

**CAUSE NO. 202448085**

ATLANTIC WAVE HOLDINGS, LLC	§	IN THE DISTRICT COURT
and SECURE COMMUNITY, LLC,	§	
<i>Plaintiff, Judgment-Creditor,</i>	§	
	§	
<i>v.</i>	§	129 <sup>TH</sup> JUDICIAL COURT
	§	
CYBERLUX CORPORATION and	§	
MARK D. SCHMIDT, individually	§	IN AND FOR
<i>Defendant, Judgment-Debtor.</i>	§	HARRIS COUNTY, TEXAS

**Exhibit 10-  
Catalyst Machine Works**

Cause No. 202448085 styled *Atlantic Wave Holdings, LLC et al.  
v. Cyberlux Corporation et al*, in the 129<sup>th</sup> District Court in and  
For Harris County, Texas

Unofficial Copy Office of Mark Burgess District Clerk

## Robert Berleth

---

**From:** Daniel Ardmore <daniel.ardmore@reachalaw.com>  
**Sent:** Wednesday, June 25, 2025 2:46 PM  
**To:** Robert Berleth  
**Subject:** Re: Cyberlux Settlement

Yes, thank you Mr. Berleth, much appreciated!

Daniel Ardmore  
Ardmore Law Firm, PLLC  
253-583-4294

---

**From:** Robert Berleth <rberleth@berlethlaw.com>  
**Sent:** Wednesday, June 25, 2025 2:43 PM  
**To:** Daniel Ardmore <daniel.ardmore@reachalaw.com>  
**Subject:** Cyberlux Settlement

Mr. Ardmore,

I'm seeking to get an agreed final order to distribute funds in the Cyberlux matter entered promptly. Unfortunately, Cyberlux has ~\$65M in debt, with less than half that to pay creditors. Will your clients accept \$1,400,000 lump sum payment to completely release the Cyberlux matter, which would include all your legal fees, expenses, and other incurred amounts to date?

Warmly,

Robert Berleth  
Attorney-at-Law



Berleth & Associates, PLLC

Serious. Collections. Attorneys.

9950 Cypresswood Drive, Suite 200  
Houston, Texas 77070  
E-mail: rberleth@berlethlaw.com  
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www.berlethlaw.com

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Unofficial Copy Office of Marilyn Burgess, Esq. Attorney-Client

**PURCHASE AGREEMENT**

whereby

**CYBERLUX CORPORATION**

shall acquire

**CATALYST MACHINWORKS, LLC**

dated as of

MARCH 30, 2022

Unofficial Copy Office of Marilyn Burgess District Clerk

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# PURCHASE AGREEMENT

This Purchase Agreement (this "**Agreement**"), dated as of March 28, 2022, is entered into between Phillip (Rick) Tucker ("**Tucker**") and Neill Whiteley ("**Whiteley**"), the sole and complete interest holders ("**Sellers**") in Catalyst Machineworks, LLC, a Texas limited liability company, and Cyberlux Corporation, a Nevada corporation ("**Buyer**"). Capitalized terms used in this Agreement have the meanings given to such terms herein.

## RECITALS

**WHEREAS**, Sellers own all of the issued and outstanding interests, (the "**Interests**"), in Catalyst Machineworks, LLC, a Texas limited liability company, having its principal place of business at 105 Canvas Back Drive, Montgomery, TX 77316-1636 (the "**Company**");

**WHEREAS**, this agreement will specify the terms of an exchange whereby Sellers will sell to Buyer their Interests and Buyer will make certain payments to and on behalf of Sellers at closing and over time and shall issue shares of Buyer's common stock at closing and over time in exchange therefore and such shares shall be held by for at least one year.

**WHEREAS**, Sellers wishes to sell to Buyer, and Buyer wishes to purchase from Seller, the Interests, subject to the terms and conditions set forth herein;

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

## ARTICLE I PURCHASE AND SALE

**Section 1.01 Purchase and Sale.** Subject to the terms and conditions set forth herein, at the Closing, Sellers shall sell to Buyer, and Buyer shall purchase from Seller, the Interests, free and clear of any mortgage, pledge, lien, charge, security interest, claim, community property interest, option, equitable interest, restriction of any kind (including any restriction on use, voting, transfer, receipt of income, or exercise of any other ownership attribute), or other encumbrance (each, an "**Encumbrance**").

**Section 1.02 Exchange.** The Interests shall be acquired by Buyer in exchange for the issuance of twenty million shares of Buyer's common stock to Sellers at the Closing free and clear of any Encumbrance (the "**Shares**"), a payment of \$157,000 at Closing for purposes of retirement of Company debt, a payment of \$100,000 at closing each to Tucker and Whiteley and a commitment at closing to make certain additional cash payments, employment commitments and stock issuances over time pursuant to this agreement and described herein as "**Subsequent Consideration.**"

**Section 1.03 Subsequent Consideration.** Subsequent Consideration paid pursuant to the commitment stated herein shall include

(a) payments of \$100,000 to both Tucker and Whiteley at the three month, six month, nine month, and twelve month periods after the closing date, for a total payment of

\$400,000 to Tucker and \$400,000 to Whiteley, provided that each Tucker and Whiteley remain employed by Cyberlux Corporation or a Cyberlux-owned subsidiary,

(b) issuance of 5 million additional shares of Buyer's common stock to both Tucker and Whiteley, issued annually for three years on the anniversary of the signing of this agreement, for a total of 15 million additional shares to Tucker and 15 million additional shares to Whiteley, which shall be subject to any stock splits that may be declared by Buyer, provided that each Tucker and Whiteley remain employed by Cyberlux Corporation or a Cyberlux-owned subsidiary, and

(c) Tucker and Whiteley each enter into employment agreements with the Company attached to this Agreement including a term that mandates increased annual base salary upon the filing of annual reports by the Company that achieve certain specified net revenue targets as specified in the employment agreement.

#### **Section 1.04 Trigger Events.**

(a) On the 4<sup>th</sup> anniversary of the execution date of this Agreement, if Cyberlux share price has not reached \$0.05 or more as the 100-day moving average share price, Sellers at the option of Cyberlux shall receive either a cash payment equal to the difference between the highest 100-day moving average price of Cyberlux common shares or an additional share issuance of enough shares priced at the 50-day moving average to make up the difference between the highest 100-day moving average price of Cyberlux common shares and the \$0.05 goal price.

(b) Should within the three years of the execution of this Agreement, Cyberlux file for Bankruptcy or actions are taken by Cyberlux or the Company to initiate not-for-cause termination of either of Sellers employment, then Cyberlux shall instead at the option of either of Sellers be required to exercise best efforts to spin-off the Company as a separate legal business entity to be managed by Sellers and vested with all of the intellectual property possessed by the Company and or the Sellers prior to the execution of March 9<sup>th</sup> Letter Agreement for Cyberlux Corporation Acquisition of Catalyst Machineworks, LLC ("Legacy IP"). The Legacy IP which shall become the property of the described spin-off shall include that which pertains to Cinema products, Hobby products and Law Enforcement products, as well as all pertinent information related to Sellers customers, products, inventory, and personnel prior to the March 9<sup>th</sup> execution date.

**Section 1.05** The term "**Disclosure Schedules**" means the disclosure schedules, attached hereto and made a part hereof, delivered by Sellers concurrently with the execution, closing, and delivery of this Agreement.

## **ARTICLE II CLOSING**

**Section 2.01 Closing.** The closing of the transactions contemplated by this Agreement (the "**Closing**") shall take place simultaneously with the execution of this Agreement on the date of this Agreement (the "**Closing Date**") at the offices of Watts Law PLLC or remotely by exchange

of documents and signatures (or their electronic counterparts). The consummation of the transactions contemplated by this Agreement shall be deemed to occur at 12:01 a.m. eastern standard time on the Closing Date.

**Section 2.02 Sellers Closing Deliverables.** At the Closing, Sellers shall deliver to Buyer the following:

(a) Certificates evidencing the Interests, free and clear of all Encumbrances, duly endorsed in blank.

(b) A certificate of the Secretary (or other officer) of Sellers certifying: (i) that attached thereto are true and complete copies of the operating agreements for the Company, including any amendments or restatements thereof, and a representation that such agreements are in full force and effect (collectively, the "**Transaction Documents**"); and (ii) the names, titles, and signatures of all members of Sellers.

(c) A good standing certificate (or its equivalent) for the Company from the secretary of state or similar Governmental Authority of the jurisdiction in which the Company is organized and each jurisdiction where the Company is required to be qualified, registered, or authorized to do business. The term "**Governmental Authority**" means any federal, state, local, or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any arbitrator, court, or tribunal of competent jurisdiction.

(d) A certificate pursuant to Treasury Regulations Section 1.1445-2(b) that Sellers is not a foreign person within the meaning of Section 1445 of the Internal Revenue Code of 1986 (as amended, the "**Code**").

**Section 2.03 Buyer's Deliveries.** At the Closing, Buyer shall deliver the following to Seller:

(a) Certificate(s) reflecting the issuance of the Shares or evidence of an electronic record reflecting issuance of same.

(b) A certificate of the Secretary (or other officer) of Buyer certifying: (i) that attached thereto are true and complete copies of all resolutions of the board of directors of Buyer authorizing the execution, delivery, and performance of this Agreement and the Transaction Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby, and that such resolutions are in full force and effect; and (ii) the names, titles, and signatures of the officers of Buyer authorized to sign this Agreement and the other Transaction Documents to which it is a party.

### **ARTICLE III REPRESENTATIONS AND WARRANTIES OF SELLER**

Sellers represents and warrants to Buyer that the statements contained in this ARTICLE III are true and correct as of the date hereof. For purposes of this ARTICLE III, "**Seller's knowledge**,"

"**knowledge of Seller**," and any similar phrases shall mean the actual or constructive knowledge of any director or officer of Seller, after due inquiry.

**Section 3.01 Organization and Authority of Seller.** Sellers have full power and authority to enter into this Agreement and the other Transaction Documents to which Sellers are a party, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Sellers of this Agreement and any other Transaction Document to which Sellers is a party, the performance by Sellers of its obligations hereunder and thereunder, and the consummation by Sellers of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Seller. This Agreement and each Transaction Document to which Sellers is a party constitute legal, valid, and binding obligations of Sellers enforceable against Sellers in accordance with their respective terms.

**Section 3.02 Organization, Authority, and Qualification of the Company.** The Company is a limited liability company duly organized, validly existing, and in good standing under the Laws of the state of Texas and has full power and authority to own, operate, or lease the properties and assets now owned, operated, or leased by it and to carry on its business as it has been and is currently conducted. Section 3.02 of the Disclosure Schedules sets forth each jurisdiction in which the Company is licensed or qualified to do business, and the Company is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business as currently conducted makes such licensing or qualification necessary.

**Section 3.03 Investment Purpose.** Sellers are acquiring the Shares solely for its own account for investment purposes and not with a view to, or for offer or sale in connection with, any distribution thereof or any other security related thereto within the meaning of the Securities Act of 1933, as amended (the "**Securities Act**"). Buyer acknowledges that Sellers has not registered the offer and sale of the Shares under the Securities Act or any state securities laws, and that the Shares may not be pledged, transferred, sold, offered for sale, hypothecated, or otherwise disposed of except pursuant to the registration provisions of the Securities Act or pursuant to an applicable exemption therefrom and subject to state securities laws and regulations, as applicable.

**Section 3.04 Capitalization.**

(a) The Company has issued the Interests properly such that they constitute all of the membership interests of the Company. All of the Interests have been duly authorized, are validly issued and are owned of record and beneficially by Seller, free and clear of all Encumbrances. Upon the transfer, assignment, and delivery of the Shares and exchange of consideration therefore in accordance with the terms of this Agreement, Buyer shall own all of the Interests, free and clear of all Encumbrances.

(b) All of the Interests were issued in compliance with applicable Laws. None of the Interests were issued in violation of any agreement or commitment to which Sellers or the Company is a party or is subject to or in violation of any preemptive or similar rights of any individual, corporation, partnership, joint venture, limited liability company,

Governmental Authority, unincorporated organization, trust, association, or other entity (each, a "**Person**").

(c) Except as set out in Section 3.03(c) of the Disclosure Schedules, there are no outstanding or authorized options, warrants, convertible securities, stock appreciation, phantom stock, profit participation, or other rights, agreements, or commitments relating to the Interests of the Company or obligating Sellers or the Company to issue or sell any type of interest in the Company. There are no trusts, agreements, proxies, or any type in effect with respect to the voting or transfer of any of the Interests.

**Section 3.05 No Subsidiaries.** The Company does not have, or have the right to acquire, an ownership interest in any other Person except the Subsidiary.

**Section 3.06 No Conflicts or Consents.** The execution, delivery, and performance by Sellers of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) violate or conflict with any provision of the certificate of organization, operating agreement, or other governing documents of Sellers or the Company; (b) violate or conflict with any provision of any statute, law, ordinance, regulation, rule, code, treaty, or other requirement of any Governmental Authority (collectively, "**Law**") or any order, writ, judgment, injunction, decree, determination, penalty, or award entered by or with any Governmental Authority ("**Governmental Order**") applicable to Sellers or the Company; (c) require the consent, notice, or filing with or other action by any Person or require any Permit, license, or Governmental Order; (d) violate or conflict with, result in the acceleration of, or create in any party the right to accelerate, terminate, or modify any contract, lease, deed, mortgage, license, instrument, note, indenture, joint venture, or any other agreement, commitment, or legally binding arrangement, whether written or oral (collectively, "**Contracts**"), to which Sellers or the Company is a party or by which Sellers or the Company is bound or to which any of their respective properties and assets are subject; or (e) result in the creation or imposition of any Encumbrance on any properties or assets of the Company.

**Section 3.07 Financial Statements.** Complete copies of the Company's audited financial statements consisting of the balance sheet of the Company as at December 31 in each of the years 2019, 2020 and 2021, and the related statements of income and retained earnings, stockholders' equity, and cash flow for the years then ended (the "**Financial Statements**") are included in the Disclosure Schedules have been delivered to Buyer. The Financial Statements have been prepared in accordance with generally accepted accounting principles in effect in the United States from time to time ("**GAAP**"), applied on a consistent basis throughout the period involved. The Financial Statements are based on the books and records of the Company and fairly present in all material respects the financial condition of the Company as of the respective dates they were prepared and the results of the operations of the Company for the periods indicated. The balance sheet of the Company as of 2021 is referred to herein as the "**Balance Sheet**" and the date thereof as the "**Balance Sheet Date**". The Company maintains a standard system of accounting established and administered in accordance with GAAP.

**Section 3.08 Undisclosed Liabilities.** The Company has no liabilities, obligations, or commitments of any nature whatsoever, whether asserted, known, absolute, accrued, matured, or otherwise (collectively, "**Liabilities**"), except: (a) those which are adequately reflected or reserved

against in the Balance Sheet as of the Balance Sheet Date; and (b) those which have been incurred in the ordinary course of business consistent with past practice since the Balance Sheet Date and which are not, individually or in the aggregate, material in amount.

**Section 3.09 Absence of Certain Changes, Events, and Conditions.** Since the Balance Sheet Date, and other than in the ordinary course of business consistent with past practice, there has not been, with respect to the Company, any change, event, condition, or development that is, or could reasonably be expected to be, individually or in the aggregate, materially adverse to the business, results of operations, condition (financial or otherwise), or assets of the Company.

**Section 3.10 Material Contracts.**

(a) Section 3.09(a) of the Disclosure Schedules lists each Contract that is material to the Company (such Contracts, together with all Contracts concerning the occupancy, management, or operation of any Real Property (as defined in Section 3.11(a)), being "**Material Contracts**"), including the following:

(i) each Contract of the Company involving aggregate consideration in excess of \$10,000.00 and which, in each case, cannot be cancelled by the Company without penalty or without more than 30 days' notice;

(ii) all Contracts that provide for the indemnification by the Company of any Person or the assumption of any Tax (as defined in Section 3.20(a)), environmental, or other Liability of any Person;

(iii) all Contracts relating to Intellectual Property (as defined in Section 3.12(a)), including all licenses, sublicenses, settlements, coexistence agreements, covenants not to sue, and permissions;

(iv) except for Contracts relating to trade payables, all Contracts relating to indebtedness (including, without limitation, guarantees) of the Company; and

(v) all Contracts that limit or purport to limit the ability of the Company to compete in any line of business or with any Person or in any geographic area or during any period of time.

(b) Each Material Contract is valid and binding on the Company in accordance with its terms and is in full force and effect. None of the Company or, to Seller's knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under) in any material respect, or has provided or received any notice of any intention to terminate, any Material Contract. Complete and correct copies of each Material Contract (including all modifications, amendments, and supplements thereto and waivers thereunder) have been made available to Buyer.

**Section 3.11 Real Property; Title to Assets.**

(a) Section 3.10(a) of the Disclosure Schedules lists all real property in which the Company has an ownership or leasehold (or subleasehold) interest (together with all

buildings, structures, and improvements located thereon, the "**Real Property**"), including: (i) the street address of each parcel of Real Property; (ii) for Real Property that is leased or subleased by the Company, the landlord under the lease, the rental amount currently being paid, and the expiration of the term of such lease or sublease, and any termination or renewal rights of any party to the lease; and (iii) the current use of each parcel of Real Property. Sellers has delivered or made available to Buyer true, correct, and complete copies of all Contracts, title insurance policies, and surveys relating to the Real Property.

(b) The Company has good and valid (and, in the case of owned Real Property, good and indefeasible fee simple) title to, or a valid leasehold interest in, all Real Property and personal property and other assets reflected in the Financial Statements or acquired after the Balance Sheet Date (other than properties and assets sold or otherwise disposed of in the ordinary course of business consistent with past practice since the Balance Sheet Date). All Real Property and such personal property and other assets (including leasehold interests) are free and clear of Encumbrances except for those items set forth in Section 3.10(b) of the Disclosure Schedules.

(c) The Company is not a sublessor or grantor under any sublease or other instrument granting to any other Person any right to possess, lease, occupy, or use any leased Real Property. The use of the Real Property in the conduct of the Company's business does not violate in any material respect any Law, covenant, condition, restriction, easement, license, permit, or Contract and no material improvements constituting a part of the Real Property encroach on real property owned or leased by a Person other than the Company.

### **Section 3.12 Intellectual Property.**

(a) The term "**Intellectual Property**" means any and all of the following in any jurisdiction throughout the world: (i) issued patents and patent applications; (ii) trademarks, service marks, trade names, and other similar indicia of source or origin, together with the goodwill connected with the use of and symbolized by, and all registrations, applications for registration, and renewals of, any of the foregoing; (iii) copyrights, including all applications and registrations; (iv) trade secrets, know-how, inventions (whether or not patentable), technology, and other confidential and proprietary information and all rights therein; (v) internet domain names and social media accounts and pages; and (vi) other intellectual or industrial property and related proprietary rights, interests, and protections.

(b) Section 3.11(b) of the Disclosure Schedules lists all issued patents, registered trademarks, domain names and copyrights, and pending applications for any of the foregoing and all material unregistered Intellectual Property that are owned by the Company (the "**Company IP Registrations**"). The Company owns or has the valid and enforceable right to use all Intellectual Property used in or necessary for the conduct of the Company's business as currently conducted or as proposed to be conducted (the "**Company Intellectual Property**"), free and clear of all Encumbrances. All of the Company Intellectual Property is valid and enforceable, and all Company IP Registrations are

subsisting and in full force and effect. The Company has taken all reasonable and necessary steps to maintain and enforce the Company Intellectual Property.

(c) The conduct of the Company's business as currently and formerly conducted and as proposed to be conducted has not infringed, misappropriated, or otherwise violated and will not infringe, misappropriate, or otherwise violate the Intellectual Property or other rights of any Person. No Person has infringed, misappropriated, or otherwise violated any Company Intellectual Property.

### **Section 3.13 Material Customers and Suppliers.**

(a) Section 3.12(a) of the Disclosure Schedules sets forth each customer who has paid aggregate consideration to the Company for goods or services rendered in an amount greater than or equal to \$10,000.00 for each of the last two most recent fiscal years (collectively, the "**Material Customers**"). The Company has not received any notice, and has no reason to believe, that any of its Material Customers has ceased, or intends to cease after the Closing, to purchase or use its goods or services or to otherwise terminate or materially reduce its relationship with the Company.

(b) Section 3.12(b) of the Disclosure Schedules sets forth each supplier to whom the Company has paid consideration for goods or services rendered in an amount greater than or equal to \$10,000.00 for each of the last two most recent fiscal years (collectively, the "**Material Suppliers**"). The Company has not received any notice, and has no reason to believe, that any of its Material Suppliers has ceased, or intends to cease, to supply goods or services to the Company or to otherwise terminate or materially reduce its relationship with the Company.

**Section 3.14 Insurance.** Section 3.13 of the Disclosure Schedules sets forth a true and complete list of all current policies or binders of insurance maintained by Sellers or its Affiliates (including the Company) and relating to the assets, business, operations, employees, officers, and directors of the Company (collectively, the "**Insurance Policies**"). Such Insurance Policies: (a) are in full force and effect; (b) are valid and binding in accordance with their terms; (c) are provided by carriers who are financially solvent; and (d) have not been subject to any lapse in coverage. Neither Sellers nor any of its Affiliates (including the Company) has received any written notice of cancellation of, premium increase with respect to, or alteration of coverage under, any of such Insurance Policies. All premiums due on such Insurance Policies have been paid. None of Sellers or any of its Affiliates (including the Company) is in default under, or has otherwise failed to comply with, in any material respect, any provision contained in any Insurance Policy. The Insurance Policies are of the type and in the amounts customarily carried by Persons conducting a business similar to the Company and are sufficient for compliance with all applicable Laws and Contracts to which the Company is a party or by which it is bound. For purposes of this Agreement: (x) "**Affiliate**" of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person; and (y) the term "**control**" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or other ownership interests, by contract, or otherwise.

### **Section 3.15 Legal Proceedings; Governmental Orders.**

(a) There are no claims, actions, causes of action, demands, lawsuits, arbitrations, inquiries, audits, notices of violation, proceedings, litigation, citations, summons, subpoenas, or investigations of any nature, whether at law or in equity (collectively, "**Actions**") pending or, to Seller's knowledge, threatened against or by the Company, Seller, or any Affiliate of Seller: (i) relating to or affecting the Company or any of the Company's properties or assets; or (ii) that challenge or seek to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

(b) There are no outstanding, and the Company is in compliance with all, Governmental Orders against, relating to, or affecting the Company or any of its properties or assets.

### **Section 3.16 Compliance with Laws; Permits.**

(a) The Company has complied, and is now complying, with all Laws applicable to it or its business, properties, or assets.

(b) All permits, licenses, franchises, approvals, registrations, certificates, variances, and similar rights obtained, or required to be obtained, from Governmental Authorities (collectively, "**Permits**") in order for the Company to conduct its business, including, without limitation, owning or operating any of the Real Property, have been obtained and are valid and in full force and effect. Section 3.15(b) of the Disclosure Schedules lists all current Permits issued to the Company and no event has occurred that would reasonably be expected to result in the revocation or lapse of any such Permit.

### **Section 3.17 Environmental Matters.**

(a) The terms: (i) "**Environmental Laws**" means all Laws, now or hereafter in effect, in each case as amended or supplemented from time to time, relating to the regulation and protection of human health, safety, the environment, and natural resources, including any federal, state, or local transfer of ownership notification or approval statutes; and (ii) "**Hazardous Substances**" means: (A) "hazardous materials," "hazardous wastes," "hazardous substances," "industrial wastes," or "toxic pollutants," as such terms are defined under any Environmental Laws; (B) any other hazardous or radioactive substance, contaminant, or waste; and (C) any other substance with respect to which any Environmental Law or Governmental Authority requires environmental investigation, regulation, monitoring, or remediation.

(b) The Company has complied, and is now complying, with all Environmental Laws. Neither the Company nor Sellers has received notice from any Person that the Company, its business or assets, or any real property currently or formerly owned, leased, or used by the Company is or may be in violation of any Environmental Law or any applicable Law regarding Hazardous Substances.

(c) There has not been any spill, leak, discharge, injection, escape, leaching, dumping, disposal, or release of any kind of any Hazardous Substances in violation of any Environmental Law: (i) with respect to the business or assets of the Company; or (ii) at, from, in, adjacent to, or on any real property currently or formerly owned, leased, or used by the Company. There are no Hazardous Substances in, on, about, or migrating to any real property currently or formerly owned, leased, or used by the Company, and such real property is not affected in any way by any Hazardous Substances.

### **Section 3.18 Employee Benefit Matters.**

(a) Section 3.17(a) of the Disclosure Schedules contains a true and complete list of each "employee benefit plan" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974 (as amended, and including the regulations thereunder, "ERISA"), whether or not written and whether or not subject to ERISA, and each supplemental retirement, compensation, employment, consulting, profit-sharing, deferred compensation, incentive, bonus, equity, change in control, retention, severance, salary continuation, and other similar agreement, plan, policy, program, practice, or arrangement which is or has been established, maintained, sponsored, or contributed to by the Company or under which the Company has or may have any Liability (each, a "Benefit Plan").

(b) For each Benefit Plan, Sellers has made available to Buyer accurate, current, and complete copies of each of the following: (i) the plan document with all amendments, or if not reduced to writing, a written summary of all material plan terms; (ii) any written contracts and arrangements related to such Benefit Plan, including trust agreements or other funding arrangements, and insurance policies, certificates, and contracts; (iii) in the case of a Benefit Plan intended to be qualified under Section 401(a) of the Code, the most recent favorable determination or national office approval letter issued by the Internal Revenue Service and any legal opinions issued thereafter with respect to the Benefit Plan's continued qualification; (iv) the most recent Form 5500 filed with respect to such Benefit Plan; and (v) any material notices, audits, inquiries, or other correspondence from, or filings with, any Governmental Authority relating to the Benefit Plan.

(c) Each Benefit Plan and related trust has been established, administered, and maintained in accordance with its terms and in substantial compliance with all applicable Laws (including ERISA and the Code). Nothing has occurred with respect to any Benefit Plan that has subjected or could reasonably be expected to subject the Company or, with respect to any period on or after the Closing Date, Buyer or any of its Affiliates, to a civil action, penalty, surcharge, or Tax under applicable Law or which would jeopardize the previously-determined qualified status of any Benefit Plan. All benefits, contributions, and premiums relating to each Benefit Plan have been timely paid in accordance with the terms of such Benefit Plan and all applicable Laws and accounting principles. Benefits accrued under any unfunded Benefit Plan have been paid, accrued, or adequately reserved for to the extent required by GAAP.

(d) The Company has not incurred and does not reasonably expect to incur: (i) any material Liability under Title I or Title IV of ERISA, any related provisions of the Code, or applicable Law relating to any Benefit Plan; or (ii) any Liability to the Pension

Benefit Guaranty Corporation. No complete or partial termination of any Benefit Plan has occurred or is expected to occur.

(e) The Company has not now or at any time within the previous six years contributed to, sponsored, or maintained: (i) any "multiemployer plan" as defined in Section 3(37) of ERISA; (ii) any "single-employer plan" as defined in Section 4001(a)(15) of ERISA; (iii) any "multiple employer plan" as defined in Section 413(c) of the Code; (iv) any "multiple employer welfare arrangement" as defined in Section 3(40) of ERISA; (v) a leveraged employee stock ownership plan described in Section 4975(e)(7) of the Code; or (vi) any other Benefit Plan subject to required minimum funding requirements.

(f) Other than as required under Sections 601 to 608 of ERISA or other applicable Law, no Benefit Plan provides post-termination or retiree welfare benefits to any individual for any reason.

(g) Neither the execution of this Agreement nor any of the transactions contemplated by this Agreement will, either alone or in combination with any other event: (i) entitle any current or former director, officer, employee, independent contractor, or consultant of the Company to any severance pay, increase in severance pay, or other payment; (ii) accelerate the time of payment, funding, or vesting, or increase the amount of compensation (including stock-based compensation) due to any such individual; (iii) limit or restrict the right of the Company to amend or terminate any Benefit Plan; (iv) increase the amount payable under any Benefit Plan; (v) result in any "excess parachute payments" within the meaning of Section 280G(b) of the Code; or (vi) require a "gross-up" or other payment to any "disqualified individual" within the meaning of Section 280G(c) of the Code.

### **Section 3.19 Employment Matters.**

(a) Section 3.18(a) of the Disclosure Schedules lists: (i) all employees, independent contractors, and consultants of the Company; and (ii) for each individual described in clause (i), (A) the individual's title or position, hire date, and compensation, (B) any Contracts entered into between the Company and such individual, and (C) the fringe benefits provided to each such individual. All compensation payable to all employees, independent contractors, or consultants of the Company for services performed on or prior to the Closing Date have been paid in full.

(b) The Company is not, and has not been, a party to or bound by any collective bargaining agreement or other Contract with a union or similar labor organization (collectively, "**Union**"), and no Union has represented or purported to represent any employee of the Company. There has never been, nor has there been any threat of, any strike, work stoppage, slowdown, picketing, or other similar labor disruption or dispute affecting the Company or any of its employees.

(c) The Company is and has been in compliance in all material respects with: (i) all applicable employment Laws and agreements regarding hiring, employment, termination of employment, plant closings and mass layoffs, employment discrimination,

harassment, retaliation, and reasonable accommodation, leaves of absence, terms and conditions of employment, wages and hours of work, employee classification, employee health and safety, engagement and classification of independent contractors, payroll taxes, and immigration with respect to all employees, independent contractors, and contingent workers; and (ii) all applicable Laws relating to the relations between it and any labor organization, trade union, work council, or other body representing employees of the Company.

### **Section 3.20 Taxes.**

(a) All returns, declarations, reports, information returns and statements, and other documents relating to Taxes (including amended returns and claims for refund) (collectively, "**Tax Returns**") required to be filed by the Company on or before the Closing Date have been timely filed. Such Tax Returns are true, correct, and complete in all respects. All Taxes due and owing by the Company (whether or not shown on any Tax Return) have been timely paid. No extensions or waivers of statutes of limitations have been given or requested with respect to any Taxes of the Company. Sellers have delivered to Buyer copies of all Tax Returns and examination reports of the Company and statements of deficiencies assessed against, or agreed to by, the Company, for all Tax periods ending after 2018, 2019, and 2020. The term "**Taxes**" means all federal, state, local, foreign, and other income, gross receipts, sales, use, production, ad valorem, transfer, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties, or other taxes, fees, assessments, or charges of any kind whatsoever, together with any interest, additions, or penalties with respect thereto.

(b) The Company has not been a member of an affiliated, combined, consolidated, or unitary Tax group for Tax purposes. The Company has no Liability for Taxes of any Person (other than the Company) under Treasury Regulations Section 1.1502-6 (or any corresponding provision of state, local, or foreign Law), as transferee or successor, by contract, or otherwise.

(c) There are no liens for Taxes (other than for current Taxes not yet due and payable) upon the assets of the Company.

(d) Sellers is not a "foreign person" as that term is used in Treasury Regulations Section 1.1445-2. The Company is not, nor has it been, a United States real property holding corporation (as defined in Section 897(c)(2) of the Code) during the applicable period specified in Section 897(c)(1)(a) of the Code.

**Section 3.21 Books and Records.** The minute books and share record and transfer books of the Company, all of which are in the possession of the Company and have been made available to Buyer, are complete and correct.

**Section 3.22 Brokers.** No broker, finder, or investment banker is entitled to any brokerage, finder's, or other fee or commission in connection with the transactions contemplated

by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Seller.

**Section 3.23 Full Disclosure.** No representation or warranty by Sellers in this Agreement and no statement contained in the Disclosure Schedules to this Agreement or any certificate or other document furnished or to be furnished to Buyer pursuant to this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

#### **ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Sellers that the statements contained in this Article IV are true and correct as of the date hereof.

**Section 4.01 Organization and Authority of Buyer.** Buyer is a corporation duly organized, validly existing, and in good standing under the Laws of the state of Nevada. Buyer has full corporate power and authority to enter into this Agreement and the other Transaction Documents to which Buyer is a party, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Buyer of this Agreement and any other Transaction Document to which Buyer is a party, the performance by Buyer of its obligations hereunder and thereunder, and the consummation by Buyer of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Buyer. This Agreement and each Transaction Document constitute legal, valid, and binding obligations of Buyer enforceable against Buyer in accordance with their respective terms.

**Section 4.02 No Conflicts; Consents.** The execution, delivery, and performance by Buyer of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) violate or conflict with any provision of the certificate of incorporation, by-laws, or other governing documents of Buyer; (b) violate or conflict with any provision of any Law or Governmental Order applicable to Buyer; or (c) require the consent, notice, declaration, or filing with or other action by any Person or require any Permit, license, or Governmental Order.

**Section 4.03 Investment Purpose.** Buyer is acquiring the Interests solely for its own account for investment purposes and not with a view to, or for offer or sale in connection with, any distribution thereof or any other security related thereto within the meaning of the Securities Act of 1933, as amended (the "**Securities Act**"). Buyer acknowledges that Sellers has not registered the offer and sale of the Interests under the Securities Act or any state securities laws, and that the Interests may not be pledged, transferred, sold, offered for sale, hypothecated, or otherwise disposed of except pursuant to the registration provisions of the Securities Act or pursuant to an applicable exemption therefrom and subject to state securities laws and regulations, as applicable.

**Section 4.04 Brokers.** No broker, finder, or investment banker is entitled to any brokerage, finder's, or other fee or commission in connection with the transactions contemplated

by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Buyer.

## ARTICLE V COVENANTS

**Section 5.01 Confidentiality.** From and after the Closing, Sellers shall, and shall cause its Affiliates and its and their respective directors, officers, employees, consultants, counsel, accountants, and other agents (collectively, "**Representatives**") to, hold in confidence any and all information, in any form, concerning the Company, except to the extent that Sellers can show that such information: (a) is generally available to and known by the public through no fault of Seller, any of its Affiliates, or their respective Representatives; or (b) is lawfully acquired by Seller, any of its Affiliates, or their respective Representatives from and after the Closing from sources which are not prohibited from disclosing such information by any obligation. If Sellers or any of its Affiliates or their respective Representatives are compelled to disclose any information by Governmental Order or Law, Sellers shall promptly notify Buyer in writing and shall disclose only that portion of such information which is legally required to be disclosed; *provided, however*, Sellers shall use reasonable best efforts to obtain as promptly as possible an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.

**Section 5.02 Further Assurances.** Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents and instruments and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement and the other Transaction Documents.

## ARTICLE VI TAX MATTERS

### **Section 6.01 Tax Covenants.**

(a) Without the prior written consent of Buyer, Sellers shall not, to the extent it may affect or relate to the Company: (i) make, change, or rescind any Tax election; (ii) amend any Tax Return; (iii) take any position on any Tax Return; or (iv) take any action, omit to take any action, or enter into any other transaction that would have the effect of increasing the Tax liability or reducing any Tax asset of Buyer or the Company, in respect of any taxable period that begins after the Closing Date or, in respect of any taxable period that begins before and ends after the Closing Date (each such period, a "**Straddle Period**"), the portion of any Straddle Period beginning after the Closing Date.

(b) All transfer, documentary, sales, use, stamp, registration, value added, and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the other Transaction Documents shall be borne and paid by Sellers when due. Sellers shall, at its own expense, timely file any Tax Return or other document with respect to such Taxes or fees (and Buyer shall cooperate with respect thereto as necessary).

(c) Buyer shall prepare, or cause to be prepared, all Tax Returns required to be filed by the Company after the Closing Date with respect to any taxable period or portion thereof ending on or before the Closing Date and all Straddle Period Tax Returns. Any such Tax Return shall be prepared in a manner consistent with past practice (unless otherwise required by Law) and without a change of any election or any accounting method.

**Section 6.02 Straddle Period.** In the case of Taxes that are payable with respect to a Straddle Period, the portion of any such Taxes that are allocated to Pre-Closing Tax Periods (as defined in Section 6.04) for purposes of this Agreement shall be: (a) in the case of Taxes: (i) based upon, or related to, income, receipts, profits, wages, capital, or net worth; (ii) imposed in connection with the sale, transfer, or assignment of property; or (iii) required to be withheld, the amount of Taxes which would be payable if the taxable year ended with the Closing Date; and (b) in the case of other Taxes, the amount of such Taxes for the entire period multiplied by a fraction, the numerator of which is the number of days in the period ending on the Closing Date and the denominator of which is the number of days in the entire period.

**Section 6.03 Termination of Existing Tax Sharing Agreements.** Any and all existing Tax sharing agreements (whether written or not) binding upon the Company shall be terminated as of the Closing Date. After such date neither the Company, Seller, nor any of Seller's Affiliates and their respective Representatives shall have any further rights or liabilities thereunder.

**Section 6.04 Tax Indemnification.** Sellers shall indemnify the Company, Buyer, and each Buyer Indemnitee (as defined in Section 7.01) and hold them harmless from and against (a) any loss, damage, liability, deficiency, Action, judgment, interest, award, penalty, fine, cost or expense of whatever kind (collectively, including reasonable attorneys' fees and the cost of enforcing any right to indemnification under this Agreement, "Losses") attributable to any breach of or inaccuracy in any representation or warranty made in Section 3.20; (b) any Loss attributable to any breach or violation of, or failure to fully perform, any covenant, agreement, undertaking, or obligation in ARTICLE VI; (c) all Taxes of the Company or relating to the business of the Company for all Pre-Closing Tax Periods (as defined below); (d) all Taxes of any member of an affiliated, consolidated, combined, or unitary group of which the Company (or any predecessor of the Company) is or was a member on or prior to the Closing Date by reason of a liability under Treasury Regulation Section 1.1502-6 or any comparable provisions of foreign, state, or local Law; and (e) any and all Taxes of any Person imposed on the Company arising under the principles of transferee or successor liability or by contract, relating to an event or transaction occurring before the Closing Date. In each of the above cases, together with any out-of-pocket fees and expenses (including attorneys' and accountants' fees) incurred in connection therewith, Sellers shall reimburse Buyer for any Taxes of the Company that are the responsibility of Sellers pursuant to this Section 6.04 within ten business days after payment of such Taxes by Buyer or the Company. The term "Pre-Closing Tax Period" means any taxable period ending on or before the Closing Date and, with respect to any taxable period beginning before and ending after the Closing Date, the portion of such taxable period ending on and including the Closing Date.

**Section 6.05 Cooperation and Exchange of Information.** Sellers and Buyer shall provide each other with such cooperation and information as either of them reasonably may request of the other in filing any Tax Return pursuant to this ARTICLE VI or in connection with any

proceeding in respect of Taxes of the Company, including providing copies of relevant Tax Returns and accompanying documents. Each of Sellers and Buyer shall retain all Tax Returns and other documents in its possession relating to Tax matters of the Company for any Pre-Closing Tax Period (collectively, "**Tax Records**") until the expiration of the statute of limitations of the taxable periods to which such Tax Records relate.

**Section 6.06 Survival.** Notwithstanding anything in this Agreement to the contrary, the provisions of Section 3.20 and this ARTICLE VI shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation, or extension thereof) plus 60 days.

## **ARTICLE VII INDEMNIFICATION**

**Section 7.01 Indemnification by Seller.** Subject to the other terms and conditions of this ARTICLE VII, Sellers shall indemnify and defend each of Buyer and its Affiliates (including the Company) and their respective Representatives (collectively, the "**Buyer Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Buyer Indemnitees based upon, arising out of, with respect to, or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of Sellers contained in this Agreement or the other Transaction Documents; or
- (b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Sellers pursuant to this Agreement or the other Transaction Documents.

**Section 7.02 Indemnification by Buyer.** Subject to the other terms and conditions of this ARTICLE VII, Buyer shall indemnify and defend each of Sellers and its Affiliates and their respective Representatives (collectively, the "**Sellers Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Sellers Indemnitees based upon, arising out of, with respect to, or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of Buyer contained in this Agreement or the other Transaction Documents; or
- (b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Buyer pursuant to this Agreement.

**Section 7.03 Indemnification Procedures.** Whenever any claim shall arise for indemnification hereunder, the party entitled to indemnification (the "**Indemnified Party**") shall promptly provide written notice of such claim to the other party (the "**Indemnifying Party**"). In connection with any claim giving rise to indemnity hereunder resulting from or arising out of any Action by a Person who is not a party to this Agreement, the Indemnifying Party, at its sole cost and expense and upon written notice to the Indemnified Party, may assume the defense of any such Action with counsel reasonably satisfactory to the Indemnified Party. The Indemnified Party shall be entitled to participate in the defense of any such Action, with its counsel and at its own cost and

expense. If the Indemnifying Party does not assume the defense of any such Action, the Indemnified Party may, but shall not be obligated to, defend against such Action in such manner as it may deem appropriate, including settling such Action, after giving notice of it to the Indemnifying Party, on such terms as the Indemnified Party may deem appropriate and no action taken by the Indemnified Party in accordance with such defense and settlement shall relieve the Indemnifying Party of its indemnification obligations herein provided with respect to any damages resulting therefrom. The Indemnifying Party shall not settle any Action without the Indemnified Party's prior written consent (which consent shall not be unreasonably withheld or delayed).

**Section 7.04 Survival.** Subject to the limitations and other provisions of this Agreement, the representations and warranties contained herein (other than any representations or warranties contained in Section 3.20 which are subject to ARTICLE VI) and all related rights to indemnification shall survive the Closing and shall remain in full force and effect until the date that is three years from the Closing Date; *provided, however*, the representations and warranties in Section 3.01, Section 3.02, Section 3.04, Section 3.05, Section 3.22, Section 4.01 and Section 4.04 shall survive indefinitely. Subject to ARTICLE VI, all covenants and agreements of the parties contained herein shall survive the Closing indefinitely unless another period is explicitly specified herein. Notwithstanding the foregoing, any claims which are timely asserted in writing by notice from the non-breaching party to the breaching party prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such claims shall survive until finally resolved].

**Section 7.05 Tax Claims.** Notwithstanding any other provision of this Agreement, the control of any claim, assertion, event, or proceeding in respect of Taxes of the Company (including, but not limited to, any such claim in respect of a breach of the representations and warranties in Section 3.20 hereof or any breach or violation of or failure to fully perform any covenant, agreement, undertaking, or obligation in ARTICLE VI) shall be governed exclusively by Article VI hereof.

**Section 7.06 Cumulative Remedies.** The rights and remedies provided for in this ARTICLE VII (and in Article VI) are cumulative and are in addition to and not in substitution for any other rights and remedies available at Law or in equity or otherwise.

## ARTICLE VIII MISCELLANEOUS

**Section 8.01 Expenses.** All costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

**Section 8.02 Notices.** All notices, claims, demands, and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested,

postage prepaid, if sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 8.02):

**If to Seller:**

105 Canvas Back Dr., Montgomery, Texas 77316  
Facsimile: 724-378-7703  
Email: info@catalystmachineworks.com  
Attention: Neill Whiteley

6222 Darby Way, Spring, Texas 77389  
Facsimile: 724-378-7703  
Email: rick@liquidambermedia.com  
Attention: Phillip Tucker

with a copy (which shall not constitute notice) to:

902 22<sup>nd</sup> Street, Aliquippa, PA 15001  
Facsimile: 724-378-7703  
Email: johnahavey@esquire247.com  
Attention: John A. Havey, P.C.

**If to Buyer:**

800 Park Offices Drive, Suite 3209, Durham, NC 27709  
Facsimile: 919-867-2911  
Email: mschmidt@cyberlux.com  
Attention: President & CEO

with a copy (which shall not constitute notice) to:

Watts Law PLLC  
Email: CDWatts@me.com  
Attention: Chuck Watts

**Section 8.03 Interpretation; Headings.** This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

**Section 8.04 Severability.** If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement.

**Section 8.05 Entire Agreement.** This Agreement and the other Transaction Documents constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in the other Transaction Documents, any exhibits, and the Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

**Section 8.06 Successors and Assigns.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

**Section 8.07 Amendment and Modification; Waiver.** This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No failure to exercise, or delay in exercising, any right or remedy arising from this Agreement shall operate or be construed as a waiver thereof. No single or partial exercise of any right or remedy hereunder shall preclude any other or further exercise thereof or the exercise of any other right or remedy.

**Section 8.08 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.**

(a) This Agreement shall be governed by and construed in accordance with the internal laws of the State of North Carolina without giving effect to any choice or conflict of law provision or rule (whether of the State of North Carolina or any other jurisdiction). Any legal suit, action, proceeding, or dispute arising out of or related to this Agreement, the other Transaction Documents, or the transactions contemplated hereby or thereby may be instituted in the federal courts of the United States of America or the courts of the State of North Carolina in each case located in the city of Durham and county of Durham, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, proceeding, or dispute.

(b) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL ACTION, PROCEEDING, CAUSE OF ACTION, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT, INCLUDING ANY EXHIBITS AND SCHEDULES ATTACHED TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT: (I) NO REPRESENTATIVE OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION; (II) EACH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER; (III) EACH PARTY MAKES THIS WAIVER KNOWINGLY AND VOLUNTARILY; AND (IV) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

**Section 8.09 Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

Unofficial Copy Office of Marilyn Burgess District Clerk

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

SELLERS NAMES

By \_\_\_\_\_  
Phillip Tucker  
Member, Catalyst Machineworks, LLC

By \_\_\_\_\_  
Neill Whiteley  
Member, Catalyst Machineworks, LLC

Cyberlux Corporation

By Mark D. Schmidt  
Mark Schmidt  
Chief Executive Officer

Unofficial Copy Office of Marjorie Purges District Clerk

## EXHIBIT A

### DEFINITIONS CROSS-REFERENCE TABLE

The following terms have the meanings set forth in the location in this Agreement referenced below:

<b><u>Term</u></b>	<b><u>Section</u></b>
Actions	Section 3.15(a)
Affiliate	Section 3.14
Agreement	Preamble
Balance Sheet	Section 3.07
Balance Sheet Date	Section 3.07
Benefit Plans	Section 3.18(a)
Buyer	Preamble
Buyer Indemnitees	Section 7.01
Closing	Section 2.01
Closing Date	Section 2.01
Code	Section 2.02(d)
Company	Recitals
Company Intellectual Property	Section 3.12(b)
Company IP Registrations	Section 3.12(b)
Contracts	Section 3.06
Disclosure Schedules	Section 1.02
Encumbrance	Section 1.01
Environmental Laws	Section 3.17(a)
ERISA	Section 3.18(a)
Financial Statements	Section 3.07
GAAP	Section 3.07
Governmental Authority	Section 2.02(c)
Governmental Order	Section 3.06
Hazardous Substances	Section 3.17(a)
Indemnified Party	Section 7.03
Indemnifying Party	Section 7.03

Insurance Policies	Section 3.14
Intellectual Property	Section 3.12(a)
Law	Section 3.06
Liabilities	Section 3.08
Losses	Section 6.04
Material Contracts	Section 3.10(a)
Material Customers	Section 3.13(a)
Material Suppliers	Section 3.13(b)
Permits	Section 3.16(b)
Person	Section 3.04(b)
Pre-Closing Tax Period	Section 6.04
Purchase Price	Section 1.02
Real Property	Section 3.11(a)
Representatives	Section 5.01
Restricted Business	N/A
Restricted Period	N/A
Securities Act	Section 4.03
Seller	Preamble
Sellers Indemnitees	Section 7.02
Shares	Recitals
Straddle Period	Section 6.01(a)
Taxes	Section 3.20(a)
Tax Records	Section 6.05
Tax Returns	Section 3.20(a)
Territory	N/A
Transaction Documents	Section 2.02(b)
Union	Section 3.19(b)



## LETTER AGREEMENT FOR CYBERLUX CORPORATION ACQUISITION OF CATALYST MACHINWORKS, LLC

March 9, 2022

**THIS LETTER of AGREEMENT** (the “Agreement”) is made effective as of the 9<sup>th</sup> of March, 2022 (“**Effective Date**”) between Cyberlux Corporation, a Nevada corporation, having its principal place of business at 800 Park Offices Drive, Suite 3209, Research Triangle Park, NC 27709 (“**CYBERLUX**”) together with Phillip (Rick) Tucker and Neill Whiteley, the current 100% owners of Catalyst Machineworks, LLC, a Texas Registered Company, having its principal place of business at 105 Canvas Back Drive, Montgomery, TX 77316-1636 (“**CMW**”), collectively as “**the PARTIES.**”

### ARTICLES

WHEREAS Cyberlux Corporation, an advanced technology platform company leading the digital transformation across industries is acquiring Catalyst Machineworks, LLC including all CMW assets and personnel resources, creating with CMW a growth engine within the Cyberlux UAS division. With this transaction, CMW will become an integral part of the Cyberlux FlightEye UAS Solutions Business Unit, the Cyberlux division that will drive the execution and implementation of Cyberlux UAS solutions across global industries and customers. CMW has extensive knowledge and experience in building UAS products for both commercial and retail applications. CMW will assist Cyberlux in building end-to-end UAS offerings including integrated software solutions and UAS data management solutions including the advanced analytics platform capabilities required by both Government and Commercial customers.

WHEREAS CMW is a UAS development and manufacturing company offering commercial, retail and military-grade UAS product solutions to a wide range of customers, including commercial customers, retail customers and military customers. CMW was established in 2015 and is headquartered in the Houston, Texas area. CMW is one of the key providers of UAS solutions to the cinematography industry and also serves a sizable number of retail on-line UAS customers. The CMW’s mission is to create innovative, leading-edge and intelligent UAS platform solutions, including hardware platforms, electronic platforms and software platforms that meet the rapidly evolving customer requirements across multiple industries. CMW has expansive development capabilities including advanced hardware systems development with experience in building enterprise-level software solutions.

THEREFORE Cyberlux desires that CMW join the Cyberlux Corporation as a Platform Company under the FlightEye UAS Solutions Business Unit where all Parties will endeavor to exponentially grow their synergistic UAS business. Cyberlux will bring to CMW, capital, processes, growth catalysts, and scaling expertise. CMW will bring intellectual property, industry know-how, existing products, new product development, product manufacturing capabilities, supply chain relationships, existing customer relationships and channel partnerships. Cyberlux will bring to the current owners of CMW, Phillip Tucker and Neill Whiteley, the potential of personal wealth creation through equity value growth, increased salary levels, and incremental incentives for the continued growth of CMW as a Cyberlux Platform Company which Phillip Tucker and Neill Whiteley will continue to manage.

## AGREEMENT TERMS

1. Cyberlux is acquiring CMW in cash and equity shares in Cyberlux Corporation with a valuation of CMW of \$3,650,000, to include \$1,150,000.00 cash to be paid on the following schedule, beginning on the date of the signing of the formal legal documents and closing of this transaction.

Cyberlux Cash Payments	Payment Date	Cash Payment to:
\$150,000	Upon closing	CMW retirement of debt
\$200,000	Upon closing	50% Phillip Tucker & 50% Neill Whiteley
\$200,000	3 months after closing	50% Phillip Tucker & 50% Neill Whiteley
\$200,000	6 months after closing	50% Phillip Tucker & 50% Neill Whiteley
\$200,000	9 months after closing	50% Phillip Tucker & 50% Neill Whiteley
\$200,000	12 months after closing	50% Phillip Tucker & 50% Neill Whiteley

In addition, CMW will have additional stock bonus incentives with an estimated value of \$3,500,000.00 as detailed in Section 7.

2. Phillip Tucker and Neill Whiteley agree to sell 100% of CMW to Cyberlux Corporation, including all assets, intellectual property, operations, contracts, revenue, and customers as directed and confirmed by Phillip Tucker and Neill Whiteley, the current 100% owners of and legal representatives of Catalyst Machineworks, LLC.
3. Phillip Tucker and Neill Whiteley agree to: 1) Enter into employment agreements with CMW, a Cyberlux Subsidiary & Platform Company; 2) Continue to operate CMW as the executive managers for a minimum of 3 years following the signing of the formalized legal documents; and 3) Continue to individually and jointly make best efforts to grow the Cyberlux CMW business, to help build revenue, profit, and share price value.
4. Following the acquisition, Cyberlux will make available additional operating capital to CMW per a schedule of specific allocations, to be detailed in the final legal documents following this Letter Agreement. Cyberlux will add such operating capital to CMW operations to ensure:
- Adequate working capital, if and when necessary to achieve extraordinary CMW sales growth;
  - Initial salaries of \$120,000.00 per year for CMW executives Phillip Tucker and Neill Whiteley;
  - An increased annual salary for other key CMW employees;
  - Phillip Tucker and Neill Whiteley performance bonuses for CMW milestone achievements:  
2022 Bonuses of \$10,000 each, to be paid if earned, on 05/31/22, 08/30/22, and 11/30/22.  
2023 Bonuses of \$10,000 each, to be paid if earned, on 03/31/23, 06/30/23, 09/30/23, 12/31/23.
5. Cyberlux will issue 50 million shares of common stock to Phillip Tucker and Neill Whiteley in exchange for the entirety of the ownership of CMW. These shares of Cyberlux common stock will be issued over three years:
- 20 million shares upon signing the formalized legal documents to follow this Letter Agreement.
  - 10 million shares at the end of the 2<sup>nd</sup> anniversary of signing the formalized legal documents.
  - 10 million shares at the end of the 3<sup>rd</sup> anniversary of signing the formalized legal documents.
  - 10 million shares at the end of the 3<sup>rd</sup> anniversary of signing the formalized legal documents.

All stock issuances are subject to any reverse split actions or transference to the NASDAQ, resulting in equivalent stock value.

6. Phillip Tucker and Neill Whiteley assert that CMW 2021 revenue was approximately \$1.2M USD and CMW 2022 revenue outlook is currently expected to be \$2.0M USD. Phillip Tucker and Neill Whiteley assert they are unaware of any material downside risks regarding CMW revenues beyond 2022.

7. Phillip Tucker and Neill Whiteley shall receive the following incentive stock awards and increased annual base salary levels effective the date of the Cyberlux annual filing which includes a CMW net revenue achievement.

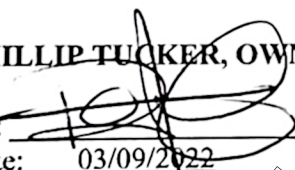
CMW Fiscal Year Net Revenue Achievement	Incentive Stock Award	Executive Annual Base Salary
\$3,000,000	10 million shares	\$160,000
\$5,000,000	15 million shares	\$175,000
\$7,500,000	20 million shares	\$200,000
\$10,000,000	25 million shares	\$250,000

Should two or more CMW Fiscal Year Net Revenue Achievements be attained within a single year, the highest of the base salary levels achieved shall take effect, plus, the aggregate of the incentive shares shall be awarded.


8. On the 4<sup>th</sup> anniversary of signing the formalized legal documents, if the Cyberlux share price has not reached \$0.05 or more as the 100-day moving average share price, Phillip Tucker and Neill Whiteley will receive the difference between this \$0.05 share price and the closing share price on the 4<sup>th</sup> anniversary date for the 50 million ownership shares. Cyberlux has the option to either issue additional stock, pay cash, or issue and pay a combination of stock and cash. For example, if the closing share price on the 4<sup>th</sup> anniversary date is \$0.04, the difference in ownership share value is 50 million shares multiplied by \$0.01, or \$500,000.00. Cyberlux will either issue 10 million additional shares of stock, pay \$500,000.00 in cash, or issue and pay some combination of stock and cash, at the discretion of Cyberlux, to Phillip Tucker and Neill Whiteley.
9. Should within the first four years following the signing of the formal legal documents, Cyberlux file for Bankruptcy or initiate not-for-cause termination of employment of Phillip Tucker and Neill Whiteley, Cyberlux Corporation shall exercise best efforts to spin-off CMW as a separate legal business entity, to be managed by Phillip Tucker and Neill Whiteley and vested with the original legacy Intellectual Property possessed by CMW and Phillip Tucker and Neill Whiteley, prior to execution of this agreement for the acquisition of CMW by Cyberlux. The legacy IP which shall become the property of the described spin-off CMW entity includes that which pertained to Cinema products, Hobby products and Law Enforcement products, as well all pertinent information related to CMW customers, products, inventory, and personnel prior to this acquisition of CMW.
10. This entire Agreement is contingent on these terms being reduced to the final legal documents.

**ACKNOWLEDGED, ACCEPTED AND APPROVED:**

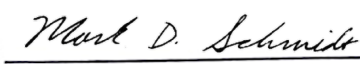
**PHILLIP TUCKER, OWNER CATALYST MACHINeworks, LLC**

By:   
Date: 03/09/2022

**NEILL WHITELEY, OWNER CATALYST MACHINeworks, LLC**

By:   
Date: 03/09/2022

**MARK SCHMIDT, PRESIDENT & CEO, CYBERLUX CORPORATION**

By:   
Date: 03/09/2022

# Ardmore Law Firm, PLLC

16219 Lakewood Grove Dr  
Tomball, TX 77377  
253-583-4294  
ardmorelawfirm@gmail.com

Daniel Ardmore  
Attorney at Law

June 2, 2025

Robert W. Berleth  
BERLETH & ASSOCIATES  
Appointed Receiver on Behalf of:  
Cyberlux Corporation  
9950 Cypresswood, Suite 200  
Houston, Texas 77070

Via Email & Certified Mail  
Return Receipt Requested

Emailed To:  
rberleth@berlethlaw.com

**RE: VERIFIED CLAIM NOTIFICATION AND DEMAND**

Dear Honorable Receiver Robert Berleth on Behalf of Cyberlux Corporation,

Please note that my firm has been retained by Mr. Rick Tucker (“Tucker”) and Mr. Neill Whiteley (“Whiteley”) (collectively “Clients” or “Sellers”) to pursue their lawful claims against Cyberlux Corporation (“Cyberlux,” “Employer,” or “Buyer”). Please find herein true and correct factual detailed account of our Clients’ claims for Breach of Contract and unpaid wages, including attached fully documented evidence, establishing every element of our Clients claim. Since our Clients’ claims are fully established herein, our Clients Tucker and Whiteley are entitled to participation in Receivership action in connection with Cause #202448085 and styled as ATLANTIC WAVE HOLDINGS, LLC and SECURE COMMUNITY, LLC vs. CYBERLUX CORPORATION and MARK D. SCHMIDT. Additionally, each and every factual assertion listed herein has been verified by Clients Declarations. (See Declaration of Rick Tucker and Neill Whiteley attached as Exhibit A)

To wit, I am certain you are aware from Court filings and your dealings with Cyberlux Corporation, that they have made it their standard practice and ambition to evade creditors, financially mismanage their company, and even intentionally short their own employees' paychecks, in an effort to allow upper management to fatten their bank and brokerage accounts by utilizing reverse Robin Hood tactics in order to steal from the poor and give to the CEO and his

fellow upper echelon insiders. As such, it may not be surprising to you that our Clients have valid claims against Cyberlux for payroll deficiencies, to which Cyberlux has already admitted responsibility. Our Clients are thus entitled to priority payment for these unpaid wages, other resulting damages and reasonable and necessary attorney fees for the recovery of these debts/damages.

In short, there is no dispute here, as Cyberlux has already admitted and/or agreed they owe these amounts, and have failed to pay our Clients. As a result, Cyberlux owes our Clients the following in Breach of Contract/Expectation Damages:

- a. Tucker = \$73,975.25 in back owed salary and bonuses, \$425,000.00 for unpaid incentive shares, and \$8500 in consequential damages, resulting in a sum total of **\$707,475.25 for Tucker**, as detailed below.
- b. Whiteley = \$62,537.56, in back owed salary and bonuses, \$625,000.00 for unpaid incentive shares, resulting in a sum total of **\$687,537.56 for Whiteley**, detailed below.
- c. **The combined sum total of both Clients' damages from Cyberlux's Breach of Employment Contracts is \$1,395,012.81, including attorney fees (25% of the total) the total is \$1,860,017.08.** See attached attorney fee Declaration as Exhibit i.

#### BACKGROUND FACTS

Tucker and Whiteley are honorable, hard worker, and responsible businessmen, who since October 30, 2014, have put all their time, effort, savings, blood, sweat, and tears, into building an amazing American drone manufacturing business, Catalyst Machineworks, LLC. They built this company from scratch as co-owners.

After being approached by Cyberlux in January and February of 2022, and based on Cyberlux's representations of being a successful, responsible, publicly traded, and financially viable company, our Clients decided to sell their company to Cyberlux.

On March 28, 2022, Tucker and Whiteley closed on sale of their company to Cyberlux upon execution of the Purchase Agreement (see attached as Exhibit B), in exchange for a small amount of cash and **25 million in Cyberlux shares each (10 million at closing and 3 payments of 5 million shares each year thereafter)** to be valued at \$.05 (Five Cents) per share.

Also, as a part of the Purchase Contract, on March 30, 2022, our Clients entered into a three-year Employment Contract (see attached as Exhibit C) to help Cyberlux by continuing to manage the business they sold to Cyberlux. As a part of this Employment Contract, our Clients are entitled to salary, bonuses, and additional "Incentive Program" shares ("Incentive Shares") per a detailed schedule in the Employment Contract, of which **Cyberlux failed and continues to fail to pay 12.5 million Incentive Shares each to our Clients.**

As soon as these contracts were signed, Cyberlux immediately began to slow pay the agreed upon shares and cash payments right out of the gate.

Since then, amongst a litany of dishonest and unlawful conduct too numerous to mention here, Cyberlux began to miss entire paychecks, annual bonuses, compensation of Incentive Shares, and ultimately “temporarily reduced” our Clients’ salary in 2024 by \$75,000 per year, to be “repaid later” and have failed to catch up remaining payroll since.

Then, in April of 2025, Cyberlux initiated a layoff claiming they are still having financial difficulties. However, in this “layoff”, **our Clients were the only two employees who were laid off and are still owed unpaid Salary and Incentive Shares.**

### **CYBERLUX AGREES THEY BREACHED THE EMPLOYMENT CONTRACT AND HAS FAILED TO PAY REGULAR SALARY AND ANNUAL BONUSES**

The employment contract (“Contract”) contains various provisions governing our Clients’ employment compensation during this period, including salary, annual bonuses, and “Incentive Plan” pay. (Exhibit C).

On August 8, 2024, our Clients received an email (See attached as Exhibit D) from Cyberlux stating that, contrary to Employment Contract, our Clients’ pay would be “temporarily reduced” by \$75,000 per year, purportedly due to Cyberlux’s financial woes, despite the fact the Cyberlux’s CEO had just moved \$4.4 million to his personal accounts. Nonetheless, **we have it in writing from Cyberlux that it understands it still owes these unpaid wages** and that they intended to pay this amount after the third HNU stands for Huntington Ingles Incorporated, a US Government Prime Contractor) shipment. However, **Cyberlux never followed through on its promises and failed to catch-up these unpaid wages.**

Although our Clients were under no obligation to wait for their pay, being at the mercy of Cyberlux, they continued to work in patient cooperation, as Cyberlux has gave them no choice in the matter.

Since then, Cyberlux has continued to fail to make good on their payroll obligations to our Clients. **The amount of cash payroll payments still due is, Tucker = \$73,975.25, and Whiteley = \$62,537.56.**

Again, Cyberlux agrees it owes this amount, does not dispute it, and promised it would finally pay after truck 3, but never did. See breakdown received from Cyberlux in relevant snapshot of chart below. (See also “Summary of Payments due Rick and Neill” attached as Exhibit E).

### Employment Agreement

- Last 2 of 7 bonus payments to each of Rick and Neil
  - Rick: \$20,000.00 gross
  - Neill: \$20,000.00 gross
  - When: Pending schedule and HII payments
- Deferred Salary:
  - Rick: \$49,327.00 gross
  - Neill: \$49,327.00 gross
  - When: Pending schedule and HII payments
- Final Paycheck w/PTO
  - Rick: \$24,648.25 (approx.) gross
  - Neill: \$13,210.56 (approx.) gross
  - Status: Paid

### Total Cash Still Due:

- Rick: \$73,975.25 (approx.) gross
- Neill: \$62,537.56 (approx.) gross

### Proposed Payment Schedule

Within 10 days of receipt of HII payment for	Rick	Neill	Note
Truck 1	\$30,000.00	\$30,000.00	Gross
Truck 2	\$30,000.00	\$30,000.00	Gross
Truck 3	\$13,945.25	\$2,537.56	Approx. Gross
<b>Total</b>	<b>\$73,975.25</b>	<b>\$62,537.56</b>	

This chart/communication from Cyberlux shows the amounts still unpaid and due our Clients' salaries, Tucker = \$73,975.25 and Whiteley = \$62,537.56. This communication was included in a communication feed (See attached as Exhibit F) from Aaron Goodman (CFO) on **April 9, 2025, agreeing and acknowledging Cyberlux still owes our Clients their unpaid wages.** (See also "Summary of Payments due Rick and Neill" attached as Exhibit E)

### **CYBERLUX HAS ALSO FAILED THEIR CONTRACTUAL OBLIGATIONS FOR TUCKER AND WHITELEY'S "INCENTIVE PLAN" PAY**

It is undisputed that Tucker and Whiteley performed every aspect of their employment Contract with Cyberlux and are therefore entitled to expectation damages resulting from Cyberlux's breach of Employment Contract. According to the Contract our Clients are entitled to the benefit of their bargain for 12,500,000 shares for the year 2024, valued contractually at \$.05 (Five Cents) per share under Cyberlux's "Incentive Plan."

Cyberlux has failed and continues to fail to pay our Clients' incentive shares per Section 7 of their employment contract, where our Clients are due 12.5 million shares each as of January 2024, as incentive pay based on the net revenue of the company see chart cut-out below. (See also Section 7 in Employment Agreement, Exhibit C).

## 7. Net Revenue Incentive Plan

During your employment, you will be eligible to receive net revenue incentive bonuses of both common stock awards and annual salary increases through the 2025 fiscal year based on the following Net Revenue Incentive Plan. "Net Revenue" is defined as gross revenue less any product

CMW Fiscal Year Net Revenue Achievement	Incentive Stock Award	Executive Annual Base Salary
\$3,000,000	5 million shares	\$160,000
\$5,000,000	7.5 million shares	\$175,000
\$7,500,000	10 million shares	\$200,000
\$10,000,000	12.5 million shares	\$250,000

Beginning January of 2024, based on the net revenue incentive chart above, Cyberlux began paying our Clients' salary at \$250,000 per year as stated in the chart above, because the fiscal year net revenue achievement had been met in January 2024, due to an award of a US Government contract in the amount of \$80 million dollars for Drones at manufacturing cost that Clients can't disclose per NDA agreement, but put profits to a measure that easily met achievement requirement for maximum Incentive Levels as highlighted in above listed Incentive Plan chart.

There is no dispute that this Revenue Achievement was met, as evidenced by Cyberlux's increase in our clients' salary to \$250,000 annually in January of 2024 as shown by our Clients' W-2s (see attached 2024 W-2s as exhibit G), where they made almost \$250k with bonuses even though Cyberlux, without warning, failed to pay all employee salaries (including our Clients) in September and October of 2024. Our Clients' 2024 salary (\$250,000) is **stated in the above chart right alongside the Incentive Stock Award of 12.5 million shares.**

By increasing Tucker and Whiteley's salary to \$250k per year, Cyberlux admits that the requirement for the incentive stock shares has been met, although **this fact is not in dispute by Cyberlux who is aware they have not paid the shares, admitted to it and have given excuse after excuse for failing to transfer said shares to our clients.**

Please see our Clients' most recent stock transfer statements, attached as Exhibit H, showing that **our clients only ever received 25 million shares, and never received the additional 12.5 million in Incentive Shares** per their Employment Contract. Also, please see below communication cut-out from April 9, 2025, communication from Cyberlux (Exhibit E), which lists that **the only shares they have transferred is the 25 million shares from the Purchase Agreement, and not the additional 12.5 million unpaid Incentive Shares due our Clients under the Employment Contract.**

### **Purchase Agreement**

- Complete the last two share transfers (5 million each) for a total of 10 million to each of Rick and Neill. This results in a total of 25 million shares each.
- Status: Completed at the Transfer Agent

Although the incentive shares should have been issued simultaneous with the salary increase as mentioned in the chart above, **Cyberlux has failed now for over 18 months to issue our Clients these additional shares. Cyberlux does not dispute these incentive shares have not been paid.** Therefore, there is no question that Cyberlux is in breach of Employment Contract in this regard and are entitled to financial remuneration for said breach of Contract.

**CYBERLUX HAS ALREADY ESTABLISHED THE CASH VALUE OF UNPAID SHARES, THERE IS NO DISPUTE ON VALUE OF EXPECTATION DAMAGES**

Per the Contract, **these shares have an agreed outstanding cash value of \$.05 (Five Cents) per share** X 12.5 million shares = \$625,000 for each of our Clients, and thus our Clients are entitled to this amount in expectation damages.

According to the Purchase Agreement, Tucker and Whiteley were to receive additional cash payments and stock issuances over time under their Employment Contract. The Purchase Agreement in relevant part states (Section 1.02, and continued in part 1.03 (c), and 1.04(a)):

Section 1.02:

a payment of \$100,000 at closing each to Tucker and Whiteley and a commitment at closing to make certain additional cash payments, employment commitments and stock issuances over time pursuant to this agreement and described herein as **“Subsequent Consideration.”**

Section 1.03 (c):

**(c)** Tucker and Whiteley each enter into employment agreements with the Company attached to this Agreement including a term that mandates increased annual base salary upon the filing of annual reports by the Company that achieve certain specified net revenue targets as specified in the employment agreement.

(See purchase Agreement attached as Exhibit B).

Additionally, the **stock issuances over time, conveniently, may be issued as cash instead to affect a guaranteed price of \$.05 (Five Cents) per share for our Clients’ shares**, as mentioned in relevant part in the Purchase Agreement, but irrespective of whether they are issued **in cash or stock they are contractually valued at \$.05 per share** as mentioned in Section 1.04 (a) of the Purchase Agreement:

Section 1.04 (a):

Sellers at the option of Cyberlux shall receive either a cash payment equal to the difference between the highest 100-day moving average price of Cyberlux common shares or an additional share issuance of enough shares priced at the 50-day moving average to make up the difference between the highest 100-day moving average price of Cyberlux common shares and the \$0.05 goal price.

(See purchase Agreement attached as Exhibit B).

**This provision contractually establishes the expectation damages value of shares issued to our clients' and states the price our clients should expect is \$0.05 (Five Cents) per share.** Since Cyberlux has breached our Clients' employment contracts since January 2024, by failing and continuing to fail to pay our Clients their contractually required Incentive Shares, **our clients expectation damages are \$0.05 (Five Cents) per share on the 12.5 million shares they never received. Thus, Cyberlux clearly owes Tucker and Whiteley \$625,000 each (\$1,250,000 cumulatively) in expectation damages for these unpaid shares.** *See Range v. Calvary Christian Fellowship, 530 S.W.3d 818, 823, "a party prevailing on its breach-of-contract claim may recover expectation damages, that is, the party may recover as damages the amount necessary to place it in the position it would have occupied if the contract had been performed."* Nonetheless, **the expectation damages of \$0.05 per share are undisputed, therefore no trial or lawsuit is required, just payment of Cyberlux's debt to our Clients as stated in plain language terms in Contract drafted by Cyberlux.**

Although there is no dispute regarding the \$0.05 expectation cash value of said stock, if there were any dispute over such language, Cyberlux drafted this contract and any ambiguity is to be construed against the drafter of such provision as required by law. *See Gonzalez v. Mission Am. Ins. Co., 795 S.W.2d 734, 737 (Tex. 1990)* (requiring the construction of contractual ambiguity "against the party who drafted it since the drafter is responsible for the language used").

Nonetheless, there is no dispute regarding the \$0.05 expectation value and should be paid immediately, as **this is unpaid employment compensation due our Clients from Cyberlux, and is thus a priority payroll debt.**

Further, Cyberlux must cure their Breach of Contract via cash to remunerate our clients for their Incentive Shares pay as it undisputed Cyberlux has failed to pay these shares for over 18 months now. Thus, **our clients are entitled to recover these expectation damages as a result of Cyberlux's failure to pay, and continuing failure to pay their priority payroll debt.**

### **TUCKER'S CONSEQUENTIAL DAMAGES**

Lastly, in 2024, Tucker bought a home generator from Home Depot on 12 months same as cash financing (which requires making all scheduled payments in order to have no interest), believing he would be receiving a regular salary. However, in September and October of 2024, Cyberlux did not pay their employees at all, including our clients.

Because of this, Tucker was unable to make a payment on this account, resulting in reversion of the account to full interest charges in the amount of \$8500, which would never have

occurred had Tucker been able to make all scheduled payments on time. These consequential damages are reasonably foreseeable should an employer not pay its employees.

Furthermore, like the other damages, Cyberlux acknowledged they were responsible and would pay. This time it was admitted to in a meeting with Aaron Goodman (Cyberlux CFO) where Cyberlux admitted it owed this money to Tucker. Whiteley and Patrick Godfrey (new director of HR for Cyberlux) were also in attendance at this meeting as well. These facts are also confirmed in our Clients' Declarations (attached as Exhibit A).

### CONCLUSION AND PRAYER

Cyberlux has breached its Employment Contracts with our Clients ~~time and time again~~. **To this day, Cyberlux has failed, and continues to fail to pay our Clients what they are lawfully due under the Contract.** Therefore, our Clients Rick Tucker and Neill Whiteley are entitled to participate in Receivership action in connection with Cause #202448085, and styled as ATLANTIC WAVE HOLDINGS, LLC and SECURE COMMUNITY, LLC vs. CYBERLUX CORPORATION and MARK D. SCHMIDT, as follows:

- a. Tucker = \$73,975.25 in back owed salary and bonuses, \$625,000.00 for unpaid incentive shares, and \$8500 in consequential damages, resulting in a sum total of **\$707,475.25 for Tucker**, as detailed below.
- b. Whiteley = \$62,537.56, in back owed salary and bonuses, \$625,000.00 for unpaid incentive shares, resulting in a sum total of **\$687,537.56 for Whiteley**, detailed below.
- c. **The combined sum total of both Clients' damages from Cyberlux's Breach of Employment Contracts is \$1,395,012.81, including attorney fees (25% of total) the total is \$1,860,017.08.** See attached attorney fee Declaration as Exhibit i.

It is our prayer, with gratitude in advance, that Honorable Receiver and/or Court, will with all haste, immediately apportion Rick Tucker and Neill Whiteley their damages in full, together with their reasonable attorney fees, from the amount recovered from Cyberlux in the aforementioned case.

Sincerely,



Daniel A. Ardmore  
Texas Bar #24142224  
Ardmore Law Firm, PLLC  
16219 Lakewood Grove Dr  
Tomball, TX 77377

## EXHIBIT A

### VERIFICATION AND UNSWORN DECLARATION

#### VERIFICATION

My name is Phillip (Rick) Tucker I have read the attached “VERIFIED CLAIM NOTIFICATION AND DEMAND” and every factual statement contained therein is within my personal knowledge and is true and correct.

#### UNSWORN DECLARATION

My name is Phillip (Rick) Tucker. My business address is 105 Canvas Back Dr Montgomery, TX 77316, United States. My date of birth is 11/26/1977, and I am competent to give this declaration. Every factual statement contained herein is within my personal knowledge and is true and correct.

1. “I recently became aware of the receiver action in Cause #202448085, styled as ATLANTIC WAVE HOLDINGS, LLC and SECURE COMMUNITY, LLC vs. CYBERLUX CORPORATION and MARK D. SCHMIDT.”
2. “In my experience with Cyberlux Corporation, they have made it their standard practice to evade creditors, financially mismanage their company, and even intentionally short their own employees' paychecks, in an effort to allow upper management to fatten their wallets.”
3. “Since October 30, 2014, my partner and I, Neill Whitely (“Whitely”) have put all our time, effort, savings, blood, sweat, and tears, into building Catalyst Machineworks, LLC from scratch.”
4. “We were approached by Cyberlux in January and February of 2022, and based on Cyberlux’s representations of being a successful, responsible, publicly traded, and financially viable company, we decided to sell our company to Cyberlux.”
5. “On March 28, 2022, we closed on sale of their company to Cyberlux in exchange for a small amount of cash and **25 million in Cyberlux shares (10 million at closing and 3**

payments of 5 million shares each year thereafter) to be valued at \$.05 (Five Cents) per share.”

6. “Also, as a part of the Purchase Contract, we entered into a three-year Employment Contract on March 30, 2022, at Cyberlux’s request, to continue to managing the business.”
7. “As a part of our Employment Contract, we are entitled to salary, bonuses, and additional “Incentive Program” shares (“Incentive Shares”) per a detailed schedule in the Employment Contract, also to be valued at \$.05 (Five Cents) per share.”
8. “As soon as the closing paperwork was signed, Cyberlux immediately began to slow pay the agreed upon number of shares right out of the gate.”
9. “After years of waiting, Cyberlux managed to pay us the 25 million shares under the Purchase Agreement but have completely failed to pay us the 12.5 million Incentive Plan shares we are owed under the Employment Contract.”
10. “Since then, Cyberlux began to miss paychecks, annual bonuses, compensation of Incentive Shares, and ultimately “temporarily reduced” our salary for a portion of 2024 per year, to be “repaid later” and have failed to catch up this remaining payroll since.”
11. “On August 8, 2024, we received an email from Cyberlux stating that our pay would be “temporarily reduced” by \$75,000 per year, due to Cyberlux’s financial woes, which would be repaid later.”
12. “We have it in writing from Cyberlux that it understands it still owes these unpaid wages and that it intended to pay this amount after the third HII shipment. However, Cyberlux never followed through on its promises, and our payroll has never been fully caught up.”
13. “We were under no obligation to wait for our pay, but we continued to hope and patiently wait, having no other alternative, which of course was very stressful.”

14. "Cyberlux has continued to fail to make good on their payroll obligations to us. **The amount of cash payroll payments still due is, myself = \$73,975.25, and Whitely = \$62,537.56.**"
15. **"Cyberlux agrees it owes this amount, does not dispute it, and promised it would finally pay after truck 3, but never did. Other attachments are included here which show this"**
16. "On April 9, 2025, Aaron Goodman (CFO of Cyberlux) acknowledged and agreed that Cyberlux still owes us our unpaid wages."
17. "Also in April of 2025, Cyberlux initiated a layoff claiming they are still having financial difficulties. However, in this "layoff", we were the only two employees who were laid off and **we are still owed back pay and incentive shares.**"
18. "It is undisputed that we performed every aspect of the employment Contract with Cyberlux. According to the Employment Contract we are entitled to 12.5 million shares for the year 2024, valued at \$.05 (Five Cents) per share under Cyberlux's Incentive Plan."
19. "Cyberlux has failed and continues to fail to pay our incentive shares per their employment contract."
20. "Cyberlux does not dispute and agrees that they have not paid us 12.5 million shares under our Employment Contract for Incentive Plan."
21. "We are due 12.5 million shares each as of January 2024, as incentive pay based on the net revenue of the company per our Employment Contract."
22. "Beginning January of 2024, based on the net revenue incentive chart above, Cyberlux began paying our salary at \$250,000 per year as stated in the Employment Contract, because the fiscal year net revenue achievement had been met in January 2024, due to an award of a US Government contract in the amount of \$80 million dollars, for Drones."

23. "There is no dispute that this Revenue Achievement was met. This is further evidenced by Cyberlux's increase in our salary to \$250,000 beginning January of 2024"
24. "Our 2024 salary is stated in the Employment Contract chart right alongside the incentive stock award of 12.5 million shares, which should have also been paid to us in January, but never was."
25. "Cyberlux admits that the requirement for the incentive stock shares has been met, but have given excuse after excuse for failing to transfer our shares to us."
26. "We have attached our most recent stock transfer statements showing that we only ever received the 25 million shares from the purchase agreement, but never received the 12.5 million in Incentive Shares per our Employment Contract."
27. "Cyberlux has failed now for over 18 months to issue us these additional shares per our Employment Contract. Again, **Cyberlux does not dispute these incentive shares have not been paid.**"
28. "Per our Contract, these shares have an agreed cash value of \$.05 (Five Cents) per share, which is what we understood and expected to get from Cyberlux per the Purchase Agreement."
29. "For these 12.5 million incentive plan shares, Cyberlux now owes \$625,000 each in expectation damages on these shares, because they have failed and continue to fail to issue us the share it owes us."
30. "Lastly, in 2024, I bought a home generator from Home Depot on 12 months same as cash financing (which requires making all scheduled payments in order to have no interest), believing I would be receiving a regular salary."
31. "However, in September and October of 2024, Cyberlux did not pay their employees at all, including our salaries."

32. "Because of this, I was unable to make a payment on this account, resulting in reversion of the account to full interest charges in the amount of \$8500, which would never have occurred had I been able to make all scheduled payments on time."

33. "Like the other amounts due us, Cyberlux has acknowledged they were responsible and said would pay, in a meeting with Aaron Goodman (Cyberlux CFO) where Cyberlux admitted it owed this money to me. Whitely and Patrick Godfrey (new director of HR for Cyberlux) were also in attendance at this meeting as well."

34. "Again, there is no dispute here, as Cyberlux has already admitted and/or agreed they owe us these amounts, and have failed to pay. As a result, Cyberlux owes us the following in Breach of Contract/Expectation Damages:

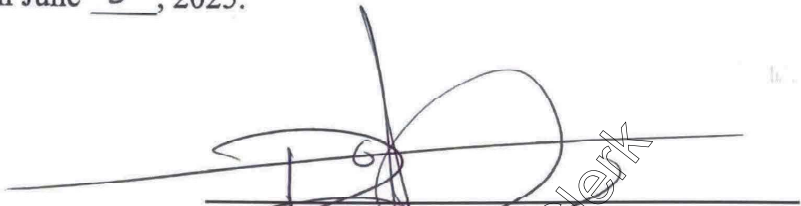
- a. Myself = \$73,975.25 in back owed salary and bonuses, \$625,000.00 for unpaid incentive shares, and \$8500 in consequential damages, resulting in a sum total of **\$707,475.25 for Myself.**
- b. Whitely = \$62,537.56, in back owed salary and bonuses, \$625,000.00 for unpaid incentive shares, resulting in a sum total of **\$687,537.56 for Whitely.**
- c. **The combined sum total of both Clients' damages from Cyberlux's Breach of Employment Contracts is \$1,395,012.81, including attorney fees (25% of the total) the total is \$1,860,017.08.**"

35. "It is my prayer, with gratitude in advance, that Honorable Receiver and/or Court, will with all haste, immediately apportion us our damages in full, together with their reasonable attorney fees, from the amount recovered from Cyberlux."

36. "Further Declarant sayeth not."

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Harris County, Texas, on June 3, 2025.



Philip (Rick) Tucker  
Declarant

Unofficial Copy Office of Marilyn Burgess District Clerk

## VERIFICATION AND UNSWORN DECLARATION

### VERIFICATION

My name is Neill Whiteley. I have read the attached "VERIFIED CLAIM NOTIFICATION AND DEMAND" and every factual statement contained therein is within my personal knowledge and is true and correct.

### UNSWORN DECLARATION

My name is Neill Whiteley. My business address is 105 Canvas Back Dr Montgomery, TX 77316, United States. My date of birth is 9/26/75, and I am competent to give this declaration. Every factual statement contained herein is within my personal knowledge and is true and correct.

1. "I recently became aware of the receiver action in Cause #202448085, styled as ATLANTIC WAVE HOLDINGS, LLC and SECURE COMMUNITY, LLC vs. CYBERLUX CORPORATION and MARK D. SCHMIDT."
2. "In my experience with Cyberlux Corporation, they have made it their standard practice to evade creditors, financially mismanage their company, and even intentionally short their own employees' paychecks, in an effort to allow upper management to fatten their wallets."
3. "Since October 30, 2014, my partner, Phillip (Rick) Tucker ("Tucker") and I have put all our time, effort, savings, blood, sweat, and tears, into building Catalyst Machineworks, LLC from scratch."
4. "We were approached by Cyberlux in January and February of 2022, and based on Cyberlux's representations of being a successful, responsible, publicly traded, and financially viable company, we decided to sell our company to Cyberlux."
5. "On March 28, 2022, we closed on sale of their company to Cyberlux in exchange for a small amount of cash and **25 million in Cyberlux shares (10 million at closing and 3**

**payments of 5 million shares each year thereafter)** to be valued at \$.05 (Five Cents) per share.”

6. “Also, as a part of the Purchase Contract, we entered into a three-year Employment Contract on March 30, 2022, at Cyberlux’s request, to continue to managing the business.”
7. “As a part of our Employment Contract, we are entitled to salary, bonuses, and additional “Incentive Program” shares (“Incentive Shares”) per a detailed schedule in the Employment Contract, also to be valued at \$.05 (Five Cents) per share.”
8. “As soon as the closing paperwork was signed, Cyberlux immediately began to slow pay the agreed upon number of shares right out of the gate.”
9. “After years of waiting, Cyberlux managed to pay us the 25 million shares under the Purchase Agreement but have completely failed to pay us the 12.5 million Incentive Plan shares we are owed under the Employment Contract.”
10. “Since then, Cyberlux began to miss paychecks, annual bonuses, compensation of Incentive Shares, and ultimately “temporarily reduced” our salary for a portion of 2024 per year, to be “repaid later” and have failed to catch up this remaining payroll since.”
11. “On August 8, 2024, we received an email from Cyberlux stating that our pay would be “temporarily reduced” by \$75,000 per year, due to Cyberlux’s financial woes, which would be repaid later.”
12. “We have it in writing from Cyberlux that it understands it still owes these unpaid wages and that it intended to pay this amount after the third HII shipment. However, Cyberlux never followed through on its promises, and our payroll has never been fully caught up.”
13. “We were under no obligation to wait for our pay, but we continued to hope and patiently wait, having no other alternative, which of course was very stressful.”

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- a. Tucker = \$73,975.25 in back owed salary and bonuses, \$625,000.00 for unpaid incentive shares, and \$8500 in consequential damages, resulting in a sum total of **\$707,475.25 for Tucker.**
  - b. Myself = \$62,537.56, in back owed salary and bonuses, \$625,000.00 for unpaid incentive shares, resulting in a sum total of **\$687,537.56 for myself.**
  - c. **The combined sum total of both our damages from Cyberlux's Breach of Employment Contracts is \$1,395,012.81, including attorney fees (25% of the total) the total is \$1,860,017.08.**
35. "It is my prayer, with gratitude in advance, that Honorable Receiver and/or Court, will with all haste, immediately apportion us our damages in full, together with their reasonable attorney fees, from the amount recovered from Cyberlux."
36. "Further Declarant sayeth not."

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Harris County, Texas, on June 3, 2025.



---

Neill Whiteley  
Declarant

Unofficial Copy Office of Marilyn Burgess District Clerk

**EXHIBIT B**

**PURCHASE AGREEMENT**

whereby

**CYBERLUX CORPORATION**

shall acquire

**CATALYST MACHINEWORKS, LLC**

dated as of

MARCH 30, 2022

*Unofficial Copy Office of Marilyn Burgess District Clerk*

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# PURCHASE AGREEMENT

This Purchase Agreement (this "**Agreement**"), dated as of March 28, 2022, is entered into between Phillip (Rick) Tucker ("**Tucker**") and Neill Whiteley ("**Whiteley**"), the sole and complete interest holders ("**Sellers**") in Catalyst Machineworks, LLC, a Texas limited liability company, and Cyberlux Corporation, a Nevada corporation ("**Buyer**"). Capitalized terms used in this Agreement have the meanings given to such terms herein.

## RECITALS

**WHEREAS**, Sellers own all of the issued and outstanding interests, (the "**Interests**"), in Catalyst Machineworks, LLC, a Texas limited liability company, having its principal place of business at 105 Canvas Back Drive, Montgomery, TX 77316-1636 (the "**Company**");

**WHEREAS**, this agreement will specify the terms of an exchange whereby Sellers will sell to Buyer their Interests and Buyer will make certain payments to and on behalf of Sellers at closing and over time and shall issue shares of Buyer's common stock at closing and over time in exchange therefore and such shares shall be held by for at least one year.

**WHEREAS**, Sellers wishes to sell to Buyer, and Buyer wishes to purchase from Seller, the Interests, subject to the terms and conditions set forth herein;

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

## ARTICLE I PURCHASE AND SALE

**Section 1.01 Purchase and Sale.** Subject to the terms and conditions set forth herein, at the Closing, Sellers shall sell to Buyer, and Buyer shall purchase from Seller, the Interests, free and clear of any mortgage, pledge, lien, charge, security interest, claim, community property interest, option, equitable interest, restriction of any kind (including any restriction on use, voting, transfer, receipt of income, or exercise of any other ownership attribute), or other encumbrance (each, an "**Encumbrance**").

**Section 1.02 Exchange.** The Interests shall be acquired by Buyer in exchange for the issuance of twenty million shares of Buyer's common stock to Sellers at the Closing free and clear of any Encumbrance (the "**Shares**"), a payment of \$157,000 at Closing for purposes of retirement of Company debt, a payment of \$100,000 at closing each to Tucker and Whiteley and a commitment at closing to make certain additional cash payments, employment commitments and stock issuances over time pursuant to this agreement and described herein as "**Subsequent Consideration.**"

**Section 1.03 Subsequent Consideration.** Subsequent Consideration paid pursuant to the commitment stated herein shall include

- (a) payments of \$100,000 to both Tucker and Whiteley at the three month, six month, nine month, and twelve month periods after the closing date, for a total payment of

\$400,000 to Tucker and \$400,000 to Whiteley, provided that each Tucker and Whiteley remain employed by Cyberlux Corporation or a Cyberlux-owned subsidiary,

(b) issuance of 5 million additional shares of Buyer's common stock to both Tucker and Whiteley, issued annually for three years on the anniversary of the signing of this agreement, for a total of 15 million additional shares to Tucker and 15 million additional shares to Whiteley, which shall be subject to any stock splits that may be declared by Buyer, provided that each Tucker and Whiteley remain employed by Cyberlux Corporation or a Cyberlux-owned subsidiary, and

(c) Tucker and Whiteley each enter into employment agreements with the Company attached to this Agreement including a term that mandates increased annual base salary upon the filing of annual reports by the Company that achieve certain specified net revenue targets as specified in the employment agreement.

#### **Section 1.04 Trigger Events.**

(a) On the 4<sup>th</sup> anniversary of the execution date of this Agreement, if Cyberlux share price has not reached \$0.05 or more as the 100-day moving average share price, Sellers at the option of Cyberlux shall receive either a cash payment equal to the difference between the highest 100-day moving average price of Cyberlux common shares or an additional share issuance of enough shares priced at the 50-day moving average to make up the difference between the highest 100-day moving average price of Cyberlux common shares and the \$0.05 goal price.

(b) Should within the three years of the execution of this Agreement, Cyberlux file for Bankruptcy or actions are taken by Cyberlux or the Company to initiate not-for-cause termination of either of Sellers employment, then Cyberlux shall instead at the option of either of Sellers be required to exercise best efforts to spin-off the Company as a separate legal business entity to be managed by Sellers and vested with all of the intellectual property possessed by the Company and or the Sellers prior to the execution of March 9<sup>th</sup> Letter Agreement for Cyberlux Corporation Acquisition of Catalyst Machineworks, LLC ("Legacy IP"). The Legacy IP which shall become the property of the described spin-off shall include that which pertains to Cinema products, Hobby products and Law Enforcement products, as well as all pertinent information related to Sellers customers, products, inventory, and personnel prior to the March 9<sup>th</sup> execution date.

**Section 1.05** The term "**Disclosure Schedules**" means the disclosure schedules, attached hereto and made a part hereof, delivered by Sellers concurrently with the execution, closing, and delivery of this Agreement.

## **ARTICLE II CLOSING**

**Section 2.01 Closing.** The closing of the transactions contemplated by this Agreement (the "**Closing**") shall take place simultaneously with the execution of this Agreement on the date of this Agreement (the "**Closing Date**") at the offices of Watts Law PLLC or remotely by exchange

of documents and signatures (or their electronic counterparts). The consummation of the transactions contemplated by this Agreement shall be deemed to occur at 12:01 a.m. eastern standard time on the Closing Date.

**Section 2.02 Sellers Closing Deliverables.** At the Closing, Sellers shall deliver to Buyer the following:

(a) Certificates evidencing the Interests, free and clear of all Encumbrances, duly endorsed in blank.

(b) A certificate of the Secretary (or other officer) of Sellers certifying: (i) that attached thereto are true and complete copies of the operating agreements for the Company, including any amendments or restatements thereof, and a representation that such agreements are in full force and effect (collectively, the "**Transaction Documents**"); and (ii) the names, titles, and signatures of all members of Sellers.

(c) A good standing certificate (or its equivalent) for the Company from the secretary of state or similar Governmental Authority of the jurisdiction in which the Company is organized and each jurisdiction where the Company is required to be qualified, registered, or authorized to do business. The term "**Governmental Authority**" means any federal, state, local, or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any arbitrator, court, or tribunal of competent jurisdiction.

(d) A certificate pursuant to Treasury Regulations Section 1.1445-2(b) that Sellers is not a foreign person within the meaning of Section 1445 of the Internal Revenue Code of 1986 (as amended, the "**Code**").

**Section 2.03 Buyer's Deliveries.** At the Closing, Buyer shall deliver the following to Seller:

(a) Certificate(s) reflecting the issuance of the Shares or evidence of an electronic record reflecting issuance of same.

(b) A certificate of the Secretary (or other officer) of Buyer certifying: (i) that attached thereto are true and complete copies of all resolutions of the board of directors of Buyer authorizing the execution, delivery, and performance of this Agreement and the Transaction Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby, and that such resolutions are in full force and effect; and (ii) the names, titles, and signatures of the officers of Buyer authorized to sign this Agreement and the other Transaction Documents to which it is a party.

### ARTICLE III REPRESENTATIONS AND WARRANTIES OF SELLER

Sellers represents and warrants to Buyer that the statements contained in this ARTICLE III are true and correct as of the date hereof. For purposes of this ARTICLE III, "**Seller's knowledge**,"

"**knowledge of Seller**," and any similar phrases shall mean the actual or constructive knowledge of any director or officer of Seller, after due inquiry.

**Section 3.01 Organization and Authority of Seller.** Sellers have full power and authority to enter into this Agreement and the other Transaction Documents to which Sellers are a party, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Sellers of this Agreement and any other Transaction Document to which Sellers is a party, the performance by Sellers of its obligations hereunder and thereunder, and the consummation by Sellers of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Seller. This Agreement and each Transaction Document to which Sellers is a party constitute legal, valid, and binding obligations of Sellers enforceable against Sellers in accordance with their respective terms.

**Section 3.02 Organization, Authority, and Qualification of the Company.** The Company is a limited liability company duly organized, validly existing, and in good standing under the Laws of the state of Texas and has full power and authority to own, operate, or lease the properties and assets now owned, operated, or leased by it and to carry on its business as it has been and is currently conducted. Section 3.02 of the Disclosure Schedules sets forth each jurisdiction in which the Company is licensed or qualified to do business, and the Company is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business as currently conducted makes such licensing or qualification necessary.

**Section 3.03 Investment Purpose.** Sellers are acquiring the Shares solely for its own account for investment purposes and not with a view to, or for offer or sale in connection with, any distribution thereof or any other security related thereto within the meaning of the Securities Act of 1933, as amended (the "**Securities Act**"). Buyer acknowledges that Sellers has not registered the offer and sale of the Shares under the Securities Act or any state securities laws, and that the Shares may not be pledged, transferred, sold, offered for sale, hypothecated, or otherwise disposed of except pursuant to the registration provisions of the Securities Act or pursuant to an applicable exemption therefrom and subject to state securities laws and regulations, as applicable.

**Section 3.04 Capitalization.**

(a) The Company has issued the Interests properly such that they constitute all of the membership interests of the Company. All of the Interests have been duly authorized, are validly issued and are owned of record and beneficially by Seller, free and clear of all Encumbrances. Upon the transfer, assignment, and delivery of the Shares and exchange of consideration therefore in accordance with the terms of this Agreement, Buyer shall own all of the Interests, free and clear of all Encumbrances.

(b) All of the Interests were issued in compliance with applicable Laws. None of the Interests were issued in violation of any agreement or commitment to which Sellers or the Company is a party or is subject to or in violation of any preemptive or similar rights of any individual, corporation, partnership, joint venture, limited liability company,

Governmental Authority, unincorporated organization, trust, association, or other entity (each, a "**Person**").

(c) Except as set out in Section 3.03(c) of the Disclosure Schedules, there are no outstanding or authorized options, warrants, convertible securities, stock appreciation, phantom stock, profit participation, or other rights, agreements, or commitments relating to the Interests of the Company or obligating Sellers or the Company to issue or sell any type of interest in the Company. There are no trusts, agreements, proxies, or any type in effect with respect to the voting or transfer of any of the Interests.

**Section 3.05 No Subsidiaries.** The Company does not have, or have the right to acquire, an ownership interest in any other Person except the Subsidiary.

**Section 3.06 No Conflicts or Consents.** The execution, delivery, and performance by Sellers of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) violate or conflict with any provision of the certificate of organization, operating agreement, or other governing documents of Sellers or the Company; (b) violate or conflict with any provision of any statute, law, ordinance, regulation, rule, code, treaty, or other requirement of any Governmental Authority (collectively, "**Law**") or any order, writ, judgment, injunction, decree, determination, penalty, or award entered by or with any Governmental Authority ("**Governmental Order**") applicable to Sellers or the Company; (c) require the consent, notice, or filing with or other action by any Person or require any Permit, license, or Governmental Order; (d) violate or conflict with, result in the acceleration of, or create in any party the right to accelerate, terminate, or modify any contract, lease, deed, mortgage, license, instrument, note, indenture, joint venture, or any other agreement, commitment, or legally binding arrangement, whether written or oral (collectively, "**Contracts**"), to which Sellers or the Company is a party or by which Sellers or the Company is bound or to which any of their respective properties and assets are subject; or (e) result in the creation or imposition of any Encumbrance on any properties or assets of the Company.

**Section 3.07 Financial Statements.** Complete copies of the Company's audited financial statements consisting of the balance sheet of the Company as at December 31 in each of the years 2019, 2020 and 2021, and the related statements of income and retained earnings, stockholders' equity, and cash flow for the years then ended (the "**Financial Statements**") are included in the Disclosure Schedules have been delivered to Buyer. The Financial Statements have been prepared in accordance with generally accepted accounting principles in effect in the United States from time to time ("**GAAP**"), applied on a consistent basis throughout the period involved. The Financial Statements are based on the books and records of the Company and fairly present in all material respects the financial condition of the Company as of the respective dates they were prepared and the results of the operations of the Company for the periods indicated. The balance sheet of the Company as of 2021 is referred to herein as the "**Balance Sheet**" and the date thereof as the "**Balance Sheet Date**". The Company maintains a standard system of accounting established and administered in accordance with GAAP.

**Section 3.08 Undisclosed Liabilities.** The Company has no liabilities, obligations, or commitments of any nature whatsoever, whether asserted, known, absolute, accrued, matured, or otherwise (collectively, "**Liabilities**"), except: (a) those which are adequately reflected or reserved

against in the Balance Sheet as of the Balance Sheet Date; and (b) those which have been incurred in the ordinary course of business consistent with past practice since the Balance Sheet Date and which are not, individually or in the aggregate, material in amount.

**Section 3.09 Absence of Certain Changes, Events, and Conditions.** Since the Balance Sheet Date, and other than in the ordinary course of business consistent with past practice, there has not been, with respect to the Company, any change, event, condition, or development that is, or could reasonably be expected to be, individually or in the aggregate, materially adverse to the business, results of operations, condition (financial or otherwise), or assets of the Company.

**Section 3.10 Material Contracts.**

(a) Section 3.09(a) of the Disclosure Schedules lists each Contract that is material to the Company (such Contracts, together with all Contracts concerning the occupancy, management, or operation of any Real Property (as defined in Section 3.11(a)), being "**Material Contracts**"), including the following:

(i) each Contract of the Company involving aggregate consideration in excess of \$10,000.00 and which, in each case, cannot be cancelled by the Company without penalty or without more than 30 days' notice;

(ii) all Contracts that provide for the indemnification by the Company of any Person or the assumption of any Tax (as defined in Section 3.20(a)), environmental, or other Liability of any Person;

(iii) all Contracts relating to Intellectual Property (as defined in Section 3.12(a)), including all licenses, sublicenses, settlements, coexistence agreements, covenants not to sue, and permissions;

(iv) except for Contracts relating to trade payables, all Contracts relating to indebtedness (including, without limitation, guarantees) of the Company; and

(v) all Contracts that limit or purport to limit the ability of the Company to compete in any line of business or with any Person or in any geographic area or during any period of time.

(b) Each Material Contract is valid and binding on the Company in accordance with its terms and is in full force and effect. None of the Company or, to Seller's knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under) in any material respect, or has provided or received any notice of any intention to terminate, any Material Contract. Complete and correct copies of each Material Contract (including all modifications, amendments, and supplements thereto and waivers thereunder) have been made available to Buyer.

**Section 3.11 Real Property; Title to Assets.**

(a) Section 3.10(a) of the Disclosure Schedules lists all real property in which the Company has an ownership or leasehold (or subleasehold) interest (together with all

buildings, structures, and improvements located thereon, the "**Real Property**"), including: (i) the street address of each parcel of Real Property; (ii) for Real Property that is leased or subleased by the Company, the landlord under the lease, the rental amount currently being paid, and the expiration of the term of such lease or sublease, and any termination or renewal rights of any party to the lease; and (iii) the current use of each parcel of Real Property. Sellers has delivered or made available to Buyer true, correct, and complete copies of all Contracts, title insurance policies, and surveys relating to the Real Property.

(b) The Company has good and valid (and, in the case of owned Real Property, good and indefeasible fee simple) title to, or a valid leasehold interest in, all Real Property and personal property and other assets reflected in the Financial Statements or acquired after the Balance Sheet Date (other than properties and assets sold or otherwise disposed of in the ordinary course of business consistent with past practice since the Balance Sheet Date). All Real Property and such personal property and other assets (including leasehold interests) are free and clear of Encumbrances except for those items set forth in Section 3.10(b) of the Disclosure Schedules.

(c) The Company is not a sublessor or grantor under any sublease or other instrument granting to any other Person any right to possess, lease, occupy, or use any leased Real Property. The use of the Real Property in the conduct of the Company's business does not violate in any material respect any Law, covenant, condition, restriction, easement, license, permit, or Contract and no material improvements constituting a part of the Real Property encroach on real property owned or leased by a Person other than the Company.

### **Section 3.12 Intellectual Property.**

(a) The term "**Intellectual Property**" means any and all of the following in any jurisdiction throughout the world: (i) issued patents and patent applications; (ii) trademarks, service marks, trade names, and other similar indicia of source or origin, together with the goodwill connected with the use of and symbolized by, and all registrations, applications for registration, and renewals of, any of the foregoing; (iii) copyrights, including all applications and registrations; (iv) trade secrets, know-how, inventions (whether or not patentable), technology, and other confidential and proprietary information and all rights therein; (v) internet domain names and social media accounts and pages; and (vi) other intellectual or industrial property and related proprietary rights, interests, and protections.

(b) Section 3.11(b) of the Disclosure Schedules lists all issued patents, registered trademarks, domain names and copyrights, and pending applications for any of the foregoing and all material unregistered Intellectual Property that are owned by the Company (the "**Company IP Registrations**"). The Company owns or has the valid and enforceable right to use all Intellectual Property used in or necessary for the conduct of the Company's business as currently conducted or as proposed to be conducted (the "**Company Intellectual Property**"), free and clear of all Encumbrances. All of the Company Intellectual Property is valid and enforceable, and all Company IP Registrations are

subsisting and in full force and effect. The Company has taken all reasonable and necessary steps to maintain and enforce the Company Intellectual Property.

(c) The conduct of the Company's business as currently and formerly conducted and as proposed to be conducted has not infringed, misappropriated, or otherwise violated and will not infringe, misappropriate, or otherwise violate the Intellectual Property or other rights of any Person. No Person has infringed, misappropriated, or otherwise violated any Company Intellectual Property.

### **Section 3.13 Material Customers and Suppliers.**

(a) Section 3.12(a) of the Disclosure Schedules sets forth each customer who has paid aggregate consideration to the Company for goods or services rendered in an amount greater than or equal to \$10,000.00 for each of the last two most recent fiscal years (collectively, the "**Material Customers**"). The Company has not received any notice, and has no reason to believe, that any of its Material Customers has ceased, or intends to cease after the Closing, to purchase or use its goods or services or to otherwise terminate or materially reduce its relationship with the Company.

(b) Section 3.12(b) of the Disclosure Schedules sets forth each supplier to whom the Company has paid consideration for goods or services rendered in an amount greater than or equal to \$10,000.00 for each of the last two most recent fiscal years (collectively, the "**Material Suppliers**"). The Company has not received any notice, and has no reason to believe, that any of its Material Suppliers has ceased, or intends to cease, to supply goods or services to the Company or to otherwise terminate or materially reduce its relationship with the Company.

**Section 3.14 Insurance.** Section 3.13 of the Disclosure Schedules sets forth a true and complete list of all current policies or binders of insurance maintained by Sellers or its Affiliates (including the Company) and relating to the assets, business, operations, employees, officers, and directors of the Company (collectively, the "**Insurance Policies**"). Such Insurance Policies: (a) are in full force and effect; (b) are valid and binding in accordance with their terms; (c) are provided by carriers who are financially solvent; and (d) have not been subject to any lapse in coverage. Neither Sellers nor any of its Affiliates (including the Company) has received any written notice of cancellation of, premium increase with respect to, or alteration of coverage under, any of such Insurance Policies. All premiums due on such Insurance Policies have been paid. None of Sellers or any of its Affiliates (including the Company) is in default under, or has otherwise failed to comply with, in any material respect, any provision contained in any Insurance Policy. The Insurance Policies are of the type and in the amounts customarily carried by Persons conducting a business similar to the Company and are sufficient for compliance with all applicable Laws and Contracts to which the Company is a party or by which it is bound. For purposes of this Agreement: (x) "**Affiliate**" of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person; and (y) the term "**control**" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or other ownership interests, by contract, or otherwise.

### **Section 3.15 Legal Proceedings; Governmental Orders.**

(a) There are no claims, actions, causes of action, demands, lawsuits, arbitrations, inquiries, audits, notices of violation, proceedings, litigation, citations, summons, subpoenas, or investigations of any nature, whether at law or in equity (collectively, "**Actions**") pending or, to Seller's knowledge, threatened against or by the Company, Seller, or any Affiliate of Seller: (i) relating to or affecting the Company or any of the Company's properties or assets; or (ii) that challenge or seek to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

(b) There are no outstanding, and the Company is in compliance with all, Governmental Orders against, relating to, or affecting the Company or any of its properties or assets.

### **Section 3.16 Compliance with Laws; Permits.**

(a) The Company has complied, and is now complying, with all Laws applicable to it or its business, properties, or assets.

(b) All permits, licenses, franchises, approvals, registrations, certificates, variances, and similar rights obtained, or required to be obtained, from Governmental Authorities (collectively, "**Permits**") in order for the Company to conduct its business, including, without limitation, owning or operating any of the Real Property, have been obtained and are valid and in full force and effect. Section 3.15(b) of the Disclosure Schedules lists all current Permits issued to the Company and no event has occurred that would reasonably be expected to result in the revocation or lapse of any such Permit.

### **Section 3.17 Environmental Matters.**

(a) The terms: (i) "**Environmental Laws**" means all Laws, now or hereafter in effect, in each case as amended or supplemented from time to time, relating to the regulation and protection of human health, safety, the environment, and natural resources, including any federal, state, or local transfer of ownership notification or approval statutes; and (ii) "**Hazardous Substances**" means: (A) "hazardous materials," "hazardous wastes," "hazardous substances," "industrial wastes," or "toxic pollutants," as such terms are defined under any Environmental Laws; (B) any other hazardous or radioactive substance, contaminant, or waste; and (C) any other substance with respect to which any Environmental Law or Governmental Authority requires environmental investigation, regulation, monitoring, or remediation.

(b) The Company has complied, and is now complying, with all Environmental Laws. Neither the Company nor Sellers has received notice from any Person that the Company, its business or assets, or any real property currently or formerly owned, leased, or used by the Company is or may be in violation of any Environmental Law or any applicable Law regarding Hazardous Substances.

(c) There has not been any spill, leak, discharge, injection, escape, leaching, dumping, disposal, or release of any kind of any Hazardous Substances in violation of any Environmental Law: (i) with respect to the business or assets of the Company; or (ii) at, from, in, adjacent to, or on any real property currently or formerly owned, leased, or used by the Company. There are no Hazardous Substances in, on, about, or migrating to any real property currently or formerly owned, leased, or used by the Company, and such real property is not affected in any way by any Hazardous Substances.

### **Section 3.18 Employee Benefit Matters.**

(a) Section 3.17(a) of the Disclosure Schedules contains a true and complete list of each "employee benefit plan" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974 (as amended, and including the regulations thereunder, "ERISA"), whether or not written and whether or not subject to ERISA, and each supplemental retirement, compensation, employment, consulting, profit-sharing, deferred compensation, incentive, bonus, equity, change in control, retention, severance, salary continuation, and other similar agreement, plan, policy, program, practice, or arrangement which is or has been established, maintained, sponsored, or contributed to by the Company or under which the Company has or may have any Liability (each, a "Benefit Plan").

(b) For each Benefit Plan, Sellers has made available to Buyer accurate, current, and complete copies of each of the following: (i) the plan document with all amendments, or if not reduced to writing, a written summary of all material plan terms; (ii) any written contracts and arrangements related to such Benefit Plan, including trust agreements or other funding arrangements, and insurance policies, certificates, and contracts; (iii) in the case of a Benefit Plan intended to be qualified under Section 401(a) of the Code, the most recent favorable determination or national office approval letter issued by the Internal Revenue Service and any legal opinions issued thereafter with respect to the Benefit Plan's continued qualification; (iv) the most recent Form 5500 filed with respect to such Benefit Plan; and (v) any material notices, audits, inquiries, or other correspondence from, or filings with, any Governmental Authority relating to the Benefit Plan.

(c) Each Benefit Plan and related trust has been established, administered, and maintained in accordance with its terms and in substantial compliance with all applicable Laws (including ERISA and the Code). Nothing has occurred with respect to any Benefit Plan that has subjected or could reasonably be expected to subject the Company or, with respect to any period on or after the Closing Date, Buyer or any of its Affiliates, to a civil action, penalty, surcharge, or Tax under applicable Law or which would jeopardize the previously-determined qualified status of any Benefit Plan. All benefits, contributions, and premiums relating to each Benefit Plan have been timely paid in accordance with the terms of such Benefit Plan and all applicable Laws and accounting principles. Benefits accrued under any unfunded Benefit Plan have been paid, accrued, or adequately reserved for to the extent required by GAAP.

(d) The Company has not incurred and does not reasonably expect to incur: (i) any material Liability under Title I or Title IV of ERISA, any related provisions of the Code, or applicable Law relating to any Benefit Plan; or (ii) any Liability to the Pension

Benefit Guaranty Corporation. No complete or partial termination of any Benefit Plan has occurred or is expected to occur.

(e) The Company has not now or at any time within the previous six years contributed to, sponsored, or maintained: (i) any "multiemployer plan" as defined in Section 3(37) of ERISA; (ii) any "single-employer plan" as defined in Section 4001(a)(15) of ERISA; (iii) any "multiple employer plan" as defined in Section 413(c) of the Code; (iv) any "multiple employer welfare arrangement" as defined in Section 3(40) of ERISA; (v) a leveraged employee stock ownership plan described in Section 4975(e)(7) of the Code; or (vi) any other Benefit Plan subject to required minimum funding requirements.

(f) Other than as required under Sections 601 to 608 of ERISA or other applicable Law, no Benefit Plan provides post-termination or retiree welfare benefits to any individual for any reason.

(g) Neither the execution of this Agreement nor any of the transactions contemplated by this Agreement will, either alone or in combination with any other event: (i) entitle any current or former director, officer, employee, independent contractor, or consultant of the Company to any severance pay, increase in severance pay, or other payment; (ii) accelerate the time of payment, funding, or vesting, or increase the amount of compensation (including stock-based compensation) due to any such individual; (iii) limit or restrict the right of the Company to amend or terminate any Benefit Plan; (iv) increase the amount payable under any Benefit Plan; (v) result in any "excess parachute payments" within the meaning of Section 280G(b) of the Code; or (vi) require a "gross-up" or other payment to any "disqualified individual" within the meaning of Section 280G(c) of the Code.

### **Section 3.19 Employment Matters.**

(a) Section 3.18(a) of the Disclosure Schedules lists: (i) all employees, independent contractors, and consultants of the Company; and (ii) for each individual described in clause (i), (A) the individual's title or position, hire date, and compensation, (B) any Contracts entered into between the Company and such individual, and (C) the fringe benefits provided to each such individual. All compensation payable to all employees, independent contractors, or consultants of the Company for services performed on or prior to the Closing Date have been paid in full.

(b) The Company is not, and has not been, a party to or bound by any collective bargaining agreement or other Contract with a union or similar labor organization (collectively, "Union"), and no Union has represented or purported to represent any employee of the Company. There has never been, nor has there been any threat of, any strike, work stoppage, slowdown, picketing, or other similar labor disruption or dispute affecting the Company or any of its employees.

(c) The Company is and has been in compliance in all material respects with: (i) all applicable employment Laws and agreements regarding hiring, employment, termination of employment, plant closings and mass layoffs, employment discrimination,

harassment, retaliation, and reasonable accommodation, leaves of absence, terms and conditions of employment, wages and hours of work, employee classification, employee health and safety, engagement and classification of independent contractors, payroll taxes, and immigration with respect to all employees, independent contractors, and contingent workers; and (ii) all applicable Laws relating to the relations between it and any labor organization, trade union, work council, or other body representing employees of the Company.

### **Section 3.20 Taxes.**

(a) All returns, declarations, reports, information returns and statements, and other documents relating to Taxes (including amended returns and claims for refund) (collectively, "**Tax Returns**") required to be filed by the Company on or before the Closing Date have been timely filed. Such Tax Returns are true, correct, and complete in all respects. All Taxes due and owing by the Company (whether or not shown on any Tax Return) have been timely paid. No extensions or waivers of statutes of limitations have been given or requested with respect to any Taxes of the Company. Sellers have delivered to Buyer copies of all Tax Returns and examination reports of the Company and statements of deficiencies assessed against, or agreed to by, the Company, for all Tax periods ending after 2018, 2019, and 2020. The term "**Taxes**" means all federal, state, local, foreign, and other income, gross receipts, sales, use, production, ad valorem, transfer, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties, or other taxes, fees, assessments, or charges of any kind whatsoever, together with any interest, additions, or penalties with respect thereto.

(b) The Company has not been a member of an affiliated, combined, consolidated, or unitary Tax group for Tax purposes. The Company has no Liability for Taxes of any Person (other than the Company) under Treasury Regulations Section 1.1502-6 (or any corresponding provision of state, local, or foreign Law), as transferee or successor, by contract or otherwise.

(c) There are no liens for Taxes (other than for current Taxes not yet due and payable) upon the assets of the Company.

(d) Sellers is not a "foreign person" as that term is used in Treasury Regulations Section 1.1445-2. The Company is not, nor has it been, a United States real property holding corporation (as defined in Section 897(c)(2) of the Code) during the applicable period specified in Section 897(c)(1)(a) of the Code.

**Section 3.21 Books and Records.** The minute books and share record and transfer books of the Company, all of which are in the possession of the Company and have been made available to Buyer, are complete and correct.

**Section 3.22 Brokers.** No broker, finder, or investment banker is entitled to any brokerage, finder's, or other fee or commission in connection with the transactions contemplated

by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Seller.

**Section 3.23 Full Disclosure.** No representation or warranty by Sellers in this Agreement and no statement contained in the Disclosure Schedules to this Agreement or any certificate or other document furnished or to be furnished to Buyer pursuant to this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

#### **ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Sellers that the statements contained in this Article IV are true and correct as of the date hereof.

**Section 4.01 Organization and Authority of Buyer.** Buyer is a corporation duly organized, validly existing, and in good standing under the Laws of the state of Nevada. Buyer has full corporate power and authority to enter into this Agreement and the other Transaction Documents to which Buyer is a party, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Buyer of this Agreement and any other Transaction Document to which Buyer is a party, the performance by Buyer of its obligations hereunder and thereunder, and the consummation by Buyer of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Buyer. This Agreement and each Transaction Document constitute legal, valid, and binding obligations of Buyer enforceable against Buyer in accordance with their respective terms.

**Section 4.02 No Conflicts; Consents.** The execution, delivery, and performance by Buyer of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) violate or conflict with any provision of the certificate of incorporation, by-laws, or other governing documents of Buyer; (b) violate or conflict with any provision of any Law or Governmental Order applicable to Buyer; or (c) require the consent, notice, declaration, or filing with or other action by any Person or require any Permit, license, or Governmental Order.

**Section 4.03 Investment Purpose.** Buyer is acquiring the Interests solely for its own account for investment purposes and not with a view to, or for offer or sale in connection with, any distribution thereof or any other security related thereto within the meaning of the Securities Act of 1933, as amended (the "**Securities Act**"). Buyer acknowledges that Sellers has not registered the offer and sale of the Interests under the Securities Act or any state securities laws, and that the Interests may not be pledged, transferred, sold, offered for sale, hypothecated, or otherwise disposed of except pursuant to the registration provisions of the Securities Act or pursuant to an applicable exemption therefrom and subject to state securities laws and regulations, as applicable.

**Section 4.04 Brokers.** No broker, finder, or investment banker is entitled to any brokerage, finder's, or other fee or commission in connection with the transactions contemplated

by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Buyer.

## ARTICLE V COVENANTS

**Section 5.01 Confidentiality.** From and after the Closing, Sellers shall, and shall cause its Affiliates and its and their respective directors, officers, employees, consultants, counsel, accountants, and other agents (collectively, "**Representatives**") to, hold in confidence any and all information, in any form, concerning the Company, except to the extent that Sellers can show that such information: (a) is generally available to and known by the public through no fault of Seller, any of its Affiliates, or their respective Representatives; or (b) is lawfully acquired by Seller, any of its Affiliates, or their respective Representatives from and after the Closing from sources which are not prohibited from disclosing such information by any obligation. If Sellers or any of its Affiliates or their respective Representatives are compelled to disclose any information by Governmental Order or Law, Sellers shall promptly notify Buyer in writing and shall disclose only that portion of such information which is legally required to be disclosed; *provided, however*, Sellers shall use reasonable best efforts to obtain as promptly as possible an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.

**Section 5.02 Further Assurances.** Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents and instruments and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement and the other Transaction Documents.

## ARTICLE VI TAX MATTERS

### Section 6.01 Tax Covenants.

(a) Without the prior written consent of Buyer, Sellers shall not, to the extent it may affect or relate to the Company: (i) make, change, or rescind any Tax election; (ii) amend any Tax Return; (iii) take any position on any Tax Return; or (iv) take any action, omit to take any action, or enter into any other transaction that would have the effect of increasing the Tax liability or reducing any Tax asset of Buyer or the Company, in respect of any taxable period that begins after the Closing Date or, in respect of any taxable period that begins before and ends after the Closing Date (each such period, a "**Straddle Period**"), the portion of any Straddle Period beginning after the Closing Date.

(b) All transfer, documentary, sales, use, stamp, registration, value added, and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the other Transaction Documents shall be borne and paid by Sellers when due. Sellers shall, at its own expense, timely file any Tax Return or other document with respect to such Taxes or fees (and Buyer shall cooperate with respect thereto as necessary).

(c) Buyer shall prepare, or cause to be prepared, all Tax Returns required to be filed by the Company after the Closing Date with respect to any taxable period or portion thereof ending on or before the Closing Date and all Straddle Period Tax Returns. Any such Tax Return shall be prepared in a manner consistent with past practice (unless otherwise required by Law) and without a change of any election or any accounting method.

**Section 6.02 Straddle Period.** In the case of Taxes that are payable with respect to a Straddle Period, the portion of any such Taxes that are allocated to Pre-Closing Tax Periods (as defined in Section 6.04) for purposes of this Agreement shall be: (a) in the case of Taxes: (i) based upon, or related to, income, receipts, profits, wages, capital, or net worth; (ii) imposed in connection with the sale, transfer, or assignment of property; or (iii) required to be withheld, the amount of Taxes which would be payable if the taxable year ended with the Closing Date; and (b) in the case of other Taxes, the amount of such Taxes for the entire period multiplied by a fraction, the numerator of which is the number of days in the period ending on the Closing Date and the denominator of which is the number of days in the entire period.

**Section 6.03 Termination of Existing Tax Sharing Agreements.** Any and all existing Tax sharing agreements (whether written or not) binding upon the Company shall be terminated as of the Closing Date. After such date neither the Company, Seller, nor any of Seller's Affiliates and their respective Representatives shall have any further rights or liabilities thereunder.

**Section 6.04 Tax Indemnification.** Sellers shall indemnify the Company, Buyer, and each Buyer Indemnitee (as defined in Section 7.01) and hold them harmless from and against (a) any loss, damage, liability, deficiency, Action, judgment, interest, award, penalty, fine, cost or expense of whatever kind (collectively, including reasonable attorneys' fees and the cost of enforcing any right to indemnification under this Agreement, "Losses") attributable to any breach of or inaccuracy in any representation or warranty made in Section 3.20; (b) any Loss attributable to any breach or violation of, or failure to fully perform, any covenant, agreement, undertaking, or obligation in ARTICLE VI; (c) all Taxes of the Company or relating to the business of the Company for all Pre-Closing Tax Periods (as defined below); (d) all Taxes of any member of an affiliated, consolidated, combined, or unitary group of which the Company (or any predecessor of the Company) is or was a member on or prior to the Closing Date by reason of a liability under Treasury Regulation Section 1.1502-6 or any comparable provisions of foreign, state, or local Law; and (e) any and all Taxes of any Person imposed on the Company arising under the principles of transferee or successor liability or by contract, relating to an event or transaction occurring before the Closing Date. In each of the above cases, together with any out-of-pocket fees and expenses (including attorneys' and accountants' fees) incurred in connection therewith, Sellers shall reimburse Buyer for any Taxes of the Company that are the responsibility of Sellers pursuant to this Section 6.04 within ten business days after payment of such Taxes by Buyer or the Company. The term "Pre-Closing Tax Period" means any taxable period ending on or before the Closing Date and, with respect to any taxable period beginning before and ending after the Closing Date, the portion of such taxable period ending on and including the Closing Date.

**Section 6.05 Cooperation and Exchange of Information.** Sellers and Buyer shall provide each other with such cooperation and information as either of them reasonably may request of the other in filing any Tax Return pursuant to this ARTICLE VI or in connection with any

proceeding in respect of Taxes of the Company, including providing copies of relevant Tax Returns and accompanying documents. Each of Sellers and Buyer shall retain all Tax Returns and other documents in its possession relating to Tax matters of the Company for any Pre-Closing Tax Period (collectively, "**Tax Records**") until the expiration of the statute of limitations of the taxable periods to which such Tax Records relate.

**Section 6.06 Survival.** Notwithstanding anything in this Agreement to the contrary, the provisions of Section 3.20 and this ARTICLE VI shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation, or extension thereof) plus 60 days.

## ARTICLE VII INDEMNIFICATION

**Section 7.01 Indemnification by Seller.** Subject to the other terms and conditions of this ARTICLE VII, Sellers shall indemnify and defend each of Buyer and its Affiliates (including the Company) and their respective Representatives (collectively, the "**Buyer Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Buyer Indemnitees based upon, arising out of, with respect to, or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of Sellers contained in this Agreement or the other Transaction Documents; or
- (b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Sellers pursuant to this Agreement or the other Transaction Documents.

**Section 7.02 Indemnification by Buyer.** Subject to the other terms and conditions of this ARTICLE VII, Buyer shall indemnify and defend each of Sellers and its Affiliates and their respective Representatives (collectively, the "**Sellers Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Sellers Indemnitees based upon, arising out of, with respect to, or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of Buyer contained in this Agreement or the other Transaction Documents; or
- (b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Buyer pursuant to this Agreement.

**Section 7.03 Indemnification Procedures.** Whenever any claim shall arise for indemnification hereunder, the party entitled to indemnification (the "**Indemnified Party**") shall promptly provide written notice of such claim to the other party (the "**Indemnifying Party**"). In connection with any claim giving rise to indemnity hereunder resulting from or arising out of any Action by a Person who is not a party to this Agreement, the Indemnifying Party, at its sole cost and expense and upon written notice to the Indemnified Party, may assume the defense of any such Action with counsel reasonably satisfactory to the Indemnified Party. The Indemnified Party shall be entitled to participate in the defense of any such Action, with its counsel and at its own cost and

expense. If the Indemnifying Party does not assume the defense of any such Action, the Indemnified Party may, but shall not be obligated to, defend against such Action in such manner as it may deem appropriate, including settling such Action, after giving notice of it to the Indemnifying Party, on such terms as the Indemnified Party may deem appropriate and no action taken by the Indemnified Party in accordance with such defense and settlement shall relieve the Indemnifying Party of its indemnification obligations herein provided with respect to any damages resulting therefrom. The Indemnifying Party shall not settle any Action without the Indemnified Party's prior written consent (which consent shall not be unreasonably withheld or delayed).

**Section 7.04 Survival.** Subject to the limitations and other provisions of this Agreement, the representations and warranties contained herein (other than any representations or warranties contained in Section 3.20 which are subject to ARTICLE VI) and all related rights to indemnification shall survive the Closing and shall remain in full force and effect until the date that is three years from the Closing Date; *provided, however*, the representations and warranties in Section 3.01, Section 3.02, Section 3.04, Section 3.05, Section 3.22, Section 4.01 and Section 4.04 shall survive indefinitely. Subject to ARTICLE VI, all covenants and agreements of the parties contained herein shall survive the Closing indefinitely unless another period is explicitly specified herein. Notwithstanding the foregoing, any claims which are timely asserted in writing by notice from the non-breaching party to the breaching party prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such claims shall survive until finally resolved].

**Section 7.05 Tax Claims.** Notwithstanding any other provision of this Agreement, the control of any claim, assertion, event, or proceeding in respect of Taxes of the Company (including, but not limited to, any such claim in respect of a breach of the representations and warranties in Section 3.20 hereof or any breach or violation of or failure to fully perform any covenant, agreement, undertaking, or obligation in ARTICLE VI) shall be governed exclusively by Article VI hereof.

**Section 7.06 Cumulative Remedies.** The rights and remedies provided for in this ARTICLE VII (and in Article VI) are cumulative and are in addition to and not in substitution for any other rights and remedies available at Law or in equity or otherwise.

## ARTICLE VIII MISCELLANEOUS

**Section 8.01 Expenses.** All costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

**Section 8.02 Notices.** All notices, claims, demands, and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested,

postage prepaid, if sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 8.02):

**If to Seller:**

105 Canvas Back Dr., Montgomery, Texas 77316  
Facsimile: 724-378-7703  
Email: info@catalystmachineworks.com  
Attention: Neill Whiteley

6222 Darby Way, Spring, Texas 77389  
Facsimile: 724-378-7703  
Email: rick@liquidambermedia.com  
Attention: Phillip Tucker

with a copy (which shall not constitute notice) to:

902 22<sup>nd</sup> Street, Aliquippa, PA 15001  
Facsimile: 724-378-7703  
Email: johnahavey@esquire247.com  
Attention: John A. Havey, P.C.

**If to Buyer:**

800 Park Offices Drive, Suite 3209, Durham, NC 27709  
Facsimile: 919-867-2941  
Email: mschmidt@cyberlux.com  
Attention: President & CEO

with a copy (which shall not constitute notice) to:

Watts Law PLLC  
Email: CWatts@me.com  
Attention: Chuck Watts

**Section 8.03 Interpretation; Headings.** This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

**Section 8.04 Severability.** If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement.

**Section 8.05 Entire Agreement.** This Agreement and the other Transaction Documents constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in the other Transaction Documents, any exhibits, and the Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

**Section 8.06 Successors and Assigns.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

**Section 8.07 Amendment and Modification; Waiver.** This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No failure to exercise, or delay in exercising, any right or remedy arising from this Agreement shall operate or be construed as a waiver thereof. No single or partial exercise of any right or remedy hereunder shall preclude any other or further exercise thereof or the exercise of any other right or remedy.

**Section 8.08 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.**

(a) This Agreement shall be governed by and construed in accordance with the internal laws of the State of North Carolina without giving effect to any choice or conflict of law provision or rule (whether of the State of North Carolina or any other jurisdiction). Any legal suit, action, proceeding, or dispute arising out of or related to this Agreement, the other Transaction Documents, or the transactions contemplated hereby or thereby may be instituted in the federal courts of the United States of America or the courts of the State of North Carolina in each case located in the city of Durham and county of Durham, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, proceeding, or dispute.

(b) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL ACTION, PROCEEDING, CAUSE OF ACTION, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT, INCLUDING ANY EXHIBITS AND SCHEDULES ATTACHED TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT: (I) NO REPRESENTATIVE OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION; (II) EACH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER; (III) EACH PARTY MAKES THIS WAIVER KNOWINGLY AND VOLUNTARILY; AND (IV) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

**Section 8.09 Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

Unofficial Copy Office of Marilyn Burgess District Clerk

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

SELLERS NAMES

By \_\_\_\_\_  
Phillip Tucker  
Member, Catalyst Machineworks, LLC

By \_\_\_\_\_  
Neill Whiteley  
Member, Catalyst Machineworks, LLC

Cyberlux Corporation

By Mark D. Schmidt  
Mark Schmidt  
Chief Executive Officer

Unofficial Copy Office of Marina Burgess District Clerk

## EXHIBIT A

### DEFINITIONS CROSS-REFERENCE TABLE

The following terms have the meanings set forth in the location in this Agreement referenced below:

<u>Term</u>	<u>Section</u>
Actions	Section 3.15(a)
Affiliate	Section 3.14
Agreement	Preamble
Balance Sheet	Section 3.07
Balance Sheet Date	Section 3.07
Benefit Plans	Section 3.18(a)
Buyer	Preamble
Buyer Indemnitees	Section 7.01
Closing	Section 2.01
Closing Date	Section 2.01
Code	Section 2.02(d)
Company	Recitals
Company Intellectual Property	Section 3.12(b)
Company IP Registrations	Section 3.12(b)
Contracts	Section 3.06
Disclosure Schedules	Section 1.02
Encumbrance	Section 1.01
Environmental Laws	Section 3.17(a)
ERISA	Section 3.18(a)
Financial Statements	Section 3.07
GAAP	Section 3.07
Governmental Authority	Section 2.02(c)
Governmental Order	Section 3.06
Hazardous Substances	Section 3.17(a)
Indemnified Party	Section 7.03
Indemnifying Party	Section 7.03

Insurance Policies	Section 3.14
Intellectual Property	Section 3.12(a)
Law	Section 3.06
Liabilities	Section 3.08
Losses	Section 6.04
Material Contracts	Section 3.10(a)
Material Customers	Section 3.13(a)
Material Suppliers	Section 3.13(b)
Permits	Section 3.16(b)
Person	Section 3.04(b)
Pre-Closing Tax Period	Section 6.04
Purchase Price	Section 1.02
Real Property	Section 3.11(a)
Representatives	Section 5.01
Restricted Business	N/A
Restricted Period	N/A
Securities Act	Section 4.03
Seller	Preamble
Sellers Indemnitees	Section 7.02
Shares	Recitals
Straddle Period	Section 6.01(a)
Taxes	Section 3.20(a)
Tax Records	Section 6.05
Tax Returns	Section 3.20(a)
Territory	N/A
Transaction Documents	Section 2.02(b)
Union	Section 3.19(b)

## EXHIBIT C

### CATALYST MACHINWORKS, LLC A Cyberlux Company

Neill Whiteley  
105 Canvas Back Dr.,  
Montgomery, Texas 77316

March 30, 2022

Dear Mr. Whiteley,

#### 1. Offer and Position

We are very pleased to extend an offer of employment to you (the "**Employee**") for the position of Director of Engineering and CTO of the Unmanned Aircraft Solutions (UAS) Business Unit of Cyberlux Corporation and Catalyst Machineworks, LLC, a Texas limited liability company, 100% owned by Cyberlux Corporation (the "**Company**"). This offer of employment is conditioned on your satisfactory completion of certain requirements, as more fully explained in this letter, and subject to the terms and conditions set forth in this letter.

#### 2. Duties

In your capacity as Director of Engineering and CTO, you will perform duties and responsibilities that are commensurate with your position and such other duties as may be assigned to you from time to time. You will report directly to Larson Jay Isely, Executive Vice President and General Manager of Cyberlux Corporation's Unmanned Aircraft Solutions (UAS) Business Unit. You agree to devote your full business time, attention and best efforts to the performance of your duties and to the furtherance of the Company's interests.

#### 3. Location

Your principal place of employment shall be at our corporate office located at 21631 Rhodes Rd. Suite A105, Spring, TX 77388, subject to business travel as needed to properly fulfill your employment duties and responsibilities.

#### 4. Start Date and Employment Agreement Duration

Subject to satisfaction of all of the conditions described in this letter, this offer is based on a mutually acceptable start date (the "**Start Date**"). The terms of this Employment Agreement shall remain in force for a duration of three years beginning on the start date with early termination only by mutual agreement of the parties or termination by the Company "for-cause." Upon the completion of the three-year term, continued employment shall be subject to a mutually agreed upon renewal of this agreement, to a new replacement Employment Agreement entered into by the two parties, or by a Texas "at-will" employment relationship between Employee and the Company.

5. Base Salary

In consideration of your services, you will be paid an initial base salary of \$120,000 per year, subject to review from time to time, payable in accordance with the standard payroll practices of the Company and subject to all withholdings and deductions as required by law.

6. Annual Bonus

During your employment, you will be eligible to receive bonus payments of \$10,000 at the end of the following months: May 2022, August 2022, November 2022, March 2023, June 2023, September 2023, and December 2023. You must remain continuously employed through the bonus payment date to be eligible to receive any such bonus payment.

7. Net Revenue Incentive Plan

During your employment, you will be eligible to receive net revenue incentive bonuses of both common stock awards and annual salary increases through the 2025 fiscal year based on the following Net Revenue Incentive Plan. "Net Revenue" is defined as gross revenue less any product

CMW Fiscal Year Net Revenue Achievement	Incentive Stock Award	Executive Annual Base Salary
\$3,000,000	5 million shares	\$160,000
\$5,000,000	5 million shares	\$175,000
\$7,500,000	10 million shares	\$200,000
\$10,000,000	12.5 million shares	\$250,000

returns, contract pricing differences, or any other transactions recognized by generally accepted accounting principles as items that reduce gross revenue to net revenue.

You must remain continuously employed through the bonus payment date to be eligible to receive any such bonus payment.

8. Background Checks and Drug Testing

From time to time, Company may require background checks (including conviction records), and drug testing. By signing this Agreement, Employee agrees to cooperate in taking any such tests, truthfully provide all information for these tests, and sign any consents that may be legally required for the background and credit checks as well as drug testing.

## 9. Confidentiality

9.1 Employee understands that, in the course of employment with Company, Employee will receive certain confidential information concerning Catalyst Machineworks, LLC, 100% owned by Cyberlux Corporation, their customers, methods, processes, pricing and projects ("**Confidential Information**"). Employee agrees to hold in confidence all such Confidential Information and will not use Confidential Information outside the scope of Employee's employment and will not disclose Confidential Information to any third party without Company's prior written consent which consent may be withheld at the sole discretion of Company.

9.2 The parties agree that no confidentiality obligation exists with respect to information which: (i) is in the public domain at the time of disclosure; (ii) enters the public domain through publication or is otherwise rightfully disclosed; or (iii) is rightfully disclosed by a third party.

9.3 Employee's obligations under this Section 9 shall survive termination of this Agreement.

9.4 This Agreement is also considered "Confidential Information" belonging to Company, and Employee shall not disclose any portion thereof to any persons either inside or outside Catalyst Machineworks, LLC, 100% owned by Cyberlux Corporation, unless there is an express need to know, as determined by Company, in its sole discretion. Employee understands that failure to comply with this paragraph may be grounds for dismissal.

## 10. Non-Competition

10.1 Employee agrees that, during the course of employment with Company, Employee will not act in a manner inconsistent with Company interest or benefit and will not, directly or indirectly, engage in any competitive business activity, whether or not such business activity is pursued for profit or other monetary or business advantage.

10.2 Employee agrees that, for a period of twenty-four (24) months following the end of employment with Company, Employee will not solicit for himself or any newly started company or existing company, or aid any competitor of Company or Cyberlux Corporation, or any Catalyst Machineworks, LLC customer in hiring or contracting with any person (i) employed by or under contract with Company or Cyberlux Corporation; or (ii) who was employed by or under contract with Company or Cyberlux Corporation, during the time Employee was employed by Company. "Company or Cyberlux Corporation customer" means any entity or person that was a Company or Cyberlux Corporation customer at any time during Employee's employment with Company or Cyberlux Corporation.

10.3 Employee agrees not to seek employment with any Company or Cyberlux Corporation customer, to whom he has been introduced for a period of twenty-four (24) months following the end of employment with Company unless Company has agreed in writing to waive the provisions of this Section 10.

10.4 Employee agrees that to assist and participate in the conversion process should Cyberlux Corporation elect to convert Employee from employment with Catalyst Machineworks, LLC to employment directly with Cyberlux Corporation.

10.5 Employee's obligations under this Section 10 shall survive termination of this Agreement.

10.6 Each of the restrictions contained in this Section 10 constitutes independent covenants which may be enforced regardless of any other claim as to the making or breach of this or any other section of this Agreement. To the extent any of the foregoing restrictions are overly broad, the restriction shall not be deemed null and void, but shall be enforced to the extent determined by a court of competent jurisdiction to be reasonable and appropriate.

10.7 Notwithstanding all restrictions contained in Section 10.1 through 10.5, should a Trigger Event as described in Section 1.04 (b) of the Purchase Agreement whereby Cyberlux Corporation acquired Catalyst Machineworks, LLC, dated March 30, 2022 be deemed to have taken place as mutually agreed by Employee and the CEO of Cyberlux Corporation, all Non-Competition restrictions in Sections 10.1 through 10.5 herein shall be waived by Cyberlux Corporation.

## 11. Intellectual Property

11.1 Employee understands and agrees that any and all reports, drawings, documentation, inventions and all other work products subject to intellectual property protection (including, but not limited to, copyright, trademark, servicemark, trade secret and patent) which Employee conceives and/or creates during Employee's employment with Company or Cyberlux Corporation shall be considered works made for hire (hereinafter "Work Product") and shall be the sole and exclusive property of Company and Cyberlux Corporation. If by operation of applicable law, any of the Work Product, including all related intellectual property rights, is not owned in its entirety by Company and Cyberlux Corporation, automatically upon creation, then Employee hereby assigns to Company and Cyberlux Corporation, all ownership of all such Work Product, including all related intellectual property rights. Employee agrees to provide any and all assistance required to perfect copyrights, patents, registrations and other protections that may be available to Company.

11.2 Employee agrees not to use any intellectual property belonging to any third party (including, but not limited to, copyrights, trademarks, servicemarks, trade secrets and patents) during the course of Employee's employment with Company or Cyberlux Corporation.

## 12. Benefits and Perquisites

You will be eligible to participate in the employee benefit plans and programs generally available to the Company's executives, including the 401(K) plan, health insurance plan, and life insurance plan when available, on or about Q2 2022, subject to the terms and conditions of such plans and programs. You will be entitled to two weeks (10 business days) of paid vacation days plus ten (10) holidays in accordance with the Company's policies in effect from time to time. You will also be

entitled to the fringe benefits and perquisites that are made available to other similarly situated executives of the Company. The Company reserves the right to amend, modify or terminate any of its benefit plans or programs at any time and for any reason.

### 13. Withholding

All forms of compensation paid to you as an employee of the Company shall be less all applicable withholdings.

### 14. At-will Employment

Following the conclusion of your initial three-year Employment Agreement described herein, Texas is an employment at-will state, meaning your employment will be at-will such that you or the Company may terminate the employment relationship at any time, with or without cause, and with or without notice and for any reason or no particular reason. Although your compensation and benefits may change from time to time, the at-will nature of your employment may only be changed by a newly executed agreement signed by an authorized officer of the Company.

### 15. Miscellaneous

15.1 No amendment, modification or waiver of this Agreement or any of its provisions shall be binding unless made in writing and duly signed by both parties. A failure by either party to enforce any provision of this Agreement shall in no way be construed to be a waiver of such provision. This Agreement constitutes the entire agreement between the parties and supersedes all previous agreements, promises, representations, understandings and negotiations, whether written or verbal. In the event that any provision of this Agreement shall be deemed by any tribunal of competent jurisdiction to be unenforceable, it shall be modified as necessary to render it enforceable to the maximum extent permissible, and shall be enforced accordingly. In the event that, notwithstanding the foregoing, a tribunal of competent jurisdiction shall refuse to enforce any of the provisions contained in this Agreement, the remaining provisions hereof shall not in any way be impaired or affected thereby, unless the absence of the affected provision materially adversely impairs the substantive rights of either party hereto, provided, that in the latter event the parties hereto shall use their best efforts to replace the invalidated provision by a valid, legal and enforceable provision which, insofar as practical, implements the purposes hereof.

15.2 The paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

### 16. Governing Law

This offer letter shall be governed by the laws of North Carolina, without regard to conflict of law principles.

## 17. Representations

By accepting this offer, you represent that you are able to accept this job and carry out the work that it would involve without breaching any legal restrictions on your activities, such as non-competition, non-solicitation or other work-related restrictions imposed by a current or former employer. You also represent that you will inform the Company about any such restrictions and provide the Company with as much information about them as possible, including any agreements between you and your current or former employer describing such restrictions on your activities. You further confirm that you will not remove or take any documents or proprietary data or materials of any kind, electronic or otherwise, with you from your current or former employer to the Company without written authorization from your current or former employer, nor will you use or disclose any such confidential information during the course and scope of your employment with the Company. If you have any questions about the ownership of particular documents or other information, you should discuss such questions with your former employer before removing or copying the documents or information.

We are excited at the prospect of you joining our team. If you have any questions about the above details, please call me immediately. If you wish to accept this position, please sign below and return this letter to me within 3 days. This offer is open for you to accept until March 29, 2022, at which time it will be deemed to be withdrawn.

I look forward to hearing from you.

Yours sincerely,

Larson Jay Isely  
Executive Vice President and General Manager of Unmanned Aircraft Solutions (UAS)  
Cyberlux Corporation

[signature page follows]

On behalf of Catalyst Machineworks, LLC, a wholly owned subsidiary of Cyberlux Corporation:

By *Larson Jay Isely*

Larson Jay Isely

Executive Vice President and General Manager of Unmanned Aircraft Solutions (UAS)  
Cyberlux Corporation

Acceptance of Offer

I have read and understood and I accept all the terms of the offer of employment as set forth in the foregoing letter. I have not relied on any agreements or representations, express or implied, that are not set forth expressly in the foregoing letter, and this letter supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to the subject matter of this letter.

By \_\_\_\_\_

Neill Whiteley

Unofficial Copy Office of Marilyn Burgess District Clerk

## EXHIBIT D

Begin forwarded message:

**From:** Lisa Courtemanche <[lcourtemanche@cyberlux.com](mailto:lcourtemanche@cyberlux.com)>

**Subject:** Salary Adjustment

**Date:** August 8, 2024 at 10:47:18 AM CDT

**To:** Rick Tucker <[rtucker@cyberlux.com](mailto:rtucker@cyberlux.com)>

**Cc:** Mark Schmidt <[mschmidt@cyberlux.com](mailto:mschmidt@cyberlux.com)>

As you are aware, the company is managing through a season of tight cash flow. Your position has been identified as one of Cyberlux's highly compensated employees. Effective 8/5, the company is temporarily reducing your annual compensation of \$250,000 to \$175,000. The salary reduction amount is being accrued and will be payable within 30 days after receipt of the final payment from HII for the drone contract.

Please let me know if you have any questions.

Lisa Courtemanche | Director of HR | Executive Administrator

[lcourtemanche@cyberlux.com](mailto:lcourtemanche@cyberlux.com)

Office: 1-760-597-3727 | Fax: 1-760-597-1510

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Unofficial Copy Office of Marilyn Burgess District Clerk

## EXHIBIT E

### Summary of payments due Rick and Neill

#### Purchase Agreement

- Complete the last two share transfers (5 million each) for a total of 10 million to each of Rick and Neill. This results in a total of 25 million shares each.
- Status: Completed at the Transfer Agent

#### Employment Agreement

- Last 2 of 7 bonus payments to each of Rick and Neil
  - Rick: \$20,000.00 gross
  - Neill: \$20,000.00 gross
  - When: Pending schedule and HII payments
- Deferred Salary:
  - Rick: \$49,327.00 gross
  - Neill: \$49,327.00 gross
  - When: Pending schedule and HII payments
- Final Paycheck w/PTO
  - Rick: \$24,648.25 (approx.) gross
  - Neill: \$13,210.56 (approx.) gross
  - Status: Paid

#### Total Cash Still Due:

- Rick: \$73,975.25 (approx.) gross
- Neill: \$62,537.56 (approx.) gross

#### Proposed Payment Schedule

Within 10 days of receipt of HII payment for	Rick	Neill	Note
Truck 1	\$30,000.00	\$30,000.00	Gross
Truck 2	\$30,000.00	\$30,000.00	Gross
Truck 3	\$13,945.25	\$2,537.56	Approx. Gross
<b>Total</b>	<b>\$73,975.25</b>	<b>\$62,537.56</b>	

EXHIBIT F

Patrick, Aaron, Rick, Neill

Gys, I have been fighting a cold/flu. I should be able to get a summary out later today. 9:53 AM

Sorry to read that, Aaron, hope you're feeling better! Later today is great, thank you 10:04 AM

Aaron Goodman  
Rick/Neill I just wrote the summary and a proposed payment schedule. It is with Mark to review. I will forward it on to you as soon as Mark approves, which should be tomorrow. 7:27 PM

Thanks, Aaron. Glad you're feeling better! 7:27 PM

Wed, Apr 9

Aaron Goodman  
Summary of payments due Rick and Neill.docx  
16 kB  
Rick/Neill, attached is a summary of the separation payments we discussed the other day. 8:42 AM

Aaron Goodman  
copies of Shares balance at the Transfer Agent - 25 million each 8:49 AM

Just to clarify, 10M shares for me and 10M for Neill are clear of the restrictions and can be transferred immediately, correct? 5:40 PM

Tue, Apr 15

Unofficial Copy Office of Marilyn Burgess District Clerk

2024 W-2 and Earnings Summary

**Form W-2 Wage and Tax Statement**  
**Copy C - For EMPLOYEE'S RECORDS** 2024

This information is being furnished to you. See the instructions for the recipient of this information. If you are required to file Form 1041, you may also wish to request a copy of this information. See the instructions for the recipient of this information.

OMB No. 1545-0047

12089 0515 00007

Employer's name, address, and ZIP code:  
**CATALYST**  
**800 PARK OFFICES DRIVE**  
**DURHAM NC 27709**

Recipient's name, address, and ZIP code:  
**PHILLIP R TUCKER**  
**6222 DARBY WAY**  
**SPRING TX 77389**

1	208661.97	2	41173.19
Wages, tips, other comp.		Federal income tax withheld	
3	168600.00	4	10453.20
Social security wages		Social security tax withheld	
5	214565.84	6	3242.30
Medicare wages and tips		Medicare tax withheld	
7		8	
Social security tips		Allocated tips	
9		10	
Dependent care benefits			
11		12a	294.25
Nonqualified plans		12b	5903.87
		12c	
		12d	
13		14	
Employer's social security no.			
452-93-3346			
Employer ID number (EIN)			
92-1733760			
15		16	
State wages, tips, etc.		17	
State income tax		18	
Local wages, tips, etc.		19	
Local income tax		20	
County wages		21	
County income tax			

	Wages, Tips, Other Comp. Box 1 of W-2	Social Security Wages Box 3 of W-2	Medicare Wages and Tips Box 5 of W-2
Gross Pay	\$208,661.97	\$208,661.97	\$208,661.97
Less: Non-Taxable Earnings	\$0.00	\$0.00	\$0.00
Less: Retirement Deductions	(\$0,915.87)	N/A	N/A
Less: Other Pre-tax Deductions	(\$3,845.75)	(\$3,845.75)	(\$3,845.75)
Less: Third Party Sick Pay	\$0.00	\$0.00	\$0.00
Less: Excess Wages	N/A	\$45,925.84**	N/A
<b>Total Reported Wages</b>	<b>\$208,661.97</b>	<b>\$168,600.00</b>	<b>\$214,565.84</b>
	<b>Fed Income</b>	<b>Social Security</b>	<b>Medicare</b>
<b>Tax Withheld</b>	<b>Box 2 of W-2</b>	<b>Box 4 of W-2</b>	<b>Box 6 of W-2</b>
	\$41,173.19	\$10,453.20	\$3,242.30

PHILLIP R TUCKER  
 6222 DARBY WAY  
 SPRING, TX 77389

The Form W-2 Box 1 wages are the Gross Wages on your last pay statement for the year minus any non-taxable earnings or deductions, plus any additional compensation received after your last pay statement. Gross pay may not match Box 1 wages due to deductions for retirement deferrals, health insurance, or other Section 125 cafeteria plan deductions, etc.

\*\*Excess wages\* are Social Security wages that exceed the contribution base of \$168,600.00.

**Form W-2 Wage and Tax Statement**  
**Copy B - To Be Filed With** 2024  
**Employer's FEDERAL Tax Return.**

This information is being furnished to you. See the instructions for the recipient of this information. If you are required to file Form 1041, you may also wish to request a copy of this information. See the instructions for the recipient of this information.

OMB No. 1545-0047

12089 0515 00007

Employer's name, address, and ZIP code:  
**CATALYST**  
**800 PARK OFFICES DRIVE**  
**DURHAM NC 27709**

Recipient's name, address, and ZIP code:  
**PHILLIP R TUCKER**  
**6222 DARBY WAY**  
**SPRING TX 77389**

1	208661.97	2	41173.19
Wages, tips, other comp.		Federal income tax withheld	
3	168600.00	4	10453.20
Social security wages		Social security tax withheld	
5	214565.84	6	3242.30
Medicare wages and tips		Medicare tax withheld	
7		8	
Social security tips		Allocated tips	
9		10	
Dependent care benefits			
11		12a	294.25
Nonqualified plans		12b	5903.87
		12c	
		12d	
13		14	
Employer's social security no.			
452-93-3346			
Employer ID number (EIN)			
92-1733760			
15		16	
State wages, tips, etc.		17	
State income tax		18	
Local wages, tips, etc.		19	
Local income tax		20	
County wages		21	
County income tax			

**Form W-2 Wage and Tax Statement**  
**Copy 2 - To Be Filed With** 2024  
**Employer's State, City, or Local Income Tax Return.**

This information is being furnished to you. See the instructions for the recipient of this information. If you are required to file Form 1041, you may also wish to request a copy of this information. See the instructions for the recipient of this information.

OMB No. 1545-0047

12089 0515 00007

Employer's name, address, and ZIP code:  
**CATALYST**  
**800 PARK OFFICES DRIVE**  
**DURHAM NC 27709**

Recipient's name, address, and ZIP code:  
**PHILLIP R TUCKER**  
**6222 DARBY WAY**  
**SPRING TX 77389**

1	208661.97	2	41173.19
Wages, tips, other comp.		Federal income tax withheld	
3	168600.00	4	10453.20
Social security wages		Social security tax withheld	
5	214565.84	6	3242.30
Medicare wages and tips		Medicare tax withheld	
7		8	
Social security tips		Allocated tips	
9		10	
Dependent care benefits			
11		12a	294.25
Nonqualified plans		12b	5903.87
		12c	
		12d	
13		14	
Employer's social security no.			
452-93-3346			
Employer ID number (EIN)			
92-1733760			
15		16	
State wages, tips, etc.		17	
State income tax		18	
Local wages, tips, etc.		19	
Local income tax		20	
County wages		21	
County income tax			

**Form W-2 Wage and Tax Statement**  
**Copy 2 - To Be Filed With** 2024  
**Employer's State, City, or Local Income Tax Return.**

This information is being furnished to you. See the instructions for the recipient of this information. If you are required to file Form 1041, you may also wish to request a copy of this information. See the instructions for the recipient of this information.

OMB No. 1545-0047

12089 0515 00007

Employer's name, address, and ZIP code:  
**CATALYST**  
**800 PARK OFFICES DRIVE**  
**DURHAM NC 27709**

Recipient's name, address, and ZIP code:  
**PHILLIP R TUCKER**  
**6222 DARBY WAY**  
**SPRING TX 77389**

1	208661.97	2	41173.19
Wages, tips, other comp.		Federal income tax withheld	
3	168600.00	4	10453.20
Social security wages		Social security tax withheld	
5	214565.84	6	3242.30
Medicare wages and tips		Medicare tax withheld	
7		8	
Social security tips		Allocated tips	
9		10	
Dependent care benefits			
11		12a	294.25
Nonqualified plans		12b	5903.87
		12c	
		12d	
13		14	
Employer's social security no.			
452-93-3346			
Employer ID number (EIN)			
92-1733760			
15		16	
State wages, tips, etc.		17	
State income tax		18	
Local wages, tips, etc.		19	
Local income tax		20	
County wages		21	
County income tax			

## 2024 W-2 and Earnings Summary

Form W-2 Wage and Tax Statement		
Copy C — For EMPLOYEE'S RECORDS 2024		
<small>This information is being furnished to the IRS. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it.</small>		
Control number	12U89 0516	00008
Employer's name, address, and ZIP code		
<b>CATALYST</b> 800 PARK OFFICES DRIVE DURHAM NC 27709		
Employee's name, address, and ZIP code		
<b>NEILL WHITELEY</b> 105 CANVAS BACK DRIVE MONTGOMERY TX 77316		
1 Wages, tips, other comp.	218414.60	2 Federal income tax withheld
3 Social security wages	168600.00	4 Social security tax withheld
5 Medicare wages and tips	218414.60	6 Medicare tax withheld
7 Social security tips		8 Allocated tips
9		10 Dependent care benefits
11 Nonqualified plans	12a C 294.25	12b
13 Statutory employee Retirement plan Third-party sick pay	12c	12d
Employee's social security no.	466-93-4987	14
Employer ID number (EIN)	92-1733760	
15 St. Employer's state ID number	16 State wages, tips, etc.	17 State income tax
18 Local wages, tips, etc.	19 Local income tax	20 Locality name

	Wages, Tips, Other Comp. Box 1 of W-2	Social Security Wages Box 3 of W-2	Medicare Wages and Tips Box 5 of W-2
<b>Gross Pay</b>	\$218,414.60		
<b>Less: Non-Taxable Earnings</b>	\$0.00	\$218,414.60	\$218,414.60
<b>Less: Retirement Deductions</b>	\$0.00	\$0.00	\$0.00
<b>Less: Other Pre-tax Deductions</b>	\$0.00	N/A	N/A
<b>Less: Third Party Sick Pay</b>	\$0.00	\$0.00	\$0.00
<b>Less: Excess Wages</b>	N/A	\$0.00	\$0.00
<b>Total Reported Wages</b>	\$218,414.60	\$49,814.60**	N/A
		\$168,600.00	\$218,414.60
	<b>Fed Income Box 2 of W-2</b>	<b>Social Security Box 4 of W-2</b>	<b>Medicare Box 6 of W-2</b>
<b>Tax Withheld</b>	\$43,890.81	\$10,453.20	\$3,332.74

NEILL WHITELEY  
105 CANVAS BACK DRIVE  
MONTGOMERY, TX 77316

The Form W-2 Box 1 wages are the Gross Wages as of your last pay statement for the year minus any non-taxable earnings or deductions, plus any additional compensation received after the last pay statement. Gross pay may not match Box 1 wages due to deductions for retirement deferrals, health insurance, or other Sec. 125 cafeteria plan deductions, etc.

\*\*"Excess wages" are Social Security wages that exceed the contribution base of \$168,600.00.

Unofficial Copy Office of Main Business District Clerk

EXHIBIT H



Standard Transfer Company  
 440 East 400 South Suite 200, Salt Lake City, Utah 84111  
 Phone (801) 571-8844 Fax: (801) 328-4058

**ACCOUNT STATEMENT  
 CYBERLUX CORPORATION**

Stock Class: COMMON STOCK  
 CUSIP No.: 23247M205  
 Ticker: CYBL  
 T.A. Account #: 345  
 Statement Date: 04/01/2025

PHILLIP TUCKER  
 6222 DARBY WAY  
 SPRING TX 77389

**ACCOUNT SUMMARY**

RESTRICTED BOOK SHARES*	BOOK SHARES	CERTIFICATE SHARES	TOTAL SHARES
25,000,000	0	0	25,000,000

*\*Any RESTRICTED book entry shares listed on this statement are subject to the following restrictions: The shares represented by this statement have not been registered under the Securities Act of 1933, as amended. The shares have been acquired for investment and may not be offered, sold or otherwise transferred in the absence of an effective registration statement with respect to the shares or an exemption from the registration requirements of said act that is then applicable to the shares, as to which a prior opinion of counsel will be required by the issuer or the transfer agent.*

**CURRENT ACTIVITY**

Transaction Date	Cert#/Book Transaction Description	Shares Deposited or Withdrawn	Running Balance
04/01/25	BEGINNING BALANCE		15,000,000
	ISSUE SECURITIES	10,000,000	25,000,000

Unofficial Copy Office of Marilyn Bures District Clerk



Standard Transfer Company  
 440 East 400 South Suite 200, Salt Lake City, Utah 84111  
 Phone (801) 571-8844 Fax: (801) 328-4058

NEILL WHITELEY  
 105 CANVAS BACK DR  
 MONTGOMERY TX 77316

**ACCOUNT STATEMENT  
 CYBERLUX CORPORATION**

Stock Class: COMMON STOCK  
 CUSIP No.: 23247M205  
 Ticker: CYBL  
 T.A. Account #: 346  
 Statement Date: 04/01/2025

**ACCOUNT SUMMARY**

RESTRICTED BOOK SHARES*	BOOK SHARES	CERTIFICATE SHARES	TOTAL SHARES
25,000,000	0	0	25,000,000

*\*Any RESTRICTED book entry shares listed on this statement are subject to the following restrictions: The shares represented by this statement have not been registered under the Securities Act of 1933, as amended. The shares have been acquired for investment and may not be offered, sold or otherwise transferred in the absence of an effective registration statement with respect to the shares or an exemption from the registration requirements of said act that is then applicable to the shares, as to which a prior opinion of counsel will be required by the issuer or the transfer agent.*

**CURRENT ACTIVITY**

Transaction Date	Cert#/Book Transaction Description	Shares Deposited or Withdrawn	Running Balance
04/01/25	BEGINNING BALANCE ISSUE SECURITIES	10,000,000	15,000,000 25,000,000

Unofficial Copy Office of Warren Bigess District Clerk

## EXHIBIT i

### DECLARATION OF ATTORNEY DANIEL A. ARDMORE

My name is Daniel A. Ardmore, and I am an attorney licensed by the State of Texas, in good standing, holding Texas Bar No. 24142224. My date of birth is Oct. 01, 1975. My address is 802 Travis St, Suite 100, Houston, TX 77002. I declare under penalty of perjury that the contents of this declaration are true and correct to the best of my knowledge.

1. I am attorney for Phillip (Rick) Tucker, and Neill Whiteley.
3. I am licensed to practice in the State of Texas and experienced in litigation cases in District Courts as well as County Courts in Brazoria, Harris, Fort Bend and Montgomery Counties.
4. I am a 1995 graduate from South Texas College of Law where I attained Dean's List for two semesters, and received the Cali award in three classes.
5. I have represented Phillip (Rick) Tucker, and Neill Whiteley from May 2025 to present in this matter. Employer Cyberlux Corporation breached their Employment Contract with Tucker and Whiteley and I was retained to represent their interests in this matter.
6. I have put in substantial long hours since being retained and have performed legal services on behalf of Clients in attempting to recover their unpaid employment compensation. This complex matter also includes contractual and financial analysis of the merger and/or acquisition of my Clients former business, much detailed review of various contracts, stock issuances, lack of stock issuances, claim notification and other post-judgment litigation work and analysis, communications with Appointed Receiver, demand and notification, preparing affidavits/declaration, evidence evaluation and preparation, global case strategy and evaluation, in effort for claims to be included in and participation in Receivership action, among other tasks.
7. My customary legal fee for such matters is \$550/hr. or 35% contingency. However, in this matter **I have discounted fee to 25% of total recovery.**
8. I am familiar with the usual and customary charges for services rendered by attorneys in Harris, Fort Bend, Montgomery, and Brazoria County Texas. The charges for services I rendered are reasonable in amount and were necessary to perform professional services on behalf of my clients Phillip (Rick) Tucker, and Neill Whiteley.
9. My opinions on the fees incurred by my Clients for the work performed by me or my firm is based on relevant case law regarding the eight factors courts look to in determining the appropriate amount of fee:

- a. the time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly;
  - b. the likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the lawyer;
  - c. the fee customarily charged in the locality for similar legal services;
  - d. the amount involved and the results obtained;
  - e. the time limitations imposed by the client or by the circumstances;
  - f. the nature and length of the professional relationship with the client;
  - g. the experience, reputation, and ability of the lawyer or lawyers performing the services; and
  - h. whether the fee is fixed or contingent on results obtained or uncertainty of collection before the legal services have been rendered.
10. The time and labor expended by me in this matter were proportional to scope of clients' allegations of breach of contract, and resulting complexities regarding post judgment legal services, and merger and/or acquisition, fee being charged is commensurate with amount of work and risk related to a contingency payment arrangement.
11. I incurred 57.78 hours in this matter thus far and expect many more hours will follow before this matter is fully resolved.
12. Thus far, no Court Costs and expenses have been incurred in this matter.

Executed in Harris County, Texas on  
June 03, 2025

Daniel A. Ardmore



Daniel A. Ardmore  
State Bar No. 24142224  
Ardmore Law Firm, PLLC  
16219 Lakewood Grove Dr  
Tomball, TX 77377  
Phone: 253-583-4294  
ardmorelawfirm@gmail.com  
Attorney for Phillip (Rick) Tucker,  
and Neill Whiteley

Unofficial Copy Office of Marilyn Burgess District Clerk