Agreement will be made, in accordance with GAAP.

(c) This Agreement was negotiated by the parties with the benefit of legal representation, and any rule of construction or interpretation otherwise requiring this Agreement to be construed or interpreted against any party as having been drafted by it will not apply to any construction or interpretation of this Agreement.

(d) The headings contained in this Agreement are for convenience of reference only, shall not be deemed to be part of this Agreement, and shall not be referred to in connection with the construction or interpretation of this Agreement.

**7.19 Counterparts and Electronic Signatures.**

(a) This Agreement and other documents to be delivered pursuant to this Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy and all of which, when taken together, will be deemed to constitute one and the same agreement or document, and will be effective when counterparts have been signed by each of the parties and delivered to the other parties.

(b) A manual signature on this Agreement or other documents to be delivered pursuant to this Agreement, an image of which shall have been transmitted electronically, will constitute an original signature for all purposes. The delivery of copies of this Agreement or other documents to be delivered pursuant to this Agreement, including executed signature pages where required, by electronic transmission will constitute effective delivery of this Agreement or such other document for all purposes.

**7.20 Waiver of Conflict**. The Company, Buyer, Sellers' Representative and Sellers acknowledge that the Company has been a client of Brown & Rosen LLC, that Brown & Rosen LLC has received Confidential Information pertaining to the Company in connection with such representation and that Brown & Rosen LLC has not represented Buyer in connection with the preparation, negotiation or execution of this Agreement. Buyer agrees that, from and after the Closing, Buyer and the Company will not rely on Brown & Rosen LLC's past receipt of Confidential Information or past representation of the Company in the Contemplated Transactions to disqualify Brown & Rosen LLC from representing one or more of the Sellers or the Sellers' Representative on their behalf, after the Closing, in connection with any negotiation, transaction or dispute (including any litigation, arbitration or other adversary proceeding) between such Sellers and Buyer or the Company arising under this Agreement, including with respect to any dispute regarding any indemnification claim by Buyer or any other Indemnified Person under this Agreement.

**7.21 Attorney-Client Privilege**. Buyer, on its behalf and on behalf of the Company, agrees that, from and after the Closing, if, absent this sentence, any attorney-client privilege, attorney work product protection or other similar privilege or protection would have applied to (a) any written communication between Brown & Rosen LLC, on the one hand, and the Company and the Sellers, on the other hand, during the representation by Brown & Rosen LLC of the Company with respect to the Contemplated Transactions in the possession of the Company or (b) any advice given to the Company and the Sellers by Brown & Rosen LLC during the representation by Brown & Rosen LLC of the Company with respect to the Contemplated Transactions, then neither Buyer nor the Company shall use any such communication or advice against the Sellers in any Proceeding commenced at any time after the Closing between the Sellers and Buyer or the Company with respect to the Contemplated Transactions.

**7.22 Seller Release, Waiver, Consent and Conversion.** As a material inducement for Buyer to enter into this Agreement, each Seller, on behalf of itself and its assigns, heirs, beneficiaries, creditors, representatives, agents and affiliates (the "**Releasing Parties**"), hereby fully, finally, unconditionally and irrevocably releases, acquits and forever discharges the Company and Buyer and each of their respective past, present and future directors, officers, stockholders, members, managers, trustees, representatives, employees, principals, agents, affiliates, parents, subsidiaries, joint ventures, predecessors, successors, assigns, beneficiaries, heirs, executors, personal or legal representatives, insurers and attorneys (collectively, the "**Released Parties**") from any and all commitments, actions, debts, claims, counterclaims, suits, causes of action, setoffs, damages, demands, rights, liabilities, obligations, costs, expenses, proceedings, covenants, judgments, accounts, and compensation of every kind and nature whatsoever, past, present, or future, at law or in equity, whether known or unknown, suspected or unsuspected, accrued or unaccrued, vested or unvested, contingent or otherwise, relating in any way to the Company, the Contemplated Transactions, or the Shares (collectively, "**Claims**"), which such Releasing Parties, or any of them, now has, has ever had, or may hereafter have against the Released Parties, or any of them, arising contemporaneously with or prior to the Closing Date or on account of or arising out of any matter, cause, or event occurring contemporaneously with or prior to the Closing Date, including, without limitation, any right to indemnification, reimbursement from, or payment by the Company, any preemptive, appraisal, conversion, redemption, exchange, registration, option, put, call, tag-along or similar right, any Claims that relate to or arise out of such Releasing Party's prior relationship with the Company as a stockholder, officer, director, employee, consultant, contractor, creditor, or otherwise, or its rights or status as a stockholder, officer, director, employee, consultant, contractor or creditor of the Company and further including, without limitation, any actions arising under federal, state, or local law or common law doctrine relating to employment, discrimination, sexual harassment, breach or interference with employment contract rights, ERISA, any claim for promissory estoppel, severance pay or other benefits, unpaid wages or any other unpaid compensation or fees, whether any of the foregoing arise pursuant to the Company's Organizational Documents, contract, or otherwise and whether or not relating to Claims pending on, or asserted after, the Closing Date (collectively, "**Causes of Action**"); *provided, however,* that nothing contained in this Section will operate to release (a) any obligation of Buyer arising under this Agreement or any agreement or instrument being executed and delivered pursuant to this Agreement. Each Seller hereby represents and

warrants to the Released Parties that such Seller (i) has not assigned or transferred any Causes of Action or possible Causes of Action against any Released Party, (ii) fully intends to release all Causes of Action against the Released Parties, including, without limitation, unknown and contingent Causes of Action, and (iii) has consulted with counsel with respect to the execution and delivery of this release and has been fully apprised of the consequences hereof. Furthermore, each Seller further irrevocably covenants not to, directly or indirectly, assert, commence, or institute (or cause to be asserted, commenced, or instituted or in any way participate or aid in) any litigation, lawsuit, claim, demand or action against any Released Party related to any Cause of Action.

In addition, each Seller and the Company hereby consents to the Contemplated Transactions, and waives any and all restrictions on transfer of the Shares contained in the Company's Organizational Documents and the Company's Amended and Restated Series Seed Preferred Stock Investment Agreement, including without limitation any notice requirement, right of first refusal or other similar right with respect thereto.

Furthermore, each Seller which is the holder of Series Seed Preferred Stock and/or Series Seed-2 Preferred Stock of the Company elects, effective as of the Closing, to convert such shares of Series Seed Preferred Stock and/or Series Seed-2 Preferred Stock into shares of Common Stock of the Company in accordance with the provisions of the Company's Second Restated Certificate of Incorporation filed on October 30, 2018 (the "**Charter**"). Each such Seller and the Company hereby consents to such conversion and waives any and all notice and other requirements in the Charter with respect thereto.

[Signature Page Follows]

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

BUYER:

AD PRACTITIONERS LLC

By: _____
Name: Ian Robertson
Title: Officer and Authorized Signatory

SELLERS' REPRESENTATIVE

_____
Kendall H. Tucker

COMPANY (for purposes of Section 7.22)

POLIS, INC.

By: _____
Name: Kendall H. Tucker
Title: CEO