FORM 10-12G

Initial general form for registration of a class of securities pursuant to Section 12(g)

Filing Date: **2023-03-03**
SEC Accession No. 0001213900-23-017280

(HTML Version on secdatabase.com)

FILER

SilverSun Technologies Holdings, Inc
CIK:**1952907**| IRS No.: **000000000** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **10-12G** | Act: **34** | File No.: **000-56504** | Film No.: **23705307**
SIC: **7374** Computer processing & data preparation

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As Filed with the Securities and Exchange Commission on March 3, 2023

File No. [●]

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

FORM 10

GENERAL FORM FOR REGISTRATION OF SECURITIES PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934

SILVERSUN TECHNOLOGIES HOLDINGS, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**92-0876385**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
120 Eagle Rock Avenue, East Hanover, New Jersey	**07936**
(Address of Principal Executive Offices)	(Zip Code)

(973) 396-1720
(Registrant's telephone number, including area code)

Copies to:

Mark Meller
Chief Executive Officer
SilverSun Technologies Holdings, Inc.
120 Eagle Rock Avenue,
East Hanover, New Jersey 07936

Joseph Lucosky, Esq.
Lucosky Brookman LLP
101 Wood Avenue South, 5th Floor
Woodbridge, NJ 08830

Securities to be registered pursuant to Section 12(b) of the Act:
None

Securities to be registered pursuant to Section 12(g) of the Act:
Common Stock, Par Value $0.00001
(Title of Class)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

SILVERSUN TECHNOLOGIES HOLDINGS, INC.

INFORMATION REQUIRED IN REGISTRATION STATEMENT

CROSS-REFERENCE SHEET BETWEEN INFORMATION STATEMENT AND ITEMS OF FORM 10

Certain information required to be included in this Form 10 is incorporated by reference to specifically identified portions of the information statement filed herewith as Exhibit 99.1. None of the information contained in the information statement shall be incorporated by reference herein or deemed to be a part hereof unless such information is specifically incorporated by reference.

Item 1. Business.

The information required by this item is contained under the sections of the information statement entitled "Special Note Regarding Forward-Looking Statements," "Information Statement Summary," "Summary of the Separation," "Risk Factors," "The Separation," "Capitalization," "Unaudited Pro Forma Financial Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Business," "Management," "Executive Compensation," "Certain Relationships and Related Person Transactions," "Where You Can Find More Information," and "Index to Financial Statements" (and the statements referenced therein). Those sections are incorporated herein by reference.

Item 1A. Risk Factors.

The information required by this item is contained under the sections of the information statement entitled "Special Note Regarding Forward-Looking Statements" and "Risk Factors." Those sections are incorporated herein by reference.

Item 2. Financial Information.

The information required by this item is contained under the sections of the information statement entitled "Information Statement Summary," "Risk Factors," "Capitalization," "Unaudited Pro Forma Financial Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Index to Financial Statements" (and the statements referenced therein). Those sections are incorporated herein by reference.

Item 3. Properties.

The information required by this item is contained under the section of the information statement entitled "Business—Facilities and Distribution." That section is incorporated herein by reference.

Item 4. Security Ownership of Certain Beneficial Owners and Management.

The information required by this item is contained under the section of the information statement entitled "Security Ownership of Certain Beneficial Owners and Management." That section is incorporated herein by reference.

Item 5. Directors and Executive Officers.

The information required by this item is contained under the section of the information statement entitled "Management." That section is incorporated herein by reference.

Item 6. Executive Compensation.

The information required by this item is contained under the sections of the information statement entitled "Executive Compensation" and "Management." Those sections are incorporated herein by reference.

Item 7. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item is contained under the sections of the information statement entitled "The Separation Agreement" "Management," "Executive Compensation," and "Certain Relationships and Related Person Transactions." Those sections are incorporated herein by reference.

Item 8. Legal Proceedings.

The information required by this item is contained under the section of the information statement entitled "Business—Legal Proceedings." That section is incorporated herein by reference.

Item 9. Market Price of and Dividends on the Registrant's Common Equity and Related Stockholder Matters.

The information required by this item is contained under the sections of the information statement entitled "Summary of the Separation," "Risk Factors," "The Separation," "Dividend Policy," "Capitalization," "Executive Compensation," and "Description of Capital Stock." Those sections are incorporated herein by reference.

Item 10. Recent Sales of Unregistered Securities.

The information required by this item is contained under the section of the information statement entitled "Description of Capital Stock—Sale of Unregistered Securities." That section is incorporated herein by reference.

Item 11. Description of Registrant's Securities to Be Registered.

The information required by this item is contained under the sections of the information statement entitled "Risk Factors—Risks Related to Our Securities," "Dividend Policy," and "Description of Capital Stock." Those sections are incorporated herein by reference.

Item 12. Indemnification of Directors and Officers.

The information required by this item is contained under the sections of the information statement entitled "Certain Relationships and Related Person Transactions—Other Related Person Transactions" and "Description of Capital Stock—Indemnification and Limitations of Liability of Directors and Officers." Those sections are incorporated herein by reference.

Item 13. Financial Statements and Supplementary Data.

The information required by this item is contained under the sections of the information statement entitled "Unaudited Pro Forma Financial Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Index to Financial Statements" (and the statements referenced therein). Those sections are incorporated herein by reference.

Item 14. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 15. Financial Statements and Exhibits.

(a) Financial Statements

The information required by this item is contained under the sections of the information statement entitled "Unaudited Pro Forma Financial Statements" and "Index to Financial Statements" (and the statements referenced therein). Those sections are incorporated herein by reference.

(b) Exhibits

The following documents are filed as exhibits hereto:

Exhibit No.	Description
2.1*	Form of Separation and Distribution Agreement by and between SilverSun Technologies, Inc. and the Registrant
3.1*	Certificate of Incorporation of Registrant filed with the Delaware Secretary of State on September 26, 2022
3.2*	Certificate of Amendment to Certificate of Incorporation of Registrant filed with the Delaware Secretary of State on October 10, 2022
3.3*	Amended and Restated Certificate of Incorporation of Registrant filed with the Delaware Secretary of State on October 28, 2022,
3.4*	Bylaws of Registrant
10.1*	Form of Tax Matters Agreement by and between SilverSun Technologies, Inc. and the Registrant
21.1*	Subsidiaries of the Registrant
99.1*	Preliminary Information Statement of Registrant dated [●], 2023
99.2*	Financial Statements of SilverSun Technologies, Inc. for the years ended December 31, 2022 and 2021
99.3**	Form of Notice of Internet Availability of Information Statement

* Filed herewith

** To be filed by amendment.

\+ Management contract or compensatory plan or arrangement.

\# Schedules and/or exhibits have been omitted from this filing pursuant to Item 601(a)(5) of Regulation S-K. We agree to furnish supplementally a copy of any omitted schedule or exhibit to the Securities and Exchange Commission upon request.

SIGNATURES

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

SILVERSUN TECHNOLOGIES HOLDINGS, INC.

Date: March 3, 2023

By: /s/ Mark Meller
Chief Executive Officer

Exhibit 2.1

SEPARATION AND DISTRIBUTION AGREEMENT
BY
SILVERSUN TECHNOLOGIES, INC.,
AND
SILVERSUN TECHNOLOGIES HOLDINGS, INC.
DATED AS OF [●], 2023

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SEPARATION AND DISTRIBUTION AGREEMENT

This Separation and Distribution Agreement (this "Agreement"), dated as of [●], 2023, by and between SilverSun Technologies, Inc., a Delaware corporation ("Parent"), and SilverSun Technologies Holdings, Inc., a Delaware corporation and direct wholly owned subsidiary of Parent ("SpinCo" and, together with Parent, the "Parties").

RECITALS:

WHEREAS, SpinCo is and prior to the Distribution will be a direct wholly owned subsidiary of Parent;

WHEREAS, prior to the Distribution, Parent will contribute all of the issued and outstanding stock of its Subsidiaries (other than Critical Cyber Defense Corporation, a Nevada corporation ("CCDC")), including SWK Technologies, Inc., a Delaware corporation ("SWK") and Secure Cloud Services, Inc., a Nevada corporation ("SCS"), to SpinCo, resulting in SWK and SCS being direct wholly owned Subsidiaries of SpinCo (the "Internal Contribution");

WHEREAS, Parent, acting through itself and its Subsidiaries, currently conducts the SpinCo Business and the CCDC Business;

WHEREAS, Parent, Rhodium Enterprises Acquisition Corp., a Delaware corporation and a wholly owned subsidiary of Parent ("Merger Sub I"), Rhodium Enterprises Acquisition LLC, a Delaware limited liability company and direct wholly owned subsidiary of Parent ("Merger Sub II"), and Rhodium Enterprises, Inc., a Delaware corporation ("Rhodium"), have entered into that certain Agreement and Plan of Merger, dated as of September 29, 2022 ("Merger Agreement"), providing that, among other matters, Merger Sub I will merge with and into the Company (the "First Merger"), with the Company surviving the First Merger as a wholly owned subsidiary of Parent, and the Company will merge with and into Merger Sub II (the "Second Merger", and together with the First Merger, the "Mergers");

WHEREAS, in connection with the transactions contemplated by the Merger Agreement, the Board of Directors of Parent has determined that it is in the best interests of Parent and its stockholders to separate the SpinCo Business and the SpinCo Entities, all as more fully described in the Registration Statement, from CCDC, the CCDC Business and Parent's other businesses on the terms and conditions set forth herein;

WHEREAS, subject to the terms and conditions as set forth in this Agreement, the Board of Directors of Parent has authorized, effective as of the Effective Time, the distribution to the holders of issued and outstanding shares of common stock, par value $0.00001 per share, of Parent (the "Parent Common Stock") as of the Distribution Record Date, of all of the issued and outstanding shares of common stock, par value $0.0001 per share, of SpinCo (each such share is individually referred to as a "SpinCo Share" and collectively referred to as the "SpinCo Common Stock"), respectively, on the basis of the Distribution Ratio (the "Distribution");

WHEREAS, the Board of Directors of Parent and SpinCo have each determined that the Distribution, the other transactions contemplated by this Agreement, including the Ancillary Agreements (collectively, the "Transactions") are in the best interests of their respective companies and stockholders, as applicable, and have approved this Agreement, the Transactions and each of the Ancillary Agreements;

WHEREAS, the Parties have determined to set forth the principal corporate and other transactions required to effect the Distribution and to set forth other agreements that will govern certain other matters prior to and following the completion of the Internal Reorganization and Distribution; and

WHEREAS, the Distribution is part of a plan to separate the SpinCo Business from the CCDC Business.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, the Parties hereby agree as follows:

ARTICLE I.
DEFINITIONS

Section 1.1 General. Unless otherwise defined herein or unless the context otherwise requires, as used in this Agreement, the following terms shall have the following meanings:

"Action" shall mean any demand, action, suit, arbitration, inquiry, proceeding or investigation, audit, counter suit, hearing or litigation of any nature whether administrative, civil, criminal, regulatory or otherwise, by or before any Governmental Authority or any arbitration or mediation tribunal.

"Affiliate" shall mean, when used with respect to any specified Person, a Person that directly or indirectly controls, is controlled by, or is under common control with such specified Person. As used herein, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by contract or otherwise. Unless explicitly provided herein to the contrary, for purposes of this Agreement, Parent shall be deemed not to be an Affiliate of SpinCo or any of its Subsidiaries, and SpinCo shall be deemed not to be an Affiliate of Parent or any of its Subsidiaries (other than SpinCo and the other SpinCo Entities).

"Agreement" shall have the meaning set forth in the preamble to this Agreement.

"Ancillary Agreements" shall mean all of the written agreements, instruments, understandings, assignments or other arrangements (other than this Agreement) entered into by the Parties or any other SpinCo Entity in connection with the Transactions, including the Management Agreement and the Tax Matters Agreement.

"Applicable Rate" shall mean 5% over the Federal Reserve discount rate (including any surcharge) as established from time to time, compounded quarterly.

"Asset" shall mean all rights, properties or other assets, properties, claims, intellectual property and other rights (including goodwill), whether real, personal or mixed, tangible or intangible, of any kind, nature and description, whether accrued, contingent or otherwise, and wheresoever situated and whether or not carried or reflected, or required to be carried or reflected, on the books of any Person.

"Business Day" shall mean any day other than a Saturday, Sunday or a day on which commercial banking institutions located in the City of New York are authorized or obligated by Law or executive order to close.

"CCDC Assets" shall mean each of the Assets set forth on Schedule 1.1(a).

"CCDC Business" shall mean the business of CCDC relating to (i) the services, marketing and obligations performed by CCDC in connection with that certain Non-Exclusive Partnering Agreement, dated October 25, 2018, by and between Cyber-Hat Inc. and CCDC (the "CCDC Contract") and (ii) the operation of the CCDC Assets.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Contract" shall mean any written, oral, implied or other contract, agreement, covenant, lease, license, guaranty, indemnity, representation, warranty, assignment, sales order, purchase order, power of attorney, instrument or other commitment, assurance, undertaking or arrangement that is binding on any Person or entity or any part of its property under applicable Law.

"Distribution Date" shall mean the date on which the Merger is consummated pursuant to the Merger Agreement.

"Distribution Ratio" shall mean that number of SpinCo Shares equal to (i) the total number of SpinCo Shares held by the Parent on the Distribution Date, multiplied by (ii) a fraction, the numerator of which is the number of shares of Parent Common Stock held

by such holder on the Distribution Record Date and the denominator of which is the total number of shares of Parent Common Stock outstanding on the Distribution Record Date.

"Distribution Record Date" shall mean such date as may be determined by the Board of Directors of Parent or a committee of such Board of Directors, as the record date for the Distribution.

"Effective Time" shall mean the time that is immediately prior to the effective time of the First Merger on the Distribution Date.

"Entities" shall mean, as applicable, the SpinCo and/or the Parent (each an "Entity").

"Environmental Laws" shall mean any and all federal, state, local and foreign statutes, Laws, regulations, ordinances, rules, principles of common law, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions (including without limitation the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601, et. seq.), whether now or hereafter in existence, relating to the environment, natural resources, human health or safety, endangered or threatened species of fish, wildlife and plants, or to emissions, discharges or releases of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes into the environment (including without limitation indoor or outdoor air, surface water, groundwater and surface or subsurface soils), or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes or the investigation, cleanup or other remediation thereof.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, together with the rules and regulations promulgated thereunder.

"Governmental Authority" shall mean any federal, state, local, foreign or international court, government, department, commission, board, bureau, agency, official, securities exchange (including the Nasdaq) or other regulatory, administrative or governmental authority.

"Governmental Authorization" shall mean any authorization, approval, consent, license, certificate or permit issued, granted, or otherwise made available under the authority of any court, governmental or regulatory authority, agency, stock exchange, commission or body.

"Information Statement" shall mean the information statement, attached as an exhibit to the Registration Statement, and any related documentation to be provided to holders of Parent Common Stock in connection with the Distribution, including any amendments or supplements thereto.

"Insurance Policy" shall mean any insurance policies and insurance Contracts, including, without limitation, general liability, property and casualty, workers' compensation, automobile, marine, directors & officers liability, errors and omissions, employee dishonesty and fiduciary liability policies, whether, in each case, in the nature of primary, excess, umbrella or self-insurance overage, together with all rights, benefits and privileges thereunder.

"Internal Reorganization" means the allocation and transfer or assignment of all Assets and Liabilities in accordance with the terms of this Agreement (including all Assets and Liabilities of Parent immediately prior to the Effective Time, solely excluding the Parent Retained Assets and Parent Liabilities).

"Law" shall mean all laws, statutes and ordinances and all regulations, rules and other pronouncements of Governmental Authorities having the effect of law of the United States of America, any foreign country, or any domestic or foreign state, province, commonwealth, city, country, municipality, territory, protectorate, possession or similar instrumentality, or any Governmental Authority thereof.

"Liabilities" shall mean any and all debts, liabilities, obligations, responsibilities, Losses, damages (whether compensatory, punitive or treble), fines, penalties and sanctions, absolute or contingent, matured or unmatured, liquidated or unliquidated, foreseen or unforeseen, joint, several or individual, asserted or unasserted, accrued or unaccrued, known or unknown, whenever arising, including without limitation those arising under or in connection with any Law (including any Environmental Law), Action, threatened Action,

order or consent decree of any Governmental Authority or any award of any arbitration tribunal, and those arising under any contract, guarantee, commitment or undertaking, whether sought to be imposed by a Governmental Authority, private party, or Party, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute, or otherwise, and including any costs, expenses, interest, attorneys' fees, disbursement and expense of counsel, expert and consulting fees and costs related thereto or to the investigation or defense thereof.

"Losses" shall mean all losses, liabilities, obligations, damages, claims, demands, judgments or settlements of any nature or kind, known or unknown, fixed, accrued, absolute or contingent, liquidated or unliquidated, including all reasonable costs and expenses (legal, accounting or otherwise as such costs are incurred) relating thereto, suffered by an Indemnitee.

"Management Agreement" shall mean the Management Agreement by and between [CCDC] and SpinCo, which agreement shall be entered into prior to or on the Distribution Date and which shall set forth the agreement with respect to the provision of certain services to be performed by SpinCo related to the CCDC Business.

"Nasdaq" shall mean the Nasdaq Stock Market LLC.

"Parent Entities" shall mean Parent, Rhodium, each Subsidiary of Rhodium and CCDC (each, a "Parent Entity").

"Parent Indemnitees" shall mean:

(a) Parent and each Affiliate thereof after giving effect to the Distribution; and

(b) each of the respective Representatives of any of the entities described in the immediately preceding clause (a) and each of the heirs, executors, successors and assigns of any of such Representatives, except in the case of clauses (a) and (b), the SpinCo Indemnitees; provided, however, that a Person who was a Representative of Parent or an Affiliate thereof may be a Parent Indemnitee in that capacity notwithstanding that such Person may also be a SpinCo Indemnitee.

"Parent Liabilities" shall mean:

(a) any and all Liabilities that are expressly contemplated by this Agreement or any Ancillary Agreement (or the schedules hereto or thereto) as Liabilities to be assumed by Parent and all Liabilities of any of Parent or Rhodium under this Agreement or any of the Ancillary Agreements; and

(b) all Liabilities, if and to the extent relating to, arising out of or resulting from:

(i) the ownership or operation of the Rhodium Business as conducted at any time prior to, on or after the Distribution Date; or

(ii) the ownership or operation of any business (i) conducted by Rhodium or any Rhodium Subsidiary at any time prior to, on or after the Distribution Date and (ii) conducted by Parent or any Parent Entity after the Distribution Date.

(c) Notwithstanding the foregoing, the Parent Liabilities shall not include:

(i) any Liabilities that are expressly contemplated by this Agreement or any Ancillary Agreement (or the schedules hereto or thereto) as Liabilities of SpinCo or any SpinCo Entity (including, for the avoidance of doubt, SpinCo Liabilities); or

(ii) any Liabilities related or attributable to, or arising in connection with, Taxes or Tax Returns, which shall be exclusively governed by the Tax Matters Agreement.

"Parent Registration Statement" has the meaning given to such term in the Merger Agreement.

"Parent Retained Assets" shall mean (a) all Assets which are held at the Effective Time by Parent, Rhodium or any Rhodium Subsidiary other than any SpinCo Assets, (b) all Assets that are used in, or that relate to, the Rhodium Business, (c) the equity securities of CCDC, (d) the CCDC Business and the CCDC Assets, and (e) all Assets listed on Schedule 1.1(b).

"Person" shall mean any natural person, corporation, business trust, limited liability company, joint venture, association, company, partnership or government, or any agency or political subdivision thereof.

"Registration Statement" shall mean the registration statement on Form 10 filed by SpinCo with the SEC to effect the registration of the SpinCo Shares pursuant to the Exchange Act.

"Representative" shall mean, with respect to any Person, any of such Person's directors, officers, employees, agents, consultants, advisors, accountants, attorneys and representatives.

"Rhodium Business" shall mean the crypto asset, mining and staking business conducted by Rhodium and any other business directly conducted by Rhodium or any Affiliate of Rhodium and, any time following the consummation of the First Merger, the CCDC Business.

"SEC" shall mean the United Stated Securities and Exchange Commission.

"SpinCo Action" shall mean any current or future Action relating to the SpinCo Business or any SpinCo Liabilities in which one or more Parent Entities is a defendant or the party against whom a claim or investigation is directed.

"SpinCo Assets" shall mean (a) all Assets owned by the SpinCo Entities and (b) all Assets owned by the Parent and CCDC prior to the consummation of the First Merger, excluding (i) the CCDC Business and the CCDC Assets and (ii) the Parent Retained Assets.

"SpinCo Business" shall mean the business conducted by the SpinCo Entities and any other business (i) directly conducted by any SpinCo Entity as of or prior to the date of this Agreement or (ii) directly or indirectly conducted by Parent (excluding, in each case, CCDC and the CCDC Business) prior to the consummation of the Merger.

"SpinCo Entities" shall mean SpinCo and each Subsidiary of SpinCo, including SWK and SCS, and each direct and indirect Subsidiary of Parent prior to the consummation of the Merger (other than CCDC).

"SpinCo Indemnitees" shall mean:

(a) SpinCo and each of the SpinCo Entities after giving effect to the Distribution; and

(b) each of the respective Representatives of any of the entities described in the immediately preceding clause (a) and each of the heirs, executors, successors and assigns of any of such Representatives, except in the case of clauses (a) and (b), the Parent Indemnitees; provided, however, that a Person who was a Representative of SpinCo or an Affiliate thereof may be a SpinCo Indemnitee in that capacity notwithstanding that such Person may also be a Parent Indemnitee.

"SpinCo Liabilities" shall mean:

(a) any and all Liabilities that are expressly contemplated by this Agreement or any Ancillary Agreement (or the schedules hereto or thereto) as Liabilities to be assumed by SpinCo or any SpinCo Entity, and all Liabilities of any SpinCo Entity under this Agreement or any of the Ancillary Agreements;

(b) all Expenses (as defined in the Merger Agreement) of Parent and its Subsidiaries that remain unpaid following the consummation of the Mergers; and

(c) all Liabilities, if and to the extent relating to, arising out of or resulting from:

(i) the ownership or operation of (i) the SpinCo Business (including any discontinued business or any business which has been sold or transferred), as conducted at any time prior to, on or after the Distribution Date; (ii) any business of Parent (including any discontinued business or any business which has been sold or transferred), as conducted at any time prior to or on the Distribution Date; and (iii) any business of CCDC (including the CCDC Business and any discontinued business or any business which has been sold or transferred), as conducted at any time prior to or on the Distribution Date;

(ii) the ownership or operation of any business conducted by (i) SpinCo or any other SpinCo Entity at any time prior to, on or after the Distribution Date; (ii) Parent or any entity that was a direct or indirect Subsidiary of Parent prior to the consummation of the Mergers, at any time prior to or on the Distribution Date; and (iii) CCDC, at any time prior to or on the Distribution Date; or

(iii) the ownership of the SpinCo Assets.

(d) Notwithstanding the foregoing, the SpinCo Liabilities shall not include:

(i) any Liabilities that are expressly contemplated by this Agreement or any Ancillary Agreement (or the schedules hereto or thereto) as Parent Liabilities; or

(ii) any Liabilities related or attributable to, or arising in connection with, Taxes or Tax Returns, which shall be exclusively governed by the Tax Matters Agreement.

"Subsidiary" shall mean with respect to any specified Person, any corporation or other legal entity of which such Person or any of its Subsidiaries controls or owns, directly or indirectly, more than 50% of the stock or other equity interests entitled to vote on the election of members to the board of directors or similar governing body or, in the case of a Person with no governing body, more than 50% of the equity or voting interests.

"Tax" shall have the meaning set forth in the Tax Matters Agreement.

"Tax Matters Agreement" shall mean the Tax Matters Agreement by and between Parent and SpinCo, which agreement shall be entered into prior to or on the Distribution Date, as may be amended from time to time.

"Tax Return" shall have the meaning set forth in the Tax Matters Agreement.

"Third-Party" shall mean any Person who is not a Party to this Agreement.

Section 1.2 Reference; Interpretation. References in this Agreement to any gender include references to all genders, and references to the singular include references to the plural and vice versa. The words "include," "includes" and "including" when used in this Agreement shall be deemed to be followed by the phrase "without limitation." Unless the context otherwise requires, references in this Agreement to Articles, Sections and Schedules shall be deemed to be references to Articles and Sections of, and Schedules to, this Agreement. Unless the context otherwise requires, the words "hereof", "hereby" and "herein" and words of similar meaning when used in this Agreement refer to this Agreement in its entirety and not to any particular Article, Section or provision of this Agreement. Neither this Agreement nor any Ancillary Agreement shall be construed against either Party as the principal draftsperson hereof or thereof.

ARTICLE II.
TAX MATTERS

Section 2.1 Tax Matters. The Tax Matters Agreement, together with this Agreement, will govern Parent's and SpinCo's respective rights, responsibilities and obligations after the Distribution with respect to Taxes, including ordinary course of business Taxes and Taxes, if any, incurred as a result of any failure of the Distribution, to qualify for the tax treatment described in the Tax Matters Agreement. The Tax Matters Agreement sets forth the respective obligations of Parent and SpinCo with respect to the filing of Tax Returns, the administration of Tax contests, cooperation and other matters, and imposes certain restrictions on Parent's and

SpinCo's ability to engage in certain actions following the Distribution. Except as expressly set forth in this Agreement or any Ancillary Agreement, all matters relating to Taxes in connection with the Transactions shall be governed exclusively by the Tax Matters Agreement.

ARTICLE III.
DISTRIBUTION AND CERTAIN COVENANTS

Section 3.1 Distribution.

(a) On or prior to the Distribution Date, Parent shall deliver to Pacific Stock Transfer, Inc. (the "Agent") a stock ledger representing all of the issued and outstanding SpinCo Shares, in each case, endorsed by Parent, for the benefit of the holders of Parent Common Stock as of the Distribution Record Date, and Parent shall instruct the Agent to distribute, on or as soon as practicable following the Distribution Date, such number of the SpinCo Shares to holders of record of shares of Parent Common Stock on the Distribution Record Date, all as further contemplated by the Registration Statement and hereby. SpinCo shall provide any share certificates that the Agent shall require in order to effect the Distribution. The Distribution shall be effective at the Effective Time.

(b) The SpinCo Shares issued in the Distribution are intended to be distributed only pursuant to a book entry system. Parent shall instruct the Agent to deliver the SpinCo Shares previously delivered to the Agent to a depositary and to mail to each holder of record of Parent Common Stock on the Distribution Record Date, a statement of the SpinCo Common Stock credited to such holder's account.

Section 3.2 Transfer of Assets; Assumptions of Liabilities.

(a) Transfer of Assets. Prior to the Effective Time and to the extent not already completed: (i) Parent shall, and shall cause CCDC to, as applicable, transfer, contribute, assign and convey or cause to be transferred, contributed, assigned and conveyed ("Transfer"), to SpinCo or the applicable SpinCo Entity all of Parent's and CCDC's respective right, title and interest in and to the SpinCo Assets; and (ii) SpinCo shall, and shall cause the applicable SpinCo Entity to, as applicable, Transfer to Parent or the applicable Parent Entity all of SpinCo's and the applicable SpinCo Entity's respective right, title and interest in and to the Parent Retained Assets.

(b) Assumption of Liabilities. Except as otherwise specifically set forth in any Ancillary Agreement, from and after the Effective Time: (i) Parent shall, or shall cause CCDC to, accept, assume (or, as applicable, retain) and perform, discharge and fulfill, in accordance with their respective terms ("Assume"), all of the Parent Liabilities, and (ii) SpinCo shall, or shall cause the applicable SpinCo Entity to, Assume all the SpinCo Liabilities, in each case, regardless of (A) when or where such Liabilities arose or arise, (B) whether the facts upon which they are based occurred prior to, on or subsequent to the Effective Time, (C) where or against whom such Liabilities are asserted or determined and (D) regardless of whether arising from or alleged to arise from negligence, recklessness, violation of Law, fraud or misrepresentation by any Parent Entity or SpinCo Entity, as the case may be, or any of their past or present respective directors, officers, employees, agents, Subsidiaries or Affiliates.

(c) Consents. The Parties shall use their commercially reasonable efforts to obtain the required consents to Transfer any Assets, Contracts, licenses, permits and authorizations issued by any Governmental Authority or parts thereof, as contemplated by this Agreement, prior to the Effective Time, or, pursuant to Section 3.13, following the Effective Time.

Section 3.3 Transfers Not Effected on or Prior to the Effective Time; Transfers Deemed Effective as of the Effective Time.

(a) To the extent that any Transfers of Assets (including any entity) or Assumption of Liabilities contemplated by this Article III or any other Ancillary Agreement shall not have been consummated at or prior to the Effective Time, the Parties shall use commercially reasonable efforts to effect such Transfers or Assumptions as promptly following the Effective Time as shall be practicable.

(b) In the event that any such Transfer of Assets (including any entity) or Assumption of Liabilities has not been consummated, from and after the Effective Time (i) the Party retaining such Asset shall thereafter hold such Asset for the use and benefit of the Party

entitled thereto (at the expense of the Person entitled thereto) and (ii) the Party intended to Assume such Liability shall, or shall cause its applicable Subsidiary to, (A) pay or reimburse the Party retaining such Liability for all amounts paid or incurred in connection with the retention of such Liability and (B) perform any non-monetary Liabilities in the place of the Party retaining such Liability to the extent such performance is practicable, permitted under applicable Law and does not result in a breach or default (or give rise to any termination rights, penalties or other remedies for the benefit of any counterparty) under any applicable Contract. To the extent the foregoing applies to any Contracts to be assigned for which any necessary consents or Governmental Authorizations are not received prior to the Effective Time, the treatment of such Contracts shall, for the avoidance of doubt, be subject to Section 3.13, to the extent applicable. In addition, the Party retaining such Asset or Liability shall, insofar as reasonably possible and to the extent permitted by applicable Law, treat such Asset or Liability in the ordinary course of business in accordance with past practice and take such other actions as may be reasonably requested by the Party to which such Asset is to be Transferred or by the Party Assuming such Liability in order to place such Party, insofar as reasonably possible, in the same position as if such Asset or Liability had been Transferred or Assumed as contemplated hereby and so that all the benefits and burdens relating to such Asset or Liability, including possession, use, risk of loss, potential for gain, and dominion, control and command over such Asset or Liability, are to inure from and after the Effective Time to the applicable Parent Entity or SpinCo Entity, as applicable, entitled to the receipt of such Asset or required to Assume such Liability. In furtherance of the foregoing, the Parties agree that, as of the Effective Time, each Party shall be deemed to have acquired complete and sole beneficial ownership over all of the Assets, together with all rights, powers and privileges incident thereto, and shall be deemed to have Assumed in accordance with the terms of this Agreement all of the Liabilities, and all duties, obligations and responsibilities incident thereto, which such Party is entitled to acquire or required to Assume pursuant to the terms of this Agreement.

(c) If and when the consents, Governmental Authorizations and/or conditions, the absence or non-satisfaction of which caused the deferral of Transfer of any Asset or deferral of the Assumption of any Liability pursuant to Section 3.3(a), are obtained or satisfied, as applicable, the Transfer, assignment, Assumption or novation of the applicable Asset or Liability shall be effected in accordance with and subject to the terms of this Agreement and/or the applicable Ancillary Agreement, and shall, to the extent possible without the imposition of any cost on any Party (other than de minimis costs), be deemed to be effective as of the Effective Time.

(d) Except as otherwise stated herein or in any Ancillary Agreement, the Party retaining any Asset (including any entity) or Liability shall not be obligated to expend any money to Transfer such Asset to such other Party unless the necessary funds are advanced, assumed, or agreed in advance to be reimbursed by the Party entitled to such Asset or the Person intended to be subject to such Liability, other than reasonable attorneys' fees and recording or similar fees, all of which shall be promptly reimbursed by the Party entitled to such Asset or the Person intended to be subject to such Liability.

(e) On and prior to the eighteen (18) month anniversary following the Effective Time, if any Party owns any Asset, that, although not Transferred pursuant to this Agreement, is agreed by such Party and the other Party in their good faith judgment to be an Asset that more properly belongs to the other Party or a Subsidiary of the other Party, or an Asset that such other Party or Subsidiary was intended to have the right to continue to use (other than (for the avoidance of doubt) any Asset acquired from an unaffiliated third party by a Parent Entity or SpinCo Entity following the Effective Time), then the Party owning such Asset shall, as applicable (i) Transfer any such Asset to the other Party or the Subsidiary of the other Party identified as the appropriate transferee and following such Transfer, such Asset shall be a Parent Retained Asset or SpinCo Asset, as the case may be, or (ii) grant such mutually agreeable rights with respect to such Asset to permit such continued use, subject to, and consistent with this Agreement, including with respect to Assumption of associated Liabilities.

(f) After the Effective Time, each Party may receive mail, packages and other communications properly belonging to the other Party. Accordingly, at all times after the Effective Time, each Party authorizes the other Party to receive and open all mail, packages and other communications received by the other Party and not unambiguously intended for the other Party, any Parent Entity or SpinCo Entity or any of their respective officers or directors, and to the extent that they do not relate to the business of the receiving Party, the receiving Party shall promptly deliver such mail, packages or other communications (or, in case the same relate to both businesses, copies thereof) to the other Party as provided for in Section 8.6. The provisions of this Section 3.3(f) are not intended to, and shall not, be deemed to constitute an authorization by any Party to permit the other to accept service of process on its behalf and no Party is or shall be deemed to be the agent of the other Party for service of process purposes.

Section 3.4 Parent Determinations. Parent, through its directors and officers that hold office immediately prior to the consummation of the Merger, shall have the sole and absolute discretion to determine whether to proceed with all or part of the Distribution and all terms thereof, including the form, structure and terms of any transaction(s) and/or offering(s) to effect the Distribution and the timing of and conditions to the consummation of the Distribution. SpinCo shall cooperate with Parent in all respects to accomplish

the Distribution and shall, at Parent's direction, promptly take any and all actions necessary or desirable to effect the Distribution. Parent shall select any financial or legal advisors in connection with the Distribution, including outside counsel, for Parent.

Section 3.5 Charter; Bylaws. On or prior to the Distribution Date, SpinCo and Parent shall take all necessary actions to adopt the forms of certificate of incorporation and bylaws of SpinCo in substantially the form filed by SpinCo with the SEC as exhibits to the Registration Statement.

Section 3.6 State Securities Laws. Prior to the Distribution Date, Parent and SpinCo shall take all such action as may be necessary or appropriate under the securities or blue-sky laws of states or other political subdivisions of the United States of America in order to effect the Distribution.

Section 3.7 Listing Application; Notice to Nasdaq.

(a) Prior to the Distribution Date, Parent and SpinCo shall prepare and file with Nasdaq a listing application and related documents and shall take all such other actions with respect thereto as shall be necessary or desirable in order to cause Nasdaq to list on or prior to the Distribution Date, subject to official notice of issuance, the SpinCo Shares.

(b) Prior to the Distribution, Parent shall, to the extent possible, give Nasdaq not less than 10 days' advance notice of the Distribution Record Date in compliance with Rule 10b-17 under the Exchange Act.

Section 3.8 Removal of Certain Guarantees; Releases from Liabilities.

(a) Except as otherwise specified in any Ancillary Agreement, in the event that at any time before or after the Distribution Date, Parent or SpinCo identifies any SpinCo Liability for which any Parent Entity is a guarantor or obligor, SpinCo shall use its commercially reasonable efforts to have, as quickly as practicable, such Entity removed as guarantor of or obligor for any such SpinCo Liability.

(b) If either SpinCo is unable to obtain, or to cause to be obtained, any such required removal as set forth in Section 3.8(a), the guarantor or obligor shall continue to be bound as such and, unless not permitted by Law or the terms thereof, SpinCo shall use commercially reasonable efforts to cause the relevant beneficiary to cause one of its Affiliates, as agent or subcontractor for such guarantor or obligor to pay, perform and discharge fully all the obligations or other Liabilities of the relevant the guarantor or obligor thereunder from and after the date hereof.

(c) If (i) SpinCo is unable to obtain, or to cause to be obtained, any such required removal as set forth in Section 3.8(a), or (ii) SpinCo Liabilities arise from and after the Effective Time but before the applicable Parent Entity, if such Parent Entity is a guarantor or obligor with reference to any such SpinCo Liability, is removed pursuant to Section 3.8(a), then SpinCo shall indemnify each Parent Entity for all Liabilities incurred by any of them in such Person's capacity as guarantor or obligor. Without limiting the foregoing, SpinCo shall, or shall cause a SpinCo Entity to, reimburse Parent as soon as practicable (but in no event later than 30 days) following delivery by Parent to SpinCo of notice of a payment made pursuant to this Section 3.8 in respect of SpinCo Liabilities.

(d) At and after the Effective Time, the Parties shall use commercially reasonable efforts to obtain, or cause to be obtained, any consent, substitution or amendment required to novate, assign or extinguish all SpinCo Liabilities (with respect to the Parent Entities) of any nature whatsoever transferred under this Agreement or an Ancillary Agreement, or to obtain in writing the unconditional release of the assignor so that SpinCo (or an appropriate SpinCo Entity) shall be solely responsible for the SpinCo Liabilities; provided, however, that no Party shall be obligated to pay any consideration therefor (except for filing fees or other similar charges) to any Third-Party from whom such consent, substitution, amendment or release is requested. Whether or not any such consent, substitution, amendment or release is obtained, nothing in this Section 3.8 shall in any way limit the obligations of the Parties under Article IV. If, as and when it becomes possible to delegate, assign, novate or extinguish any SpinCo Liabilities in accordance with the terms hereof, the Parties shall promptly sign all such documents and perform all such other acts as may be necessary to give effect to such delegation, novation, extinction or other release; provided, however, no Party shall be obligated to pay any consideration therefor.

Section 3.9 Ancillary Agreements. Prior to or on the Distribution Date, each of Parent and SpinCo shall enter into the Ancillary Agreements and any other agreements in respect of the Distribution reasonably necessary or appropriate in connection with the Transactions.

Section 3.10 Acknowledgment by SpinCo. SpinCo, on behalf of itself and all SpinCo Entities, acknowledges, understands and agrees that, except as expressly set forth herein or in any Ancillary Agreement, (a) none of Parent or any other Person has, in this Agreement or in any other agreement or document, or otherwise made any representation or warranty of any kind whatsoever, express or implied, to SpinCo or any SpinCo Entity or to any director, officer, employee or agent thereof in any way with respect to any of the Transactions or the business, Assets, condition or prospects (financial or otherwise) of, or any other matter involving, the Assets, Liabilities or businesses of Parent or any Parent Entity, SpinCo or any SpinCo Entity, any SpinCo Assets, any SpinCo Liabilities or the SpinCo Business and (b) none of Parent or any other Person has made or makes any representation or warranty with respect to the Distribution or the entering into of this Agreement or the Ancillary Agreements or the Transactions. Except as expressly set forth herein or in any other Ancillary Agreement, SpinCo and each SpinCo Entity shall bear the economic and legal risk that the SpinCo Assets shall prove to be insufficient or that the title to any SpinCo Assets shall be other than good and marketable and free from encumbrances. The provisions of any related assignment agreement or other related documents are expressly subject to this Section 3.10 and to Section 3.11.

Section 3.11 Release.

(a) Except as provided in Section 3.11(d), effective as of the Effective Time, SpinCo does hereby, on behalf of itself and each other SpinCo Entity, release and forever discharge each Parent Indemnitee, from any and all Liabilities whatsoever to any SpinCo Entity, whether at law or in equity (including any right of contribution), whether arising under any Contract, by operation of Law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed at or before the Effective Time, including in connection with the Transactions.

(b) Except as provided in Section 3.11(d), effective as of the Effective Time, Parent does hereby, for itself and each other Parent Entity, release and forever discharge each SpinCo Indemnitee from any and all Liabilities whatsoever to any Parent Entity, whether at law or in equity (including any right of contribution), whether arising under any Contract, by operation of Law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed at or before the Effective Time, including in connection with the Transactions.

(c) The Parties expressly understand and acknowledge that it is possible that unknown Losses or claims exist or might come to exist or that present Losses may have been underestimated in amount, severity, or both. Accordingly, the Parties are deemed expressly to understand provisions and principles of law such as Section 1542 of the Civil Code of the State of California (as well as any and all provisions, rights and benefits conferred by any Law of any state or territory of the United States, or principle of common law, which is similar or comparable to Section 1542), which Section provides: GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR. The Parties are hereby deemed to agree that the provisions of Section 1542 and all similar federal or state laws, rights, rules, or legal principles of California or any other jurisdiction that may be applicable herein, are hereby knowingly and voluntarily waived and relinquished with respect to the releases in Section 3.11(a) and Section 3.11(b).

(d) Nothing contained in this Section 3.11 shall impair any right of any Person to enforce this Agreement, any Ancillary Agreement or any agreements, arrangements, commitments or understandings that are specified in, or contemplated to continue pursuant to, this Agreement or any Ancillary Agreement. Without limiting the foregoing, nothing contained in this Section 3.11 shall release any Person from:

(i) any Liability assumed, transferred, assigned or allocated to such Person or any Entity affiliated with such Person in accordance with, or any other Liability of such Person or any Entity affiliated with such Person under, this Agreement or any Ancillary Agreement;

(ii) any Liability that such Person may have with respect to indemnification or contribution pursuant to this Agreement or any Ancillary Agreement for claims brought by third Persons, which Liability shall be governed by the provisions of Article V and, if applicable, the appropriate provisions of the Ancillary Agreements;

(iii) any unpaid accounts payable or receivable arising from or relating to the sale, provision, or receipt of goods, payment for goods, property or services purchased, obtained or used in the ordinary course of business by any Parent Entity from any SpinCo Entity, or by any SpinCo Entity from any Parent Entity;

(iv) any Liability the release of which would result in the release of any Person other than a Parent Indemnitee (in the case of the release by the SpinCo Entities) or a SpinCo Indemnitee (in the case of the release by the Parent Entities); provided that each Party agrees not to bring suit, or permit any Entity affiliated with such Party to bring suit, against any such Parent Indemnitee or SpinCo Indemnitee (as applicable) with respect to such Liability; and

(v) any indemnification obligation under such Person's articles of incorporation or bylaws.

(e) SpinCo shall not make, and shall not permit any other SpinCo Entity to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or indemnification, against any Parent Indemnitee with respect to any Liabilities released pursuant to Section 3.11(a). Parent shall not make, and shall not permit any other Parent Entity to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification, against any SpinCo Indemnitee with respect to any Liabilities released pursuant to Section 3.11(b).

(f) It is the intent of each of Parent and SpinCo by virtue of the provisions of this Section 3.11 to provide for a full and complete release and discharge of all Liabilities existing or arising from all acts and events occurring or failing to occur or alleged to have occurred or to have failed to occur and all conditions existing or alleged to have existed at or before the Effective Time, between or among Parent or any other Parent Entity, on the one hand, and SpinCo or any other SpinCo Entity, on the other hand (including any contractual agreements or arrangements existing or alleged to exist between or among any such Entity(ies) at or before the Effective Time), except as expressly set forth in Section 3.11(d). At any time, at the reasonable request of a Party, the other Party will cause each Entity affiliated with such Party to execute and deliver releases reflecting the provisions hereof.

Section 3.12 Discharge of Liabilities. Except as otherwise expressly provided herein or in any of the Ancillary Agreements, from and after the Effective Time, (a) Parent shall, and shall cause each other Parent Entity to, assume, pay, perform and discharge all Parent Liabilities in the ordinary course of business, consistent with past practice and (b) SpinCo shall, and shall cause each other SpinCo Entity to, assume, pay, perform and discharge all SpinCo Liabilities in the ordinary course of business, consistent with past practice. The agreements in this Section 3.12 are made by each Party for the sole and exclusive benefit of the other Party and the Entities affiliated with such other Party. To the extent reasonably requested to do so by the other Party, each Party agrees to execute and deliver such documents, in a form reasonably satisfactory to such Party, as may be reasonably necessary to evidence the assumption of any Liabilities hereunder.

Section 3.13 Further Assurances. If at any time after the Effective Time any further action is reasonably necessary or desirable to carry out the purposes of this Agreement and the Ancillary Agreements, the proper officers of each Party shall take all such necessary action and do and perform all such acts and things, and execute and deliver all such agreements, assurances to the extent reasonably requested to do so by the other Party, each Party agrees to execute and deliver such documents, in a form reasonably satisfactory to such Party, as may be reasonably necessary to evidence the assumption of any Liabilities hereunder. Without limiting the foregoing, each Party shall use its commercially reasonable efforts promptly to obtain all consents and approvals, to enter into all agreements and to make all filings and applications that may be required for the consummation of the Transactions, including all applicable Governmental Authorizations.

Section 3.14 Assumption of Certain Liabilities Under Indemnification Agreements. Notwithstanding any provision to the contrary, SpinCo agrees that SpinCo Liabilities includes all Liabilities of the Parent Entities (other than Rhodium and any of its Subsidiaries) to any former or current director or officer of the Parent Entities (other than Rhodium and any of its Subsidiaries) under any indemnification agreement with such director or officer, solely to the extent that such Liabilities arise out of, or primarily relate to, the SpinCo Assets, serving as a director or officer of the SpinCo Entities, or the operation of the SpinCo Business prior to the Distribution Date.

Section 3.15 Plan of Reorganization. This Agreement is intended to be, and is hereby adopted as, a "plan of reorganization" within the meaning of Treasury Regulations Sections 1.368-2(g) and 1.368-3.

ARTICLE IV.
INDEMNIFICATION

Section 4.1 Indemnification by Parent. Except as otherwise specifically set forth in any provision of this Agreement from and after the Distribution Date, Parent shall indemnify, defend and hold harmless the SpinCo Indemnitees from and against any and all Losses of the SpinCo Indemnitees to the extent arising out of, by reason of or otherwise in connection with (a) the Parent Liabilities or alleged Parent Liabilities, including any breach by Parent of any provision of this Section 4.1, (b) any breach by any Parent Entity of this Agreement, and (c) solely with respect to information regarding Rhodium provided by Rhodium in writing to Parent or SpinCo expressly for inclusion in the Registration Statement or the Information Statement, any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading. This Agreement is not intended to address, and should not be interpreted to address, the matters specifically and expressly covered by the Ancillary Agreements unless such Ancillary Agreement expressly provides that this Agreement applies to any matter in such Ancillary Agreement.

Section 4.2 Indemnification by SpinCo. Except as otherwise specifically set forth in any provision of this Agreement, from and after the Distribution Date, SpinCo shall indemnify, defend and hold harmless the Parent Indemnitees from and against any and all Losses of the Parent Indemnitees to the extent arising out of, by reason of or otherwise in connection with (a) the SpinCo Liabilities or alleged SpinCo Liabilities, including any breach by any SpinCo Entity of any provision of this Section 4.2, (b) any breach by any SpinCo Entity of this Agreement, (c) any uncured material breach by Parent, Merger Sub I (as defined in the Merger Agreement) or Merger Sub II (as defined in the Merger Agreement) of the Merger Agreement, (d) the operation of the CCDC Business pursuant to the Management Agreement following the Distribution Date, and (e) all information contained in the Parent Registration Statement, the Registration Statement or the Information Statement and the documents incorporated by reference therein (other than any information regarding Rhodium), any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading. This Agreement is not intended to address, and should not be interpreted to address, the matters specifically and expressly covered by the Ancillary Agreements unless such Ancillary Agreement expressly provides that this Agreement applies to any matter in such Ancillary Agreement.

Section 4.3 Procedures for Indemnification.

(a) Third-Party Claims.

(i) If a claim or demand is made by a Third-Party against a SpinCo Indemnitee or a Parent Indemnitee (each, an "Indemnitee") (a "Third-Party Claim") as to which such Indemnitee is entitled to indemnification pursuant to this Agreement, such Indemnitee shall notify the Party which is or may be required pursuant to Section 4.1 or Section 4.2 hereof to make such indemnification (the "Indemnifying Party") in writing, and in reasonable detail, of the Third-Party Claim promptly (and in any event prior to the date that is the 30th Business Day after receipt by such Indemnitee of written notice of the Third-Party Claim); provided, however, that failure to give such notice shall not affect the indemnification provided hereunder except to the extent the Indemnifying Party shall have been actually prejudiced as a result of such failure.

(ii) Thereafter, the Indemnitee shall deliver to the Indemnifying Party, promptly (and in any event within 10 Business Days after the Indemnitee's receipt thereof), copies of all notices and documents (including court papers) received by the Indemnitee relating to the Third-Party Claim. Notice under this Section 4.3 shall be provided in accordance with Section 8.6.

(iii) Subject to Section 4.3(a)(v), if a Third-Party Claim is made against an Indemnitee, the Indemnifying Party shall be entitled to participate in the defense thereof and, if it so chooses and irrevocably acknowledges without condition or reservation

its obligation to fully indemnify the Indemnitee therefor, to assume the defense thereof with counsel reasonably acceptable to the Indemnitee. Should the Indemnifying Party so elect to assume the defense of a Third-Party Claim, the Indemnifying Party shall, within 30 days (or sooner if the nature of the Third-Party Claim so requires), notify the Indemnitee of its intent to do so, and the Indemnifying Party shall thereafter not be liable to the Indemnitee for legal or other expenses subsequently incurred by the Indemnitee in connection with the defense thereof; provided, however, that such Indemnitee shall have the right to employ counsel to represent such Indemnitee if, in such Indemnitee's reasonable judgment, (A) a conflict of interest between such Indemnitee and such Indemnifying Party exists in respect of such claim which would make representation of both such Parties by one counsel inappropriate, or (B) the Third-Party Claim involves substantially different defenses for the Indemnifying Party and the Indemnitee, and in such event the fees and expenses of such single separate counsel shall be paid by such Indemnifying Party. If the Indemnifying Party assumes such defense, the Indemnitee shall have the right to participate in the defense thereof and to employ counsel, subject to the proviso of the preceding sentence, at its own expense, separate from the counsel employed by the Indemnifying Party, it being understood that the Indemnifying Party shall control such defense. The Indemnifying Party shall be liable for the fees and expenses of counsel employed by the Indemnitee for any period during which the Indemnifying Party has failed to assume the defense thereof (other than during the period prior to the time the Indemnitee shall have given notice of the Third-Party Claim as provided above). Additionally, the Indemnifying Party will lose his, her or its right to defend such Third-Party Claim if within 30 days after receipt of written notice of such Third-Party Claim, it elects not to (or fails to elect to) defend such Third-Party Claim (or is not entitled to continue the defense of such Third-Party Claim) or it thereafter fails or ceases to defend such Third-Party Claim, diligently and in good faith, and in any such event, the Indemnitee will have the right to conduct and control the defense with counsel of his, her or its choice (the reasonable and documented out-of-pocket cost of which (including reasonable attorneys' fees) will be an indemnifiable Loss) of such Third-Party Claim.

(iv) If the Indemnifying Party shall have assumed the defense of a Third-Party Claim, in no event will the Indemnitee admit any liability with respect to, or settle, compromise or discharge, any Third-Party Claim without the Indemnifying Party's prior written consent; provided, however, that the Indemnitee shall have the right to settle, compromise or discharge such Third-Party Claim without the consent of the Indemnifying Party if the Indemnitee releases the Indemnifying Party from its indemnification obligation hereunder with respect to such Third-Party Claim and such settlement, compromise or discharge would not otherwise adversely affect the Indemnifying Party. The Indemnifying Party shall not enter into any settlement, compromise or discharge of a Third-Party Claim without the consent (not to be unreasonably withheld, conditioned or delayed) of the Indemnitee if the settlement (A) has the effect of permitting any injunction, declaratory judgment, other order or other non-monetary relief to be entered, directly or indirectly, against the Indemnitee, (B) does not completely release the Indemnitee from all Liabilities and obligations with respect to such claim, (C) includes a statement or admission of fault, culpability or failure to act by or on behalf of the Indemnitee, or (D) is otherwise prejudicial to the Indemnitee. If an Indemnifying Party elects not to assume the defense of a Third-Party Claim, or fails to notify an Indemnitee of its election to do so as provided herein, such Indemnitee may compromise, settle or defend such Third-Party Claim; provided that the Indemnitee shall not compromise or settle such Third-Party Claim without the consent of the Indemnifying Party, which consent is not to be unreasonably withheld, conditioned or delayed.

(v) Notwithstanding the foregoing, the Indemnifying Party shall not be entitled to assume the defense of any Third-Party Claim (and shall be liable for the fees and expenses of counsel incurred by the Indemnitee in defending such Third-Party Claim) if the Third-Party Claim (a) seeks an order, injunction or other equitable relief or relief for other than money damages against the Indemnitee which the Indemnitee reasonably determines, after conferring with its counsel, cannot be separated from any related claim for money damages or (b) alleges a criminal violation. If such equitable relief or other relief portion of the Third-Party Claim can be so separated from that for money damages, the Indemnifying Party shall be entitled to assume the defense of the portion relating to money damages.

(vi) In the event of payment by an Indemnifying Party to any Indemnitee in connection with any Third-Party Claim, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnitee as to any events or circumstances in respect of which such Indemnitee may have any right or claim relating to such Third-Party Claim. Such Indemnitee shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost and expense of such Indemnifying Party, in prosecuting any subrogated right or claim.

(b) The remedies provided in this Article V shall be cumulative and shall not preclude assertion by any Indemnitee of any other rights or the seeking of any and all other remedies against any Indemnifying Party.

Section 4.4 Indemnification Payments.

(a) Indemnification required by this Article V shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or a Loss is incurred. If the Indemnifying Party fails to make an indemnification payment required by this Article V within 30 days after receipt of a bill therefore or notice that a Loss has been incurred, the Indemnifying Party shall also be required to pay interest on the amount of such indemnification payment, from the date of receipt of the bill or notice of the Loss to but not including the date of payment, at the Applicable Rate.

(b) The amount of any claim by an Indemnitee under this Agreement shall be reduced to reflect any insurance proceeds actually received (net of costs or any mandatory premium increases) by any Indemnitee that result from the Losses that gave rise to such indemnity. Notwithstanding the foregoing, no Indemnitee will be obligated to seek recovery for any Losses from any Third-Party before seeking indemnification under this Agreement and in no event will an Indemnifying Party's obligation to indemnify and hold harmless any Indemnitee pursuant to this Agreement be conditioned upon the status of the recovery of any offsetting amounts from any such Third-Party.

(c) Except with respect to any indemnification payment for Losses relating to a breach of the Tax Matters Agreement, which indemnification payments shall be treated in accordance with the Tax Matters Agreement, and to the extent permitted by Law, the Parties will treat any indemnification payment paid pursuant to this Article V as a capital contribution made by Parent to SpinCo or as a distribution made by SpinCo to Parent, as the case may be, immediately prior to the Distribution.

Section 4.5 Survival of Indemnities. The rights and obligations of each of Parent and SpinCo and their respective Indemnitees under this Article V will survive the sale or transfer by any Party of any Assets or businesses or the assignment by it of any Liabilities.

Section 4.6 Limitation on Liability. Except as may expressly be set forth in this Agreement or any Ancillary Agreement, none of Parent, any other Parent Entity, SpinCo, or any other SpinCo Entity shall in any event have any Liability to the other Party or to any Entity affiliated with the other Party, or to any other Parent Indemnitee or SpinCo Indemnitee, as applicable, under this Agreement (a) to the extent that any such Liability resulted from any willful violation of Law or fraud by the Party seeking indemnification or (b) for any exemplary, punitive, special, indirect, consequential, remote or speculative damages (including in respect of lost profits or revenues), however caused and on any theory of liability (including negligence) arising in any way out of any provision of this agreement, whether or not such Party has been advised of the possibility of such damages. Notwithstanding the foregoing, the provisions of this Section 4.6 shall not limit an Indemnifying Party's indemnification obligations with respect to any Liability that any Indemnitee may have to any Third-Party not affiliated with any Parent Entity or SpinCo Entity.

ARTICLE V.
LITIGATION MATTERS

Section 5.1 Litigation Matters. As of the Distribution Date, SpinCo shall, and, as applicable, shall cause the other SpinCo Entities to (i) diligently conduct, at its sole cost and expense, the defense of the SpinCo Actions and any applicable future SpinCo Actions; (ii) notify Parent of material litigation developments related to the SpinCo Actions in which Parent is a named Party; and (iii) agree not to file any cross claim or institute separate legal proceedings against Parent or any Parent Entity in relation to the SpinCo Actions. Upon the settlement or judgment of any SpinCo Action, SpinCo shall be responsible for all Liabilities arising out of such settlement or judgment. Parent shall promptly (a) provide any documents or other correspondence received in connection with any pending SpinCo Actions to SpinCo and (b) pay any amounts received in such settlement of any SpinCo Actions to SpinCo (net of any amounts due and owing to Parent or any of its Subsidiaries from SpinCo or any of its Subsidiaries). SpinCo agrees that at all times from and after the Effective Time, if an Action currently exists or is commenced by a Third-Party with respect to which Parent (or any Parent Entity) is a named defendant but such Action is otherwise not a Liability allocated to Parent under this Agreement or any Ancillary Agreement, then SpinCo shall use commercially reasonable efforts to cause the named but not liable defendant to be removed from such Action. Notwithstanding anything in this Section 5.1 to the contrary, Parent shall have the right to participate in the defense of any SpinCo Action from which it has not been removed, and to be represented by attorneys of its own choosing and at SpinCo's sole cost and expense. SpinCo shall indemnify and hold harmless Parent and the other Parent Entities against SpinCo Liabilities arising in connection with any Action.

ARTICLE VI.
ACCESS TO INFORMATION

Section 6.1 Access to Information. From and after the Distribution Date through the third anniversary thereof, each of Parent and SpinCo shall afford to the other and its authorized Representatives reasonable access during normal business hours, subject to appropriate restrictions for classified, privileged or confidential information, to the Representatives, properties, and records ("Records") of, in the possession of or in the control of the non-requesting Party and its Subsidiaries insofar as such access is reasonably required by the requesting Party and relates to such other Party or the conduct of its business prior to the Effective Time, in each case, at the requesting Party's sole cost and expense. Notwithstanding the foregoing, neither Parent nor the SpinCo shall be required to provide such access if it reasonably determines that it would (A) materially disrupt or impair the business or operations of Parent or the SpinCo, as applicable, or any of its respective Subsidiaries, (B) cause a violation of any Contract to which Parent or SpinCo is a party, (C) constitute a violation of any applicable Law or (D) cause a material risk of disclosure of any information that in the reasonable judgment of Parent or SpinCo, as applicable, would result in the disclosure of any trade secrets of Third-Parties. Nothing herein shall require the Parent or SpinCo or any of their respective Subsidiaries to disclose information to the extent such information would result in a waiver of attorney-client privilege, work product doctrine or similar privilege or violate any confidentiality obligation of such Party existing as of the date of this Agreement (provided that such Party shall use reasonable best efforts to permit such disclosure to be made in a manner consistent with the protection of such privilege or to obtain any consent required to permit such disclosure to be made without violation of such confidentiality obligations, as applicable).

Section 6.2 Confidentiality.

(a) Parent and the other Parent Entities, on the one hand, and SpinCo and the other SpinCo Entities, on the other hand, shall not use or permit the use of and shall keep, and shall cause their respective Representatives to keep, confidential all information concerning the other Party in their possession, their custody or under their control to the extent such information, (i) relates to or was acquired during the period up to the Effective Time, (ii) relates to any Ancillary Agreement, (iii) is obtained in the course of performing services for the other Party pursuant to any Ancillary Agreement or (iv) is based upon or is derived from information described in the preceding clauses (i), (ii) or (iii), and each Party shall not (without the prior written consent of the other) otherwise release or disclose such information to any other Person, except such Party's Representatives, unless compelled to disclose such information by judicial or administrative process or unless such disclosure is required by Law and such Party has used commercially reasonable efforts to consult with the other affected Party or Parties prior to such disclosure and shall cooperate at the expense of the requesting Party in seeking any reasonable protective arrangements requested by such other Party. Subject to the foregoing, the Person that received such request may thereafter disclose or provide such information if and to the extent required by such Law or by lawful process or such Governmental Authority; provided, however, that the Person shall only disclose such portion of the information as required to be disclosed or provided.

(b) Each Party shall be deemed to have satisfied its obligation to hold confidential any information concerning or owned by the other Party or any Entity affiliated with the other Party, if it exercises the same care as it takes to preserve confidentiality for its own similar information. The covenants in this Section 6.2 shall survive the Transactions and shall continue indefinitely; provided, however, that the covenants in this Section 6.2 shall terminate with respect to any information not constituting a trade secret under applicable Law on the second anniversary of the later of the Distribution Date or the date on which the Party subject to such covenants with respect to such information receives it (but any such termination shall not terminate or otherwise limit any other covenant or restriction regarding the disclosure or use of such information under any Ancillary Agreement or other agreement, instrument or legal obligation). This Section 6.2 shall not apply to information (a) that has been in the public domain through no fault of such Party, (b) that has been later lawfully acquired from other sources by such Party, provided that such source is not and was not bound by a confidentiality agreement, (c) the use or disclosure of which is permitted by this Agreement or any other Ancillary Agreement or any other agreement entered into pursuant hereto, (d) that is immaterial and its disclosure is required as part of the conduct of that Party's business and would not reasonably be expected to be detrimental to the interests of the other Party or (e) that the other Party has agreed in writing may be so used or disclosed.

Section 6.3 Ownership of Information. Any information owned by one Party or any of its Subsidiaries that is provided to a requesting Party pursuant to this Article VI shall be deemed to remain the property of the providing Person. Unless specifically set

forth herein, nothing contained in this Agreement shall be construed as granting or conferring rights of license or otherwise in any such information.

Section 6.4 Retention of Records. Except (a) as provided in the Tax Matters Agreement or (b) when a longer retention period is otherwise required by Law or agreed to in writing, the Parent Entities and the SpinCo Entities shall retain all Records relating to the CCDC Business and the SpinCo Business as of the Effective Time for the periods of time provided in each Party's record retention policy (with respect to the documents of such Party and without regard to the Distribution or its effects) as in effect on the Distribution Date. Notwithstanding the foregoing, in lieu of retaining any specific Records, Parent or SpinCo may offer in writing to deliver such Records to the other and, if such offer is not accepted within 90 days, the offered Records may be destroyed or otherwise disposed of at any time. If a recipient of such offer shall request in writing prior to the scheduled date for such destruction or disposal that any of Records proposed to be destroyed or disposed of be delivered to such requesting Party, the Party proposing the destruction or disposal shall promptly arrange for delivery of such of the Records as was requested (at the cost of the requesting Party).

ARTICLE VII.
INSURANCE

Section 7.1 General. Parent and SpinCo acknowledge that the Insurance Policies and insurance coverage maintained in favor of the SpinCo Entities and CCDC (prior to the Distribution Date), are part of the corporate insurance program maintained by the SpinCo Entities and their respective Affiliates (such policies, the "Corporate Policies"), and such coverage will not be available or transferred to the CCDC or any other Parent Entity for any occurrence arising following the Distribution Date.

ARTICLE VIII.
MISCELLANEOUS

Section 8.1 Complete Agreement; Construction. This Agreement, including the Schedules, and the Ancillary Agreements shall constitute the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments and writings with respect to such subject matter.

Section 8.2 Ancillary Agreements. Except as may be expressly stated herein, this Agreement is not intended to address, and should not be interpreted to address, the matters specifically and expressly covered by the Ancillary Agreements.

Section 8.3 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the Parties and delivered to the other Party.

Section 8.4 Survival of Agreements. Except as otherwise contemplated by this Agreement, all covenants and agreements of the Parties contained in this Agreement shall survive the Distribution Date.

Section 8.5 Distribution Expenses. Except as otherwise expressly set forth in this Agreement or any Ancillary Agreement, all costs and expenses incurred on or prior to the Distribution Date (whether or not paid on or prior to the Distribution Date) in connection with the preparation, execution, delivery, printing and implementation of this Agreement and any Ancillary Agreement, the Registration Statement, the Distribution and the consummation of the transactions contemplated thereby, to the extent not paid by Parent prior to the Effective Time, shall be charged to and paid by SpinCo. Such expenses shall be deemed to be SpinCo Liabilities. Notwithstanding the foregoing, all costs and expenses incurred by SpinCo in connection with a potential private placement of SpinCo securities to be consummated following the Distribution shall be charged to and paid by SpinCo, and such expenses shall be deemed to be SpinCo Liabilities. Except as otherwise set forth in this Agreement or any Ancillary Agreement, each Party shall bear its own costs and expenses incurred after the Distribution Date. Any amount or expense to be paid or reimbursed by any Party to any other Party shall be so paid or reimbursed promptly after the existence and amount of such obligation is determined and written demand therefor is made.

Section 8.6 Notices. All notices and other communications hereunder shall be in writing, shall reference this Agreement and shall be hand delivered or mailed by registered or certified mail (return receipt requested) to the Parties at the following addresses (or at such other addresses for a Party as shall be specified by like notice) and will be deemed given on the date on which such notice is received:

If to SpinCo or, prior to the Distribution Date, to Parent, then to:

SilverSun Technologies, Inc.
120 Eagle Rock Avenue
East Hanover, NJ 07936
Attention: Mark Meller, Chief Executive Officer
Telephone: (973) 758-6100
Email: meller@silversuntech.com

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

Lucosky Brookman LLP
101 Wood Avenue South, 5th Floor
Woodbridge, NJ 08830
Attention: Joseph Lucosky; Christopher Haunschild
Email: jlucosky@lucbro.com; chaunschild@lucbro.com

To Parent or any Parent Entity following the Distribution Date, then to:

Rhodium Enterprises, Inc.
7546 Pebble Drive, Building 29
Fort Worth, Texas 76118
Attention: Chase Blackmon, Chief Executive Officer, Legal
E-Mail: chaseblackmon@rhdm.com; legal@rhdm.com

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

Kirkland & Ellis LLP
609 Main Street
Houston, TX 77002
Attention: Thomas Laughlin, P.C.; Jack Shirley; Douglas E. Bacon, P.C.;
Matthew R. Pacey, P.C.; Anne Peetz
E-Mail: thomas.laughlin@kirkland.com; jack.shirley@kirkland.com;
doug.bacon@kirkland.com; matt.pacey@kirkland.com; anne.peetz@kirkland.com

Section 8.7 Waivers. The failure of any Party to require strict performance by any other Party of any provision in this Agreement will not waive or diminish that Party's right to demand strict performance thereafter of that or any other provision hereof.

Section 8.8 Amendments. Subject to the terms of Section 8.11 and Section 8.13 hereof, this Agreement may not be modified or amended except by an agreement in writing signed by each of the Parties.

Section 8.9 Assignment. This Agreement shall not be assignable, in whole or in part, directly or indirectly, by any Party without the prior written consent of the other Party, and any attempt to assign any rights or obligations arising under this Agreement without such consent shall be void; provided, however, that either Party may assign this Agreement to a purchaser of all or substantially all of the properties and Assets of such Party so long as such purchases expressly assumes, in a written instrument in form reasonably satisfactory to the non-assigning Party, the due and punctual performance or observance of every agreement and covenant of this Agreement on the part of the assigning Party to be performed or observed.

Section 8.10 Successors and Assigns. The provisions to this Agreement shall be binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and permitted assigns.

Section 8.11 Termination. This Agreement (including Article V hereof) may be terminated and the Distribution may be amended, modified or abandoned at any time prior to the Distribution by and in the sole discretion of Parent and its Board of Directors without the approval of SpinCo or the stockholders of Parent. In the event of such termination, no Party shall have any Liability of any kind to any other Party or any other Person. After the Distribution, this Agreement may not be terminated except by an agreement in writing signed by the Parties; provided, however, that Article V shall not be terminated or amended after the Distribution in respect of a Third-Party beneficiary thereto without the consent of such Person.

Section 8.12 Subsidiaries. Each of the Parties shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth herein to be performed by any entity that is contemplated to be a Subsidiary of such Party after the Distribution Date.

Section 8.13 Third-Party Beneficiaries. Except (a) as provided in Section 3.11 for the release of any Person provided thereunder, (b) as provided in Article V relating to Indemnitees, and (c) as specifically provided in any Ancillary Agreement, this Agreement and the Ancillary Agreements are solely for the benefit of the Parties and their respective Subsidiaries and Affiliates (including, with respect to Parent, the Parent Entities), and shall not be deemed to confer upon any other Person any remedy, claim, Liability, reimbursement, cause of action or other right in excess of those existing without reference to this Agreement.

Section 8.14 Title and Headings. Titles and headings to Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

Section 8.15 Schedules. The Schedules shall be construed with and as an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein.

Section 8.16 Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware applicable to Contracts made and to be performed in the state of Delaware.

Section 8.17 Consent to Jurisdiction. Each Party to this Agreement hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Chancery Court of the State of Delaware and any state appellate court therefrom within the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware), in any action or proceeding arising out of or relating to this Agreement or the agreements delivered in connection herewith or the transactions contemplated hereby or thereby or for recognition or enforcement of any judgment relating thereto, and each of the Parties hereby irrevocably and unconditionally (a) agrees not to commence any such action or proceeding except in such courts, (b) agrees that any claim in respect of any such action or proceeding may be heard and determined in such courts, (c) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any such action or proceeding in any such courts, and (d) waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such courts. Each of the Parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each Party irrevocably consents to service of process in the manner provided for notices in Section 8.6 hereof. Nothing in this Agreement will affect the right of any Party to serve process in any other manner permitted by law.

Section 8.18 Waiver of Jury Trial. THE PARTIES HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT.

Section 8.19 Specific Performance. From and after the Distribution, in the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the Parties agree that the Party to this Agreement who is or is to be thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief of its rights under this Agreement, in addition to any and all other rights and remedies at Law or in equity, and all such rights and remedies shall be cumulative. The Parties agree that, from and after the Distribution, the remedies at Law for any breach or threatened breach of this Agreement, including monetary

damages, are inadequate compensation for any loss, that any defense in any action for specific performance that a remedy at Law would be adequate is hereby waived, and that any requirements for the securing or posting of any bond with such remedy are hereby waived.

Section 8.20 Severability. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby. The Parties shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the day and year first above written.

PARENT:

SILVERSUN TECHNOLOGIES, INC.

By: _____
Name: Mark Meller
Title: Chief Executive Officer

SPINCO:

SILVERSUN TECHNOLOGIES HOLDINGS, INC.

By: _____
Name: Joe Macaluso
Title: Chief Financial Officer

Exhibit 3.1

State of Delaware
Secretary of State
Division of Corporations
Delivered 02:56 P.M 09/26/2022
FILED 02:56 PM 09/26/2022
SR 20223619871 - File Number 7049734

CERTIFICATE OF INCORPORATION

OF

SWK Technologies Holdings, Inc.

(Pursuant to Section 102 of the Delaware General Corporation Law)

FIRST: The name of this Corporation: SWK Technologies Holdings, Inc.

SECOND: The address of its registered office in the State of Delaware is 1013 Centre Road, Suite 403-B, Wilmington, DE 19805 in the County of New Castle. The name of its registered agent at such address is Vcorp Services, LLC.

TIDRD: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH: The total number of shares of capital stock which the Corporation shall have authority to issue is: 100 shares Common Stock with no par value.

FIFTH: The name and mailing address of the incorporator is William Zayac, 25 Robert Pitt Drive, Suite 204, Monsey, New York 10952.

I, THE UNDERSIGNED, for the purpose of forming a corporation under the laws of the State of Delaware, do make, file and record this Certificate, and do certify that the facts herein stated are true, and I have accordingly hereunto set my hand this September 26, 2022.

/s/ *William Zayac*
William Zayac,
Incorporator

Exhibit 3.2

State of Delaware
Secretary of State
Division of Corporations
Delivered 05:54 PM 10/10/2022
FILED 05:54 PM 10/10/2022
SR 20223737974 - File Number 7049734

STATE OF DELAWARE
CERTIFICATE OF AMENDMENT
OF CERTIFICATE OF INCORPORATION

The corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware does hereby certify:

FIRST: That at a meeting of the Board of Directors of SWK TECHNOLOGIES HOLDINGS, INC. resolutions were duly adopted setting forth a proposed amendment of the Certificate of Incorporation of said corporation, declaring said amendment to be advisable and calling a meeting of the stockholders of said corporation for consideration thereof. The resolution setting forth the proposed amendment is as follows:

RESOLVED, that the Certificate of Incorporation of this corporation be amended by changing the Article thereof numbered "FIRST" so that, as amended, said Article shall be and read as follows:

FIRST: The name of the corporation is SilverSun Technologies Holdings, Inc.

SECOND: That thereafter, pursuant to resolution of its Board of Directors, a special meeting of the stockholders of said corporation was duly called and held upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware at which meeting the necessary number of shares as required by statute were voted in favor of the amendment.

THIRD: That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said corporation has caused this certificate to be signed this 7th day of October, 2022.

By: _____
Authorized Officer

Title: Chief Executive Officer

Name: Mark Meller
Print or Type

Exhibit 3.3

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
SILVERSUN TECHNOLOGIES HOLDINGS, INC.

SilverSun Technologies Holdings, Inc. a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), DOES HEREBY CERTIFY AS FOLLOWS:

1. The name of the Corporation is "SilverSun Technologies Holdings, Inc." A Certificate of Incorporation of the Corporation was originally filed by the Corporation with the Secretary of State of the State of Delaware ("Delaware Secretary of State") on September 26, 2022 under the name of SWK Technologies Holdings, Inc. A Certificate of Amendment to the Certificate of Incorporation was filed by the Corporation with the Delaware Secretary of State on October 10, 2022 under the name of SWK Technologies Holdings, Inc. in which the name of the Corporation was changed to SilverSun Technologies Holdings, Inc.;

This Amended and Restated Certificate of Incorporation (the "Amended and Restated Certificate") restates, integrates and further amends the provisions of the Certificate of Incorporation and was duly adopted by the Board of Directors of the Corporation (the "Board") and by written consent of the stockholders of the Corporation, who approved the amendments contained herein by a vote of the necessary number of shares required by statute in accordance with Sections 228, 242 and 245 of the General Corporation Law of the State of Delaware ("DGCL");

2. Certain capitalized terms used in this Amended and Restated Certificate are defined where appropriate herein; and

3. The text of the Certificate of Incorporation is hereby restated and amended in its entirety to read as follows:

ARTICLE I
NAME

The name of the Corporation is 'SilverSun Technologies Holdings, Inc.'

ARTICLE II
PURPOSE

The Corporation is organized to engage in any lawful act or activity for which a corporation may be organized under the DGCL.

ARTICLE III
CAPITAL STOCK

Authorization. The Corporation shall have authority to issue 75,000,000 shares of common stock, par value $0.00001 per share ("Common Stock"), and 1,000,000 shares of preferred stock, par value of $0.001 per share ("Preferred Stock").

PART A
COMMON STOCK

With respect to all matters upon which stockholders of the Corporation are entitled to vote or to which stockholders are entitled to give consent, the holders of the outstanding shares of Common Stock shall be entitled on each matter to cast one (1) vote in person or by proxy for each share of Common Stock standing in his, her or its name. There shall be no cumulative voting by stockholders. Holders of Common Stock have no preemptive, subscription, conversion or redemption rights. Upon liquidation, dissolution or winding up, the holders of Common Stock are entitled to receive net assets pro rata. Each holder of Common Stock is entitled to receive ratably any dividends declared by the Board out of funds legally available for the payment of dividends.

PART B
PREFERRED STOCK

The Corporation's Board is authorized (by resolution and by filing an amendment to this Amended and Restated Certificate, and subject to limitations prescribed by the DGCL) to issue, from to time, shares of preferred stock in one or more series, to establish from time to time the number of shares to be included in each series, and to fix the designation, powers, preferences and other rights of the shares of each such series, and to fix the qualifications, limitations and restrictions thereon, including, but without limiting the generality of the foregoing, the following:

(1) the number of shares constituting that series and the distinctive designation of that series;

(2) the dividend rate on the shares of that series, whether dividends are cumulative, and, if so, from which date or dates, and the relative rights of priority, if any, of payment of dividends on shares of that series;

(3) whether that series has voting rights, in addition to voting rights provided by law, and, if so, the terms of those voting rights;

(4) whether that series has conversion privileges, and, if so, the terms and conditions of conversion, including provisions for adjusting the conversion rate in such events as the Board;

(5) whether or not the shares of that series are redeemable, and, if so, the terms and conditions of redemption, including the dates upon or after which they are redeemable, and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;

(6) whether that series has a sinking fund for the redemption or purchase of shares of that series, and, if so, the terms and amount of such sinking fund;

(7) the rights of the shares of that series in the event of voluntary or involuntary liquidation, dissolution or winding up of the Corporation, and the relative rights of priority, if any, of payment to shares of that series, *provided* that the holders of preferred stock of each series shall be entitled to receive only that amount or those amounts as are fixed by the certificate of designation or by resolution of the Board providing for the issuance of that series; and

(8) any other relative powers, preferences and rights of that series, and qualifications, limitations or restrictions on that series.

ARTICLE IV
REGISTERED AGENT

The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, Wilmington, DE 19801 County of New Castle. The name of the registered agent of the Corporation at such address is The Corporation Trust Company.

ARTICLE V
BOARD OF DIRECTORS

The Board of the Corporation shall consist of at least one (1) director. Each director (if more than one) shall serve until the first meeting of the stockholders of the Corporation, or until such director’s successor are elected and qualified.

ARTICLE VI
BYLAWS

In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the Board is expressly authorized to adopt, amend or repeal the By-laws of the Corporation.

ARTICLE VII
PERPETUAL EXISTENCE

The Corporation shall have perpetual existence.

ARTICLE VII
AMENDMENTS AND REPEAL

Except as otherwise specifically provided in this Amended and Restated Certificate, the Corporation reserves the right at any time, and from time to time, to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate, and to add or insert other provisions authorized at such time by the laws of the State of Delaware, in the manner now or hereafter prescribed by law, and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Amended and Restated Certificate in its present form or as hereafter amended are granted subject to the rights reserved in this Article VIII.

ARTICLE IX
LIMITATION OF LIABILITY

No director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of his or her fiduciary duty as director; *provided, however*, that nothing contained in this Article IX shall eliminate or limit the liability of a director for any breach of the director's duty of loyalty to the Corporation or its stockholders, for acts or omissions not in good faith or which involve intentional misconduct, a knowing violation of the law, under Section 174 of the DGCL or any successor provision, or for any transaction from which the director derived improper personal benefit.

If the laws of the State of Delaware are hereafter amended to authorize the further elimination or limitation of the liability of directors, then the liability of the directors of the Corporation, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by said laws. Any repeal or modification of this Article IX by the stockholders of the Corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of directors of the Corporation existing at the time of such repeal or modification. This provision shall not affect any provision permitted under the DGCL, in this Amended and Restated Certificate, or in the By-laws or any contract or resolution of the Corporation indemnifying or agreeing to indemnify a member of the Board against personal liability.

IN WITNESS WHEREOF, the undersigned has caused this Amended and Restated Certificate to be duly executed on behalf of the Corporation this 28th day of October, 2022.

SILVERSUN TECHNOLOGIES HOLDINGS, INC.

By: /s/ Mark Meller
Mark Meller
Chief Executive Officer

Exhibit 3.4

BYLAWS

OF

SILVERSUN TECHNOLOGIES HOLDINGS, INC.

(a Delaware corporation)

ARTICLE I

STOCKHOLDERS

1. CERTIFICATES REPRESENTING STOCK. Certificates representing stock in the corporation shall be signed by, or in the name of, the corporation by the Chairperson or Vice-Chairperson of the Board of Directors, if any, or by the President or a Vice-President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the corporation. Any or all the signatures on any such certificate may be a facsimile. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if such person were such officer, transfer agent, or registrar at the date of issue.

Whenever the corporation shall be authorized to issue more than one class of stock or more than one series of any class of stock, and whenever the corporation shall issue any shares of its stock as partly paid stock, the certificates representing shares of any such class or series or of any such partly paid stock shall set forth thereon the statements prescribed by the General Corporation Law. Any restrictions on the transfer or registration of transfer of any shares of stock of any class or series shall be noted conspicuously on the certificate representing such shares.

The corporation may issue a new certificate of stock or uncertificated shares in place of any certificate theretofore issued by it, alleged to have been lost, stolen, or destroyed, and the Board of Directors may require the owner of the lost, stolen, or destroyed certificate, or such owner's legal representative, to give the corporation a bond sufficient to indemnify the corporation against any claim that may be made against it on account of the alleged loss, theft, or destruction of any such certificate or the issuance of any such new certificate or uncertificated shares.

2. UNCERTIFICATED SHARES. Subject to any conditions imposed by the General Corporation Law, the Board of Directors of the corporation may provide by resolution or resolutions that some or all of any or all classes or series of the stock of the corporation shall be uncertificated shares. Within a reasonable time after the issuance or transfer of any uncertificated shares, the corporation shall send to the registered owner thereof any written notice prescribed by the General Corporation Law.

3. FRACTIONAL SHARE INTERESTS. The corporation may, but shall not be required to, issue fractions of a share. If the corporation does not issue fractions of a share, it shall (1) arrange for the disposition of fractional interests by those entitled thereto, (2) issue such additional interest as is necessary to increase the fractional share to a full share, (3) pay in cash the fair value of fractions of a share as of the time when those entitled to receive such fractions are determined, or (4) issue scrip or warrants in registered form (either represented by a certificate or uncertificated) or bearer form (represented by a certificate) which shall entitle the holder to receive a full share upon the surrender of such scrip or warrants aggregating a full share. A certificate for a fractional share or an uncertificated fractional share shall, but scrip or warrants shall not unless otherwise provided therein, entitle the holder to exercise voting rights, to receive dividends thereon, and to participate in any of the assets of the corporation in the event of liquidation. The Board of Directors may cause scrip or warrants to be issued subject to the conditions that they shall become void if not exchanged for certificates representing the full shares or uncertificated full shares before a specified date, or subject to the conditions that the shares for which scrip or warrants are exchangeable may be sold by the corporation and the proceeds thereof distributed to the holders of scrip or warrants, or subject to any other conditions which the Board of Directors may impose.

4. STOCK TRANSFERS. Upon compliance with provisions restricting the transfer or registration of transfer of shares of stock, if any, transfers or registration of transfers of shares of stock of the corporation shall be made only on the stock ledger of the corporation by the registered holder thereof, or by the registered holder's attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the corporation or with a transfer agent or a registrar, if any, and, in the case of shares represented by certificates, on surrender of the certificate or certificates for such shares of stock properly endorsed and the payment of all taxes due thereon.

5. RECORD DATE FOR STOCKHOLDERS. In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than sixty nor less than ten days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting. In order that the corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be more than ten days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date has been fixed by the Board of Directors, the record date for determining the stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by the General Corporation Law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation by delivery to its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by the General Corporation Law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action. In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion, or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution firing the record date is adopted, and which record date shall be not more than sixty days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

6. MEANING OF CERTAIN TERMS. As used herein in respect of the right to notice of a meeting of stockholders or a waiver thereof or to participate or vote thereat or to consent or dissent in writing in lieu of a meeting, as the case may be, the term "share" or "shares" or "share of stock" or "shares of stock" or "stockholder" or "stockholders" refers to an outstanding share or shares of stock and to a holder or holders of record of outstanding shares of stock when the corporation is authorized to issue only one class of shares of stock, and said reference is also intended to include any outstanding share or shares of stock and any holder or holders of record of outstanding shares of stock of any class upon which or upon whom the certificate of incorporation confers such rights where there are two or more classes or series of shares of stock or upon which or upon whom the General Corporation Law confers such rights notwithstanding that the certificate of incorporation may provide for more than one class or series of shares of stock, one or more of which are limited or denied such rights thereunder; provided, however, that no such right shall vest in the event of an increase or a decrease in the authorized number of shares of stock of any class or series which is otherwise denied voting rights under the provisions of the certificate of incorporation, except as any provision of law may otherwise require.

7. STOCKHOLDER MEETINGS.

- TIME The annual meeting shall be held on the date and at the time fixed, from time to time, by the directors, provided, that the first annual meeting shall be held on a date within thirteen months after the organization of the corporation, and each successive annual meeting shall be held on a date within thirteen months after the date of the preceding annual meeting. A special meeting shall be held on the date and at the time fixed by the directors.

- PLACE. Annual meetings and special meetings may be held at such place, either within or without the State of Delaware, as the directors may, from time to time, fix Whenever the directors shall fail to fix such place, the meeting shall be held at the registered office of the corporation in the State of Delaware. The board of directors may also, in its sole discretion, determine that the meeting

shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the Delaware General Corporation Law. If a meeting by remote communication is authorized by the board of directors in its sole discretion, and subject to guidelines and procedures as the board of directors may adopt, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication participate in a meeting of stockholders and be deemed present in person and vote at a meeting of stockholders whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (a) the corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder, (b) the corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings, and (c) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the corporation.

- CALL. Annual meetings and special meetings may be called by the directors or by any officer instructed by the directors to call the meeting.

- NOTICE OR WAIVER OF NOTICE Written notice of all meetings shall be given, which shall state the place, if any, date, and hour of the meeting, the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called. The notice of an annual meeting shall state that the meeting is called for the election of directors and for the transaction of other business which may properly come before the meeting, and shall (if any other action which could be taken at a special meeting is to be taken at such annual meeting) state the purpose or purposes. The notice of any meeting shall also include, or be accompanied by, any additional statements, information, or documents prescribed by the General Corporation Law. Except as otherwise provided by the General Corporation Law, the written notice of any meeting shall be given not less than ten days nor more than sixty days before the date of the meeting to each stockholder entitled to vote at such meeting. If mailed, notice is given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholders address as it appears on the records of the corporation. If a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time, place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. Whenever notice is required to be given under the Delaware General Corporation Law, certificate of incorporation or Bylaws, a written waiver signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a stockholder at a meeting of stockholders shall constitute a waiver of notice of such meeting, except when the stockholder attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the certificate of incorporation or these bylaws.

- STOCKHOLDER LIST. The officer who has charge of the stock ledger of the corporation shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period of at least ten days prior to the meeting on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting or during ordinary business hours at the principal place of business of the corporation. In the event that the corporation determines to make the list available on an electronic network, the corporation may take reasonable steps to ensure that such information is available only to stockholders of the corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. The stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list required by this section or the books of the corporation, or to vote in person or by proxy at any meeting of stockholders.

- CONDUCT OF MEETING. Meetings of the stockholders shall be presided over by one of the following officers in the order of seniority and if present and acting - the Chairperson of the Board, if any, the Vice-Chairperson of the Board, if any, the President, a Vice-President, or, if none of the foregoing is in office and present and acting, by a chairperson to be chosen by the stockholders. The Secretary of the corporation, or in such Secretary's absence, an Assistant Secretary, shall act as secretary of every meeting, but if neither the Secretary nor an Assistant Secretary is present the chairperson of the meeting shall appoint a secretary of the meeting.

- PROXY REPRESENTATION. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after 3 years from its date, unless the proxy provides for a longer period. A stockholder may execute a writing authorizing another person or persons to act for such stockholder as proxy. Execution may be accomplished by the stockholder or such stockholders authorized officer, director, employee or agent signing such writing or causing such persons signature to be affixed to such writing by any reasonable means including, but not limited to, by facsimile signature. A stockholder may also authorize another person or persons to act for such stockholder as proxy by transmitting or authorizing the transmission of a telegram, cablegram, or other means of electronic transmission to the person who will be the holder of the proxy or to a proxy solicitation firm, proxy support service organization or like agent duly authorized by the person who will be the holder of the proxy to receive such transmission, provided that any such telegram, cablegram or other means of electronic transmission mist either set forth or be submitted with information from which it can be determined that the telegram, cablegram or other electronic transmission was authorized by the stockholder. If it is determined that such telegrams, cablegrams or other electronic transmissions are valid, the inspectors or, if there are no inspectors, such other persons making the determination shall specify the information upon which they relied. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission created pursuant to Section 212(c) of the Delaware General Corporation Law may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission. A duly executed proxy shall be irrevocable if it states that it is irrevocable and, if, and only as long as, it is coupled with an interest sufficient in law to support an in-evocable power. A proxy may be made irrevocable regardless of whether the interest with which it is coupled is an interest in the stock itself or an interest in the corporation generally.

- INSPECTORS. The directors, in advance of any meeting, may, but need not, appoint one or more inspectors of election to act at the meeting or any adjournment thereof. If an inspector or inspectors are not appointed, the person presiding at the meeting may, but need not, appoint one or more inspectors. In case any person who may be appointed as an inspector fails to appear or act, the vacancy may be filled by appointment made by the directors in advance of the meeting or at the meeting by the person presiding thereat. Each inspector, if any, before entering upon the discharge of duties of inspector, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of such inspector's ability. The inspectors, if any, shall determine the number of shares of stock outstanding and the voting power of each, the shares of stock represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots, or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots, or consents, determine the result, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the person presiding at the meeting, the inspector or inspectors, if any, shall make a report in writing of any challenge, question, or matter determined by such inspector or inspectors and execute a certificate of any fact found by such inspector or inspectors. Except as may otherwise be required by subsection (e) of Section 231 of the General Corporation Law, the provisions of that Section shall not apply to the corporation.

- QUORUM. The holders of a majority of the outstanding shares of stock shall constitute a quorum at a meeting of stockholders for the transaction of any business. The stockholders present may adjourn the meeting despite the absence of a quorum.

- VOTING. Each share of stock shall entitle the holder thereof to one vote. Directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. Any other action shall be authorized by a majority of the votes cast except where the General Corporation Law prescribes a different percentage of votes and/or a different exercise of voting power, and except as may be otherwise prescribed by the provisions of the certificate of incorporation and these Bylaws. In the election of directors, and for any other action, voting need not be by ballot.

8. STOCKHOLDER ACTION WITHOUT MEETINGS. Except as any provision of the General Corporation Law may otherwise require, any action required by the General Corporation Law to be taken at any annual or special meeting of stockholders, or any action which may be taken at any annual or special meeting of stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, or by a person or persons authorized to act for a stockholder or proxyholder, shall be deemed to be written, signed and dated for the purposes of this section, provided that any such telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the corporation can determine that the telegram, cablegram or other electronic transmission was transmitted by the stockholder or proxyholder or by a person or persons authorized to act for the stockholder or proxyholder and the date on which such stockholder or proxyholder or authorized person or persons transmitted such telegram, cablegram or electronic transmission. The date on which such telegram, cablegram or electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. No consent given by telegram, cable or other electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper shall be delivered to the corporation by delivery to its principal place of business or an officer or agent of the corporation having custody of the book in which the proceedings of meetings of stockholders are recorded, to the extent and in the manner provided by resolution of the board of directors of the corporation. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing. Action taken pursuant to this paragraph shall be subject to the provisions of Section 228 of the General Corporation Law.

ARTICLE II

DIRECTORS

1. FUNCTIONS AND DEFINITION. The business and affairs of the corporation shall be managed by or under the direction of the Board of Directors of the corporation. The Board of Directors shall have the authority to fix the compensation of the members thereof. The use of the phrase “whole board” herein refers to the total number of directors which the corporation would have if there were no vacancies.

2. QUALIFICATIONS AND NUMBER A director need not be a stockholder, a citizen of the United States, or a resident of the State of Delaware. The initial Board of Directors shall consist of one or more persons. Thereafter the number of directors constituting the whole board shall be at least one. Subject to the foregoing limitation and except for the first Board of Directors, such number may be fixed from time to time by action of the stockholders or of the directors, or, if the number is not fixed, the number shall be at least one and not more than twenty. The number of directors may be increased or decreased by action of the stockholders or of the directors.

3. ELECTION AND TERM. The first Board of Directors, unless the members thereof shall have been named in the certificate of incorporation, shall be elected by the incorporator or incorporators and shall hold office until the first annual meeting of stockholders and until their successors are elected and qualified or until their earlier resignation or removal. Any director may resign at any time upon notice given in writing or by electronic transmission to the corporation. Thereafter, directors who are elected at an annual meeting of stockholders, and directors who are elected in the interim to fill vacancies and newly created directorships, shall hold office until the next annual meeting of stockholders and until their successors are elected and qualified or until their earlier resignation or removal. Except as the General Corporation Law may otherwise require, in the interim between annual meetings of stockholders or of special meetings of stockholders called for the election of directors and/or for the removal of one or more directors and for the filling of any vacancy in that connection, newly created directorships and any vacancies in the Board of Directors, including unfilled vacancies resulting from the removal of directors for cause or without cause, may be filled by the vote of a majority of the remaining directors then in office, although less than a quorum, or by the sole remaining director.

4. MEETINGS.

- TIME. Meetings shall be held at such time as the Board shall fix, except that the first meeting of a newly elected Board shall be held as soon after its election as the directors may conveniently assemble.

- PLACE. Meetings shall be held at such place within or without the State of Delaware as shall be fixed by the Board.

- CALL. No call shall be required for regular meetings for which the time and place have been fixed. Special meetings may be called by or at the direction of the Chairperson of the Board, if any, the Vice-Chairperson of the Board, if any, of the President, or of a majority of the directors in office.

- NOTICE OR ACTUAL OR CONSTRUCTIVE WAIVER No notice shall be required for regular meetings for which the time and place have been fixed. Written, oral, or any other mode of notice of the time and place shall be given for special meetings in sufficient time for the convenient assembly of the directors thereat. Whenever notice is required to be given under the Delaware General Corporation Law, certificate of incorporation or bylaws, a written waiver signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of any such person at a meeting shall constitute a waiver of notice of such meeting, except when such person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the directors need be specified in any written waiver of notice.

- QUORUM AND ACTION. A majority of the whole Board shall constitute a quorum except when a vacancy or vacancies prevents such majority, whereupon a majority of the directors in office shall constitute a quorum, provided, that such majority shall constitute at least one-third of the whole Board. A majority of the directors present, whether or not a quorum is present, may adjourn a meeting to another time and place. Except as herein otherwise provided, and except as otherwise provided by the General Corporation Law, the vote of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board. The quorum and voting provisions herein stated shall not be construed as conflicting with any provisions of the General Corporation Law and these Bylaws which govern a meeting of directors held to fill vacancies and newly created directorships in the Board or action of disinterested directors.

Any member or members of the Board of Directors or of any committee designated by the Board, may participate in a meeting of the Board, or any such committee, as the case may be, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

- CHAIRPERSON OF THE MEETING The Chairperson of the Board, if any and if present and acting, shall preside at all meetings. Otherwise, the Vice-Chairperson of the Board, if any and if present and acting, or the President, if present and acting, or any other director chosen by the Board, shall preside.

5. REMOVAL OF DIRECTORS. Except as may otherwise be provided by the General Corporation Law, any director or the entire Board of Directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors.

6. COMMITTEES. The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of any member of any such committee or committees, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation with the exception of any power or authority the delegation of which is prohibited by Section 141 of the General Corporation Law, and may authorize the seal of the corporation to be affixed to all papers which may require it.

7. WRITTEN ACTION. Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

ARTICLE III

OFFICERS

The officers of the corporation shall consist of a President, a Secretary, a Treasurer, and, if deemed necessary, expedient, or desirable by the Board of Directors, a Chairperson of the Board, a Vice-Chairperson of the Board, an Executive Vice-President, one or more other Vice-Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers with such titles as the resolution of the Board of Directors choosing them shall designate. Except as may otherwise be provided in the resolution of the Board of Directors choosing such officer, no officer other than the Chairperson or Vice-Chairperson of the Board, if any, need be a director. Any number of offices may be held by the same person, as the directors may determine.

Unless otherwise provided in the resolution choosing such officer, each officer shall be chosen for a term which shall continue until the meeting of the Board of Directors following the next annual meeting of stockholders and until such officer's successor shall have been chosen and qualified.

All officers of the corporation shall have such authority and perform such duties in the management and operation of the corporation as shall be prescribed in the resolutions of the Board of Directors designating and choosing such officers and prescribing their authority and duties, and shall have such additional authority and duties as are incident to their office except to the extent that such resolutions may be inconsistent therewith. The Secretary or an Assistant Secretary of the corporation shall record all of the proceedings of all meetings and actions in writing of stockholders, directors, and committees of directors, and shall exercise such additional authority and perform such additional duties as the Board shall assign to such Secretary or Assistant Secretary. Any officer may be removed, with or without cause, by the Board of Directors. Any vacancy in any office may be filled by the Board of Directors.

ARTICLE IV

INDEMNIFICATION

1. DIRECTORS AND EXECUTIVE OFFICERS. The corporation shall indemnify its directors and executive officers (for the purposes of this Article IV , "executive officers" shall have the meaning defined in Rule 3b-7 promulgated under Exchange Act) to the fullest extent not prohibited by the General Corporation Law or any other applicable law; *provided, however*, that the corporation may modify the extent of such indemnification by individual contracts with its directors and executive officers; *provided, further*, that the corporation shall not be required to indemnify any director or executive officer in connection with any proceeding (or part thereof) initiated by such person unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors of the corporation, (iii) such indemnification is provided by the corporation, in its sole discretion, pursuant to the powers vested in the corporation under the General Corporation Law or any other applicable law or (iv) such indemnification is required to be made under paragraph 4 of this Section.

2. OTHER OFFICERS, EMPLOYEES AND OTHER AGENTS. The corporation shall have power to indemnify its other officers, employees and other agents as set forth in the General Corporation Law or any other applicable law. The Board of Directors shall have the power to delegate the determination of whether indemnification shall be given to any such person except executive officers to such officers or other persons as the Board of Directors shall determine.

3. EXPENSES. The corporation shall advance to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or executive officer of the corporation, or is or was serving at the request of the corporation as a director or executive officer of another corporation, partnership, joint venture, trust or other enterprise, prior to the final disposition of the proceeding, promptly following request therefor, all expenses incurred by any director or executive officer in connection with such

proceeding; *provided, however*, that, if the General Corporation Law requires, an advancement of expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the corporation of an undertaking, by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such indemnitee is not entitled to be indemnified for such expenses under this Section or otherwise.

Notwithstanding the foregoing, unless otherwise determined pursuant to paragraph 5 of this Section, no advance shall be made by the corporation to an executive officer of the corporation (except by reason of the fact that such executive officer is or was a director of the corporation, in which event this paragraph shall not apply) in any action, suit or proceeding, whether civil, criminal, administrative or investigative, if a determination is reasonably and promptly made (i) by a majority vote of a quorum consisting of directors who were not parties to the proceeding, even if not a quorum, or (ii) by a committee of such directors designated by a majority of such directors, even though less than a quorum, or (iii) if there are no such directors, or such directors so direct, by independent legal counsel in a written opinion, that the facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation.

4. ENFORCEMENT. Without the necessity of entering into an express contract, all rights to indemnification and advances to directors and executive officers under this Section shall be deemed to be contractual rights and be effective to the same extent and as if provided for in a contract between the corporation and the director or executive officer. Any right to indemnification or advances granted by this Section to a director or executive officer or officer shall be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within ninety (90) days of request therefor. The claimant in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting the claim. In connection with any claim for indemnification, the corporation shall be entitled to raise as a defense to any such action that the claimant has not met the standards of conduct that make it permissible under the General Corporation Law or any other applicable law for the corporation to indemnify the claimant for the amount claimed. In connection with any claim by an executive officer of the corporation (except in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such executive officer is or was a director of the corporation) for advances, the corporation shall be entitled to raise as a defense as to any such action clear and convincing evidence that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation, or with respect to any criminal action or proceeding that such person acted without reasonable cause to believe that his or her conduct was lawful. Neither the failure of the corporation (including its Board of Directors, independent legal counsel or its shareholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the General Corporation Law or any other applicable law, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel or its shareholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct.

5. NON-EXCLUSIVITY OF RIGHTS. The rights conferred on any person by this Section shall not be exclusive of any other right which such person may have or hereafter acquire under any applicable statute, provision of the Certificate of Incorporation, Bylaws, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding office. The corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, to the fullest extent not prohibited by the General Corporation Law or any other applicable law.

6. SURVIVAL OF RIGHTS. The rights conferred on any person by this Section shall continue as to a person who has ceased to be a director or executive officer and shall inure to the benefit of the heirs, executors, and administrators of such a person.

7. INSURANCE. To the fullest extent permitted by the General Corporation Law, or any other applicable law, the corporation, upon approval by the Board of Directors, may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to this Section.

8. AMENDMENTS. Any repeal or modification of this Section shall only be prospective and shall not affect the rights under these Bylaws in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any proceeding against any agent of the corporation.

9. SAVING CLAUSE. If this Section or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify each director and executive officer to the full extent not prohibited by any applicable portion of these Bylaws that shall not have been invalidated, or by any other applicable law. If this Section shall be invalid due to the application of the indemnification provisions of another jurisdiction, then the corporation shall indemnify each director and executive officer to the full extent under applicable law.

ARTICLE V

CORPORATE SEAL

The corporate seal shall be in such form as the Board of Directors shall prescribe.

ARTICLE VI

FISCAL YEAR

The fiscal year of the corporation shall be fixed, and shall be subject to change, by the Board of Directors.

ARTICLE VII

CONTROL OVER BYLAWS

Subject to the provisions of the certificate of incorporation and the provisions of the General Corporation Law, the power to amend, alter, or repeal these Bylaws and to adopt new Bylaws may be exercised by the Board of Directors or by the stockholders.

Exhibit 10.1

TAX MATTERS AGREEMENT

This TAX MATTERS AGREEMENT (this "**Agreement**"), is made and entered into as of [●], 2023, by and between SilverSun Technologies, Inc., a Delaware corporation ("**Parent**"), and SilverSun Technologies Holdings, Inc., a Delaware corporation ("**SpinCo**" and each of Parent and SpinCo, a "**Party**" and collectively the "**Parties**"). All capitalized terms not otherwise defined shall have the meanings set forth in Article I.

RECITALS

WHEREAS, Parent and certain of its subsidiaries have joined in filing consolidated federal Income Tax Returns and certain consolidated, combined or unitary state or local Income Tax Returns;

WHEREAS, Parent and SpinCo have entered into that certain Separation and Distribution Agreement, dated as of the date hereof (the "**Separation Agreement**"), pursuant to which, among other things, Parent will distribute all of the outstanding common stock of SpinCo to Parent's stockholders as of the Distribution Record Date in connection with the Distribution;

WHEREAS, Parent and SpinCo intend that the Distribution shall qualify as a distribution to Parent's shareholders pursuant to Section 355 of the Code if Parent receives the Tax Opinion;

WHEREAS, pursuant to the Distribution, SpinCo and its subsidiaries will leave the Pre-Spin Group;

WHEREAS, the Parties, on behalf of themselves and their Affiliates, wish to set forth their agreement regarding the rights and obligations of Parent, SpinCo and the members of the Parent Group and the SpinCo Group, respectively, with respect to (i) the administration and allocation of, federal, state, local and foreign Taxes incurred in the Tax Periods beginning prior to the Distribution Date, (ii) Taxes resulting from the Distribution and transaction effected in connection with the Distribution and (iii) certain related Tax matters;

WHEREAS, the Parties have agreed that (i) all Tax liabilities for the Pre-Distribution Period shall be borne by SpinCo - other than the first one million dollars of the Section 355(e) Tax, and (ii) except as otherwise set forth in this Agreement, all Tax liabilities of Parent from the Post-Distribution Tax Period shall be borne by Parent.

NOW THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth below, the Parties agree as follows:

ARTICLE I.
DEFINITIONS

When used herein the following terms shall have the following meanings:

"**Accounting Firm**" means a nationally recognized firm of independent certified public accountants mutually acceptable to Parent and SpinCo.

"**Affiliate**" means, with respect to any entity (the "given entity"), each entity that directly or indirectly, through one or more intermediaries is controlled by the given entity. For purposes of this definition, "control" means, with respect to any entity, (a) the possession, directly or indirectly, of 50% or more of the voting power or value of outstanding equity interests of such entity or (b) the power to direct or cause the direction of management and policies of such entity, whether through ownership of securities, partnership or other ownership interests, by contract or otherwise. Unless otherwise indicated, the term Affiliate shall refer to Affiliates of a Party as determined after the Distribution.

"**Affiliated Group**" means, with respect to a Tax Period, (a) an affiliated group of corporations within the meaning of Section 1504(a) of the Code or, for purposes of any state or local Tax matters, any consolidated, combined, unitary or similar group of corporations within the meaning of any similar provisions of Tax law for the jurisdiction in question, and (b) for purposes of any federal, state or local Income Tax matters, any entity owned by a corporation described in clause (a) that is disregarded as separate from its owner for such purposes.

"**Audit**" means any audit, assessment of Taxes, other examination by any Taxing Authority, proceeding or appeal of such a proceeding relating to Taxes, whether judicial or administrative.

"**Business**" means (a) with respect to Parent and the Parent Group, the Rhodium Business and the CCDC Business and (b) with respect to SpinCo and the SpinCo Group, the SpinCo Business.

"**CCDC**" has the meaning set forth in the Separation Agreement.

"**CCDC Business**" has the meaning set forth in the Separation Agreement.

"**Code**" means the Internal Revenue Code of 1986, as amended, or any successor thereto.

"**Current Allocation Methodology**" means the allocation methodology that is set forth in Exhibit A, as applied to Tax Returns prepared by Parent pursuant to Section 2.1(a)(ii).

"**Distribution**" has the meaning set forth in the Separation Agreement.

"**Distribution Date**" has the meaning set forth in the Separation Agreement.

"**Distribution Record Date**" has the meaning set forth in the Separation Agreement.

"**Final Determination**" means (i) a decision, judgment, decree, or other order by a court of competent jurisdiction, which has become final and unappealable; (ii) a closing agreement or accepted offer in compromise under Sections 7121 or 7122 of the Code, or comparable agreements under the laws of other jurisdictions; (iii) any other final settlement with the IRS or other Taxing Authority (including the execution of IRS Form 870-AD, or a comparable form under the laws of other jurisdictions, but excluding any such form that reserves (whether by its terms or by operation of law) the right of the taxpayer to file a claim for refund or the right of the Taxing Authority to assert a further deficiency); (iv) the expiration of an applicable statute of limitations; or (v) the allowance of a refund or credit, but only after the expiration of all periods during which such refund or credit may be recovered (including by way of offset).

"**Income Tax**" means any and all Taxes based upon or measured by net income (regardless of whether denominated as an "income tax," a "franchise tax" or otherwise).

"**Income Tax Return**" means a Tax Return relating to an Income Tax.

"**IRS**" means the Internal Revenue Service or any successor thereto.

"**Merger**" has the meaning set forth in the Separation Agreement.

"**Overdue Rate**" means a variable rate of interest per annum equal to the Federal short-term rate as established from time to time pursuant to Section 1274(d) of the Code plus 800 basis points.

"**Parent Affiliated Group**" means, for any applicable Tax Period, Parent and each entity that is a member of an Affiliated Group for such Tax Period (or portion thereof) with respect to which Parent would be the common parent. For the avoidance of doubt, the Parent Affiliated Group shall include, for the portion of the Straddle Period that ends on the Distribution Date, SpinCo and other entities that will be members of the SpinCo Affiliated Group beginning on the day immediately after the Distribution Date.

"**Parent Group**" means Parent and its Affiliates, excluding any entity that would be a member of the SpinCo Group.

"**Parent Member**" means any entity that would be a member of the Parent Group.

"**Person**" has the meaning set forth in the Separation Agreement.

"**Post-Distribution Tax Period**" means a Tax Period that begins after the Distribution Date.

"**Pre-Distribution Tax Period**" means a Tax Period that ends on or before the Distribution Date.

"**Pre-Spin Group**" means Parent and its Affiliates before the Distribution (which, for the avoidance of doubt, shall exclude any entities that become Affiliates of Parent as a result of the Merger).

"**Pre-Spin Member**" means any entity that was a member of the Pre-Spin Group.

"**Representative**" means, with respect to any Person, any of such Person's or entity's directors, officers, employees, agents, consultants, accountants, attorneys and other advisors.

"**Responsible Party**" means the Party responsible for the preparation and filing of a Tax Return pursuant to Section 2.1.

"**Rhodium Business**" has the meaning set forth in the Separation Agreement.

"**Section 355(e) Tax**" shall mean any Taxes imposed on the Pre-Spin Group resulting from taxable income or gain recognized as a result of the Distribution including pursuant to Sections 355(e) or Section 311(b) of the Code.

"**Separate Affiliated Group**" means, with respect to any corporation, such corporation's separate affiliated group as defined by Section 355(b)(3) of the Code and the Treasury Regulations promulgated thereunder.

"**SpinCo Affiliated Group**" means SpinCo and each entity that would be a member of an Affiliated Group with respect to which SpinCo would be the common parent for any Post-Distribution Tax Period. For purposes of this Agreement, the SpinCo Affiliated Group shall exist from and after the beginning of the day immediately after the Distribution Date.

"**SpinCo Business**" has the meaning set forth in the Separation Agreement.

"**SpinCo Group**" means SpinCo and its Affiliates after the Distribution.

"**SpinCo Member**" means any entity that would be a member of the SpinCo Group.

"**Straddle Period**" means a Tax Period that begins on or before and ends after the Distribution Date.

"**Tax**" means any federal, state, foreign or local income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty or addition thereto.

"**Tax Asset**" means any Tax Item that has accrued for Tax purposes, but has not been used during a Tax Period, and that could reduce a Tax in another Tax Period, including, but not limited to, a net operating loss, net capital loss, investment tax credit, foreign tax credit, charitable deduction, credit related to alternative minimum tax and any other Tax credit.

"**Taxing Authority**" means the IRS or any other governmental authority responsible for the administration of any Tax.

"**Tax Item**" means any item of income, gain, loss, deduction, credit, recapture of credit or any other attribute or item (including the adjusted basis of property) that may have the effect of increasing or decreasing any Tax.

"**Tax Opinion**" means the opinion of Lucosky Brookman (or another nationally recognized tax advisor with expertise in these matters that is reasonably acceptable to Rhodium Enterprises, Inc.) delivered to Parent on or before the Closing that the Distribution should qualify as a transaction described in Section 355(a) of the Code.

"**Tax Period**" means any period prescribed by law or any Taxing Authority for which a Tax Return is required to be filed or a Tax is required to be paid.

"**Tax Practices**" means the policies, procedures and practices customarily and consistently employed by the Pre-Spin Group in the preparation and filing of, and positions taken on, any Tax Returns of the Parent Affiliated Group or any Pre-Spin Member (or group thereof) for any Pre-Distribution Tax Period.

"**Tax Refund**" means any refund of Taxes, whether by payment, credit, offset, reduction in Tax or otherwise, plus any interest or other amounts received or payable with respect to such refund.

"**Tax Return**" means any return (including any information return), report, statement, declaration, notice, form, election, estimated Tax filing, claim for refund or other filing (including any amendments thereof and attachments thereto) required to be filed with or submitted to any Taxing Authority with respect any Tax.

"**Treasury Regulations**" means the income tax regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

ARTICLE II.
FILING OF TAX RETURNS AND PAYMENT OF TAXES

Section 2.1 Preparation and Filing of Tax Returns.

(a) Subject to Section 2.3, Parent shall prepare (or caused to be prepared) and timely file (taking into account applicable extensions):

(i) all Tax Returns of the Parent Affiliated Group or any Pre-Spin Member (or group thereof) for any Straddle Period other than Tax Returns described in Section 2.1(b)(iii); and

(ii) all Tax Returns of the Parent Affiliated Group or any Parent Member (or group thereof) for all Post-Distribution Tax Periods.

(b) Subject to Section 2.3, SpinCo shall prepare (or caused to be prepared) and timely file (taking into account applicable extensions):

(i) all Tax Returns of the Parent Affiliated Group or any Pre-Spin Member (or group thereof) for any Pre-Distribution Tax Period other than Tax Returns described in Section 2.1(a)(i);

(ii) all Tax Returns for any Pre-Distribution Tax Period that are filed after the Distribution Date that relate solely to the SpinCo Group or any SpinCo Member (or group thereof);

(iii) all Tax Returns for any Straddle Period that relate solely to the SpinCo Group or any SpinCo Member (or group thereof); and

(iv) all Tax Returns of the SpinCo Affiliated Group or any SpinCo Member (or group thereof) for all Post-Distribution Tax Periods.

Section 2.2 Provision of Filing Information. Each Party shall cooperate with the Responsible Party in the preparation and filing of all Tax Returns relating to Pre-Distribution Tax Periods and Straddle Periods, including by providing the Responsible Party with (a) all necessary filing information in a manner consistent with past Tax Practices, (b) all other information reasonably requested in connection with the preparation of such Tax Returns, including permission to copy any applicable documents, and (c) such other assistance reasonably necessary or requested for the filing of such Tax Returns.

Section 2.3 Advance Review of Tax Returns.

(a) At least fifteen (15) business days, or such other reasonable time as mutually agreed to by Parent and SpinCo, prior to the filing of any Tax Return pursuant to Section 2.1(a)(i) that includes a SpinCo Member (each, a "**Parent Prepared Tax Return**"), Parent shall provide SpinCo for its review and comment a draft of the portion of such Tax Return that relates to the SpinCo Member.

(b) At least fifteen (15) business days, or such other reasonable time as mutually agreed to by Parent and SpinCo, prior to the filing of any Tax Return pursuant to Section 2.1(b)(i), Section 2.1(b)(ii) or Section 2.1(b)(iii) (each, a "**SpinCo Prepared Tax Return**"), SpinCo shall provide Parent for its review and comment a draft of such Tax Return.

(c) In connection with SpinCo's review of the applicable portion of a draft Parent Prepared Tax Return pursuant to Section 2.3(a), SpinCo and its Representatives shall have the right to review all work papers related to the portion of such Parent Prepared Tax Return relating to the applicable SpinCo Member prior to Parent's filing of such Tax Return. SpinCo shall deliver to Parent reasonably promptly after SpinCo's receipt of the applicable draft of the portion of the Parent Prepared Tax Return SpinCo's written comments thereto. Parent shall consult in good faith with SpinCo and its Representatives regarding such comments and shall not file any such Parent Prepared Tax Return without the consent of SpinCo (such consent not to be unreasonably withheld, conditioned or delayed); provided, however, that Parent shall not be obligated to consider any comments the result of which would materially adversely affect the Taxes of the Parent Affiliated Group (or any Parent Member) for any Straddle Period or Post-Distribution Tax Period, and Parent may condition the acceptance and incorporation of any such comments upon the receipt of appropriate indemnification from SpinCo for any increases in such Taxes that may result from the acceptance and incorporation of the applicable comment.

(d) In connection with Parent's review of a draft of SpinCo Prepared Tax Return pursuant to Section 2.3(b), Parent and its Representatives shall have the right to review all work papers related to such SpinCo Prepared Tax Return. Parent shall deliver to SpinCo reasonably promptly after Parent's receipt of the applicable draft SpinCo Prepared Tax Return Parent's written comments thereto. SpinCo shall consult in good faith with Parent and its Representatives regarding such comments and shall not file any such SpinCo Prepared Tax Return without Parent's consent (such consent not to be unreasonably withheld, conditioned or delayed); provided, however, that SpinCo shall not be obligated to consider any comments the result of which would materially adversely affect the Taxes of the SpinCo Affiliated Group (or any SpinCo Member) for any Straddle Period or Post-Distribution Tax Period, and SpinCo may condition the acceptance and incorporation of any such comment upon the receipt of appropriate indemnification from Parent for any increases in such Taxes that may result from the acceptance and incorporation of the applicable comment.

Section 2.4 Consistent Positions on Tax Returns. The Responsible Party shall prepare all Tax Returns (a) for all Pre-Distribution Tax Periods and Straddle Periods in a manner consistent with past Tax Practices and (b) in a manner consistent with any Tax Opinion, except in either case as otherwise required by changes in applicable law or material underlying facts or as consented by the parties hereto in writing, which consent shall not be unreasonably withheld, conditioned or delayed.

Section 2.5 Taxable Year. The parties agree that, to the extent permitted by applicable law, (a) the Merger shall be treated as a reverse acquisition under Treas. Reg. 1.1502-75(d)(3), (b) the Tax Period with respect to federal and applicable state and local Income Taxes of the Parent Affiliated Group existing immediately before the Merger (including the SpinCo Members) shall end as of the close of the Distribution Date, (c) the Distribution shall be reported on the last day of the taxable period of such Parent Affiliated Group ending as of the close of the Distribution Date and (d) the SpinCo Affiliated Group and each member thereof shall begin a new taxable year

for purposes of such federal, state or local Income Taxes as of the beginning of the day after the Distribution Date. The parties further agree that, to the extent permitted by applicable law, all federal, state, local and foreign Tax Returns shall be filed consistently with this position.

Section 2.6 Straddle Period Taxes. For purposes of this Agreement, Taxes attributable to Straddle Periods shall be allocated as follows:

(a) Income Taxes shall be allocated on the basis of the actual operations and taxable income for each such period, determined by closing the books at the end of the day on the Distribution Date; and

(b) Non-Income Taxes shall be allocated by multiplying the amount of such Taxes for the entire Straddle Period by a fraction, the numerator of which is the number of days during the applicable portion of the Straddle Period and the denominator of which is the total number of days in the Straddle Period with one portion of the Straddle period ending on the Distribution Date and the other portion of the Straddle Period beginning on the day after the Distribution Date.

Section 2.7 Responsibility and Payment of Taxes.

(a) SpinCo shall be liable for and shall pay all Taxes due and payable (including additional Taxes imposed as a result of a Final Determination) with respect to all Pre-Distribution Tax Periods of the Parent Affiliated Group and any Pre-Spin Member including the portion of any Straddle Period ending on the Distribution Date with exception of the Section 355(e) Tax, the first $1 million of which shall be borne by Parent with the remainder of such Tax borne by SpinCo.

(b) Subject to Section 2.7(c), Parent shall be liable for and shall pay all Taxes of the Parent Group due and payable with respect to the portion of the Straddle Period beginning the day after the Distribution Date.

(c) SpinCo shall be liable for and pay all Taxes due and payable with respect to Post-Distribution Tax Periods to the extent such Taxes are allocable to the CCDC Business under the Current Allocation Methodology and to the extent the CCDC Business does not generate positive cash flow in excess of such allocable Taxes.

(d) SpinCo shall be liable for and shall pay all Taxes due and payable (including additional Taxes imposed as a result of a Final Determination) with respect to Tax Returns filed by SpinCo pursuant to Section 2.1(b).

(e) SpinCo or Parent, as applicable, shall pay to the other Party the amount required to be paid pursuant to this Section 2.7 within thirty (30) days after written demand is made by such other Party; provided, however, that any such amount shall not be payable earlier than five (5) business days before the date on which the applicable Taxes are actually paid or required to be paid to the Taxing Authority.

Section 2.8 Amended Returns. Notwithstanding anything to the contrary in this Agreement, no Party may file, and shall cause its Affiliates not to file, any amendment to a Parent Prepared Tax Return or a SpinCo Prepared Tax Return without the other Party's consent, which consent shall not be unreasonably withheld, conditioned or delayed.

Section 2.9 Refunds of Taxes. Any Tax Refund realized as a result of a Final Determination with respect to any Tax Return filed pursuant to Section 2.1(a) or Section 2.1(b) shall be for the benefit of the party to which the liability for such Taxes is allocable under Section 2.7. If Parent or SpinCo, as applicable, receives a Tax Refund with respect to which the other Party is entitled to all or an allocable portion pursuant to this Section 2.9, Parent or SpinCo, as applicable, shall pay such amount to such other Party in accordance with Section 4.1.

Section 2.10 Tax Elections. Nothing in this Agreement is intended to change or otherwise affect any previous tax election made by or on behalf of the Parent Affiliated Group (including the election with respect to the calculation of earnings and profits under Section 1552 of the Code and the Treasury Regulations thereunder). Parent, as common parent of the Parent Affiliated Group, shall continue to have discretion, reasonably exercised, to make any and all elections with respect to all members of the Parent Affiliated Group for all Pre-Distribution Tax Periods and Straddle Periods; provided, however, elections for such Tax Returns that are SpinCo Prepared Tax Returns shall be made in a manner consistent with past practices. SpinCo, as common parent of the SpinCo Affiliated Group, shall have sole discretion to make any and all elections with respect to all members of the SpinCo Affiliated Group for all Tax Periods for which it is obligated to file Tax Returns under Section 2.1(b).

Section 2.11 Allocation of Tax Assets.

(a) Parent and SpinCo shall cooperate, each at its own cost and expense, in determining the allocation of any Tax Assets or Tax liabilities among the parties in accordance with the Code and Treasury Regulations (and any applicable state, local and foreign laws); provided that, the Parties acknowledge and agree, that any Tax Assets of any members of the Parent Affiliated Group for any Pre-Distribution Tax Period shall be utilizable by Parent with respect to any Tax liabilities resulting from or arising in connection with the Merger and/or the Distribution. In the absence of controlling legal authority or unless otherwise provided under this Agreement (including the foregoing sentence), Tax Assets or Tax liabilities shall be allocated to the legal entity that incurred the cost or burden associated with the creation of such Tax Assets or Tax liabilities. Parent and SpinCo hereby agree to compute all Taxes for Post-Distribution Tax Periods and Straddle Periods consistently with the determinations made pursuant to this Section 2.11 unless otherwise required by a Final Determination.

(b) To the extent that the amount of any Tax Asset is later reduced or increased by a Taxing Authority, or as a result of an Audit or carrybacks of Tax Assets from Post-Distribution Tax Periods of either the Parent Affiliated Group or the SpinCo Group, such reduction or increase shall be allocated to the Party to which such Tax Asset was allocated pursuant to Section 2.11(a).

Section 2.12 Certain Expenses. SpinCo shall reimburse Parent for SpinCo's share of the preparation and filing of any Parent Prepared Tax Return, which share shall be apportioned and allocated between the Parent Group and the SpinCo Group in the same manner as the liability for the Taxes with respect to such Tax Return were apportioned and allocated pursuant to Section 2.7.

ARTICLE III.
INDEMNIFICATION

Section 3.1 By Parent. Subject to Section 3.3, Parent shall indemnify and hold SpinCo and each SpinCo Member harmless against:

(a) any and all Taxes for which Parent is liable pursuant to Section 2.7; and

(b) any and all increases in the liability for Taxes of the SpinCo Group or any SpinCo Member (or group thereof) as a result of a Parent Member's material inaccuracies in, or failure to timely provide, such information and assistance specified in Section 2.2.

Section 3.2 By SpinCo. Subject to Section 3.3, SpinCo shall indemnify and hold Parent and each Parent Member harmless against:

(a) any and all Taxes for which SpinCo is liable pursuant to Section 2.7; and

(b) any and all increases in the liability for Taxes of the Parent Affiliated Group or any Parent Member (or group thereof) as a result of a SpinCo Member's material inaccuracies in, or failure to timely provide, such information and assistance specified in Section 2.2.

Section 3.3 Tax Treatment of Distribution.

(a) The parties expressly agree for all purposes to treat the Distribution as a distribution to Parent's shareholders pursuant to Section 355(a) of the Code (the "**Tax Treatment**") if Parent receives the Tax Opinion.

(b) If Parent receives the Tax Opinion, Parent represents, agrees and covenants as follows:

(i) There is no plan or intention to dispose of or discontinue the CCDC Business within two years of the date hereof.

(c) If Parent receives the Tax Opinion, SpinCo represents, agrees and covenants as follows:

(i) From and after the Distribution Date until the second anniversary thereof, such Party shall not take any of the following actions unless prior to taking any such action, it obtains and provides to the other Party, a ruling from the IRS or a written opinion from a nationally recognized law firm with expertise in these matters, in form and substance reasonably acceptable to the other Party, that such transaction, and any transaction or transactions related thereto, will not affect the qualification of the Distribution under Section 355 of the Code:

(A) enter into (or, to the extent such Party has the right to prohibit such action, permit) any transaction or series of transactions as a result of which any Person or group of Persons would (directly or indirectly) acquire or have the right to acquire from SpinCo or one or more holders of its stock, a number of shares of its stock that, together with any shares issued in an equity offering described in clause (B) below, would comprise 40% or more, in each case, of (i) the value of all outstanding shares of stock of SpinCo as of the date of such transaction or (ii) the total combined voting power of all outstanding shares of stock of SpinCo as of the date of such transaction, or, with respect to either (1) or (2), in the case of a series of transactions, the date of the last transaction of such series; or

(B) issue equity of SpinCo in an offering in excess, in the aggregate, together with any shares acquired in a transaction described in clause (A) above, of 40% of (1) the value of all outstanding shares of stock of SpinCo as of the date of such transaction or (2) the total combined voting power of all outstanding shares of stock of SpinCo as of the date of such transaction, or, with respect to either (1) or (2), in the case of a series of transactions, as of the date of the last transaction of such series.

(ii) From and after the Distribution Date until the second anniversary thereof, SpinCo shall not, and shall cause each member of the SpinCo Group not to, take any of the following actions unless prior to taking any such action, it obtains and provides to Parent, a ruling from the IRS or a written opinion from a nationally recognized law firm with expertise in these matters, in form and substance reasonably acceptable to Parent, that such transaction, and any transaction or transactions related thereto, will not affect the qualification of the Distribution for the Tax Treatment:

(A) merge, consolidate or amalgamate with any other Person, unless, in the case of a merger, consolidation, SpinCo is the survivor of the merger or consolidation;

(B) in a single transaction or series of transactions sell, transfer or otherwise dispose of (including any transaction treated for U.S. federal Income Tax purposes as a sale, transfer or disposition), or permit any other member of the SpinCo Group to sell, transfer or otherwise dispose of, thirty percent (30%) or more of the gross assets of the SpinCo Business (such percentage to be measured based on fair market value as of the Distribution Date), in each case other than (A) sales, transfers or other dispositions of assets in the ordinary course of business, (B) any cash paid to acquire assets from an unrelated Person in an arm's-length transaction, (C) any assets transferred to a Person that is disregarded as an entity separate from the transferor for U.S. federal Income Tax purposes, (D) any mandatory or optional repayment (or pre-payment) of any indebtedness of SpinCo or any member of the SpinCo Group, or (E) any sales, transfers or other dispositions of assets within the SpinCo Separate Affiliated Group;

(C) redeem or otherwise repurchase (directly or through an Affiliate) any stock, or rights to acquire stock, of SpinCo, except to the extent such repurchases satisfy Section 4.05(1)(b) of Revenue Procedure 96-30 (as in effect prior to the amendment of such Revenue Procedure by Revenue Procedure 2003-48); or

(D) amend, or permit any other member of the SpinCo Group to amend, its certificate of incorporation (or other organizational documents), or take any other action, whether through a stockholder vote or otherwise, affecting the voting rights of equity interests in SpinCo (including, without limitation, through the conversion of one class of equity interests in SpinCo into another class of equity interests in SpinCo).

Section 3.4 Certain Reimbursements. Each Party shall notify the other Party of any Taxes paid by it or any of its Affiliates that are subject to indemnification under this Article III. Any notification pursuant to this Section 3.4 shall include a detailed calculation (including, if applicable, separate allocations of such Taxes between the Parties and supporting work papers) and a brief explanation of the basis for indemnification hereunder. Whenever such a notification is given, the indemnifying Party shall pay the amount requested in such notice to the indemnified party in accordance with Article IV, but only to the extent the indemnifying Party agrees with such request. To the extent the indemnifying Party disagrees with such request, it shall so notify the indemnified party within thirty (30) days of receipt of such notice, whereupon the Parties shall use their best efforts to resolve any such disagreement. Any indemnification payment made after such thirty (30) day period shall include interest at the Overdue Rate from the date of receipt of the original indemnification notice. Any dispute as to any matter covered by this Article III shall be resolved by the Accounting Firm as an expert and not an arbitrator. The fees and expenses of the Accounting Firm shall be borne equally by Parent and SpinCo.

Section 3.5 Adjustments. The Parties agree to cooperate in good faith, without bias to any Parent Member or SpinCo Member, to make appropriate adjustments to accomplish the objectives of this Article III.

ARTICLE IV.
METHOD AND TIMING OF
PAYMENTS REQUIRED BY THIS AGREEMENT

Section 4.1 Payment in Immediately Available Funds; Interest. All payments made pursuant to this Agreement shall be made in immediately available funds. Except as otherwise provided in the Agreement, all payments shall be made within fifteen (15) days of receipt of request therefor. For the avoidance of doubt, a party may request payment for any costs incurred pursuant to Section 2.12 as soon as such costs are incurred. Except as otherwise provided in the Agreement, any payment not made within fifteen (15) days of receipt shall thereafter bear interest at the Overdue Rate.

Section 4.2 Characterization of Payments. Any payment (other than interest thereon) made hereunder by Parent to SpinCo, or by SpinCo to Parent, shall be treated by all parties for all Tax purposes to the extent permitted by law as a non-taxable distribution or capital contribution made immediately prior to the Distribution, except to the extent that Parent and SpinCo treat a payment as the settlement of an intercompany liability or as otherwise required by law.

ARTICLE V.
COOPERATION; DOCUMENT RETENTION; CONFIDENTIALITY

Section 5.1 Provision of Cooperation, Documents and Other Information. Upon the reasonable request of any Party, Parent or SpinCo, as applicable, shall promptly provide (and shall cause its Affiliates to promptly provide) the requesting Party with such cooperation and assistance, documents, and other information as may be necessary or reasonably helpful in connection with (a) the preparation and filing of any Tax Return, (b) the conduct of any Audit involving any Taxes or Tax Returns within the scope of this

Agreement or (c) the verification by a Party of an amount payable to or receivable from the other Party. Such cooperation and assistance shall include, without limitation, (i) the provision of books, records, Tax Returns, documentation or other information relating to any relevant Tax Return, (ii) the execution of any document that may be necessary or reasonably helpful in connection with the filing of any Tax Return, or in connection with any Audit, including, without limitation, the execution of powers of attorney and extensions of applicable statutes of limitations with respect to Tax Returns which Parent may be obligated to file on behalf of SpinCo Members pursuant to Section 2.1, (iii) the prompt and timely filing of appropriate claims for refund, and (iv) the use of reasonable best efforts to obtain any documentation from a governmental authority or a third party that may be necessary or reasonably helpful in connection with the foregoing. Each Party shall make its employees and facilities available on a mutually convenient basis to facilitate such cooperation.

Section 5.2 Retention of Books and Records. Each Party shall retain or cause to be retained (and shall cause each of their Affiliates to retain) all Tax Returns and all books, records, schedules, work papers, and other documents relating thereto, until the later of (a) the date seven (7) years from the close of the applicable Tax Period, (b) the expiration of all applicable statutes of limitations (including any waivers or extensions thereof) and (c) the expiration of any retention period required by law (e.g., depreciation or inventory records) or pursuant to any record retention agreement. The parties hereto shall notify each other in writing of any waivers, extensions or expirations of applicable statutes of limitations.

Section 5.3 Confidentiality of Documents and Information. Except as required by law or with the prior written consent of the other Party, all Tax Returns, documents, schedules, work papers and similar items and all information contained therein that are within the scope of this Agreement shall be kept confidential by the parties hereto and their Representatives, shall not be disclosed to any other Person and shall be used only for the purposes provided herein.

ARTICLE VI.
AUDITS

Section 6.1 Notification and Status of Audits or Disputes. Upon the receipt by any Party (or any of its Affiliates) of notice of any pending or threatened Audit pertaining to Taxes subject to indemnification under this Agreement, such Party shall promptly notify the other Party in writing of the receipt of such notice. Each Party shall use reasonable best efforts to keep the other Party advised as to the status of any Audits pertaining to Taxes subject to indemnification under this Agreement. To the extent relating to any such Tax, each Party shall promptly furnish the other Party with copies of any inquiries or requests for information from any Taxing Authority or any other administrative, judicial or other governmental authority, as well as copies of any revenue agent's report or similar report, notice of proposed adjustment or notice of deficiency.

Section 6.2 Control and Settlement.

(a) Parent shall have the right to control, and to represent the interests of all affected taxpayers in, any Audit relating, in whole or in part, to any Tax Return filed pursuant to Section 2.1(a)(i) and Section 2.1(a)(ii) and to employ counsel or other advisors of its choice and at its own cost; provided, however, that with respect to any issue arising on an Audit of a Parent Prepared Tax Return that may have a material adverse effect on SpinCo or any SpinCo Group Member (including as a result of SpinCo's indemnification obligations pursuant to Section 3.2), (i) Parent shall permit SpinCo to participate in such Audit with respect to such issue, and in no event shall Parent settle or otherwise resolve any such issue without the written consent of SpinCo, which consent shall not be unreasonably withheld, conditioned or delayed; (ii) SpinCo shall provide Parent a written response to any notification by Parent of a proposed settlement within ten (10) days of its receipt of such notification; and (iii) if SpinCo fails to respond within such ten (10) day period, it shall be deemed to have consented to the proposed settlement. Parent and SpinCo shall bear their own costs incurred in participating in any proceeding relating to any Audit under this Section 6.2(a).

(b) SpinCo shall have the right to control, and to represent the interests of all affected taxpayers in, any Audit relating, in whole or in part, to any Tax Return filed pursuant to Section 2.1(b)(i), Section 2.1(b)(ii) and Section 2.1(b)(iii) and to employ counsel or other advisors of its choice at its own cost and expense; provided, however, that with respect to any issue arising on an Audit of a SpinCo Prepared Tax Return that may have a material adverse effect on Parent or any Parent Group Member (including as a result of Parent's indemnification obligations pursuant to Section 3.1), (i) SpinCo shall permit Parent to participate in such Audit with respect to such issue, and in no event shall SpinCo settle or otherwise resolve any such issue without the written consent of Parent, which consent shall not be unreasonably

withheld, conditioned or delayed; (ii) Parent shall provide SpinCo a written response to any notification by SpinCo of a proposed settlement within ten (10) days of its receipt of such notification; and (iii) if Parent fails to respond within such ten (10) day period, it shall be deemed to have consented to the proposed settlement. Each of Parent and SpinCo shall bear its own costs incurred in participating in any proceeding relating to any Audit under this Section 6.2(b).

(c) The payment of any Taxes as a result of a Final Determination with respect to an Audit, as well as any payments between Parent and SpinCo with respect to such Taxes to the extent such Audit relates to a Parent Prepared Tax Return, shall be governed by Section 2.7.

Section 6.3 Delivery of Powers of Attorney and Other Documents. Parent and SpinCo shall execute and deliver to the other Party, promptly upon request, powers of attorney authorizing such other Party to extend statutes of limitations, receive refunds, negotiate settlements and take such other actions that Parent or SpinCo, as applicable, reasonably considers to be appropriate in exercising its control rights pursuant to Section 6.2, and any other documents reasonably necessary thereto to effect the exercise of such control rights.

ARTICLE VII.
MISCELLANEOUS

Section 7.1 Effectiveness. This Agreement shall be effective from and after the Distribution Date and shall survive until the expiration of any applicable statute of limitations.

Section 7.2 Entire Agreement. This Agreement, together with all documents and instruments referred to herein and therein, constitute the entire agreement among the parties hereto with respect to the subject matter hereof and supersede and terminate all prior agreements and understandings, both written and oral.

Section 7.3 Guarantees of Performance. Each Party hereby guarantees the complete and prompt performance by its Affiliates of all of their obligations and undertakings pursuant to this Agreement. If, subsequent to the consummation of the Distribution, either Parent or SpinCo shall be acquired by another entity (the "acquirer") such that 50% or more of the acquired corporation's common stock is held by the acquirer and its affiliates, the acquirer shall, by making such acquisition, simultaneously agree to jointly and severally guarantee the complete and prompt performance by the acquired corporation and any Affiliate of the acquired corporation of all of their obligations and undertakings pursuant to this Agreement and the acquired corporation shall cause such acquirer to enter into an agreement reflecting such guarantee. For the avoidance of doubt, the Merger shall not be deemed an acquisition for purposes of this Section 7.3.

Section 7.4 Severability. In the event any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions hereof without including any of such which may hereafter be declared invalid, void or unenforceable. In the event that any such term, provision, covenant or restriction is hereafter held to be invalid, void or unenforceable, the parties hereto agree to use their best efforts to find and employ an alternate means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction.

Section 7.5 Waiver. Neither the failure nor any delay on the part of any party to exercise any right under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right preclude any other or further exercise of the same or any other right, nor shall any waiver of any right with respect to any occurrence be construed as a waiver of such right with respect to any other occurrence.

Section 7.6 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Delaware without regard to any applicable conflicts of law principles, except with respect to matters of law concerning the internal corporate or other organizational affairs of any entity which is a party to or subject of this Agreement, and as to those matters the law of the jurisdiction under which the respective entity derives its powers shall govern.

Section 7.7 Notices. All notices and other communications required or permitted under this Agreement shall be in writing and shall be duly given when delivered in person, by facsimile (with a confirmed receipt thereof), by messenger or courier service, or by registered or certified mail (postage prepaid, return receipt requested), at the following addresses (or at such other address for a Party as shall be specified by like notice):

If to SpinCo:

SilverSun Technologies, Inc.
120 Eagle Rock Avenue
East Hanover, NJ 07936
Attention: Mark Meller, Chief Executive Officer
Telephone: (973) 758-6100
Email: meller@silversuntech.com

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

Lucosky Brookman LLP
101 Wood Avenue South, 5th Floor
Woodbridge, NJ 08830
Attention: Joseph Lucosky; Christopher Haunschild
Email: jlucosky@lucbro.com; chaunschild@lucbro.com

If to Parent:

Rhodium Enterprises, Inc.
7546 Pebble Drive, Building 29
Fort Worth, Texas 76118
Attention: Chase Blackmon, Chief Executive Officer; Nick Cerasuolo, Chief Financial Officer
E-mail: chaseblackmon@rhdm.com; nickcerasuolo@rhdm.com

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

Kirkland & Ellis LLP
609 Main Street
Houston, TX 77002
Attention: Thomas Laughlin, P.C.; Jack Shirley; Douglas E. Bacon, P.C.; Matthew R. Pacey, P.C.; Anne Peetz
E-mail: thomas.laughlin@kirkland.com; jack.shirley@kirkland.com; doug.bacon@kirkland.com; matt.pacey@kirkland.com; anne.peetz@kirkland.com

Section 7.8 Amendments. This Agreement may be amended at any time only by written agreement executed and delivered by duly authorized officers of Parent and SpinCo.

Section 7.9 Successors and Assigns. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either Party (by operation of law or otherwise), without the prior written consent of the other Party. All provisions of the Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 7.10 No Third-Party Beneficiaries. This Agreement is solely for the benefit of the parties to this Agreement and their respective Affiliates and should not be deemed to confer upon third parties any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without this Agreement.

Section 7.11 Headings; References. The article, section and 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. All references herein to "Article", "Sections" or "Exhibits" shall be deemed to be references to Articles or Sections hereof or Exhibits hereto unless otherwise indicated.

Section 7.12 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original instrument, and all such counterparts shall together constitute one and the same instrument.

Section 7.13 Predecessors and Successors. To the extent necessary to give effect to the purposes of this Agreement, any reference to any corporation or other entity shall also include any predecessors or successors thereto, by operation of law or otherwise.

Section 7.14 Specific Performance. The parties hereto acknowledge and agree that irreparable damages will result if this Agreement is not performed in accordance with its terms, and each Party agrees that any damages available at law for a breach of this Agreement would not be an adequate remedy. Therefore, to the full extent permitted by applicable law, the provisions hereof and the obligations of the parties hereunder shall be enforceable in a court of equity, or other tribunal with jurisdiction, by a decree of specific performance, and appropriate injunctive relief may be applied for and granted in connection therewith.

Section 7.15 Further Assurances. Subject to the provisions hereof, the parties hereto shall make, execute, acknowledge and deliver such other instruments and documents, and take all such other actions, as may be reasonably required in order to effectuate the purposes of this Agreement and to consummate the transactions contemplated hereby. Subject to the provisions hereof, each Party shall, in connection with entering into this Agreement, performing its obligations hereunder and taking any and all actions relating hereto, comply with all applicable laws, regulations, orders and decrees, obtain all required consents and approvals and make all required filings with any governmental authority (including any regulatory or administrative agency, commission or similar authority) and promptly provide the other Party with all such information as it may reasonably request in order to be able to comply with the provisions of this sentence.

Section 7.16 Setoff. All payments to be made by any Party shall be made without setoff, counterclaim or withholding, all of which are expressly waived.

Section 7.17 Expenses. Except as specifically provided in this Agreement, each Party agrees to pay its own costs and expenses resulting from the fulfillment of its respective obligations hereunder.

Section 7.18 Rules of Construction. Any ambiguities shall be resolved without regard to which party drafted the Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date above written.

PARENT:

SILVERSUN TECHNOLOGIES, INC.

By: _____
Name: Mark Meller
Title: Chief Executive Officer

SPINCO:

SILVERSUN TECHNOLOGIES HOLDINGS, INC.

By: _____

Name: Joe Macaluso
Title: Chief Financial Officer

Exhibit A:

Current Allocation Methodology

Federal Income Tax

With respect to any Tax Returns prepared by Parent pursuant to Section 2.1(a)(ii), the amount of U.S. federal Income Taxes allocable to the CCDC Business shall be the amount of such U.S. federal Income Taxes that the CCDC Business would have been required to pay if the CCDC Business had paid tax on behalf of the CCDC Business, as determined in a manner consistent with the following principles:

(a) using all elections, accounting methods and conventions used on the Parent Affiliated Group consolidated Tax Return for such period;

(b) applying the highest marginal U.S. federal corporate or individual (whichever is higher) Income Tax rate; and

(c) treating CCDC as having conducted all of the CCDC Business and earned any and all income attributable thereto during such Tax Period notwithstanding the actual conduct of any portion of the CCDC Business by a member of the Parent Group.

State Income Tax

With respect to any Tax Returns prepared by Parent pursuant to Section 2.1(a)(ii), the amount of state or local Income Taxes allocable to the CCDC Business shall be as determined by Parent in a manner consistent with the principles set forth under the heading "Federal Income Tax" above (for the avoidance of doubt, using the highest marginal state or local corporate Income Tax rate applicable to a corporation or individual (whichever is higher) for such applicable state or local jurisdiction, as the case may be).

Foreign Income Tax

With respect to any Tax Returns prepared by Parent pursuant to Section 2.1(a)(ii), the amount of foreign Income Taxes allocable to the CCDC Busines shall be as determined by Parent in a manner consistent with the principles set forth under the heading "Federal Income Tax" above.

Other Taxes

With respect to any Tax Returns prepared by Parent pursuant to Section 2.1(a)(ii), the amount of Taxes, other than U.S. federal Income Taxes, state or local Income Taxes, allocable to CCDC shall be as determined by Parent, in its reasonable discretion.

Exhibit 21.1

LIST OF SUBSIDIARIES OF SILVERSUN TECHNOLOGIES HOLDINGS, INC.

Name	Incorporated	
SWK Technologies, Inc.	Delaware	100% Owned
Secure Cloud Services, Inc.	Nevada	100% Owned

Exhibit 99.1

SILVERSUN TECHNOLOGIES, INC.

[●], 2023

Dear SilverSun Technologies, Inc. Stockholders:

As previously announced, SilverSun Technologies, Inc. ("SilverSun") intends to separate into two independent, publicly traded companies—one for its business application, technology and consulting businesses and one, following the Mergers described below, for its Bitcoin mining and cybersecurity defense businesses.

On September 29, 2022, SilverSun entered into that certain Agreement and Plan of Merger (the "*Merger Agreement*"), by and among SilverSun, Rhodium Enterprises Acquisition Corp., a Delaware corporation and direct wholly owned subsidiary of SilverSun ("*Merger Sub I*"), Rhodium Enterprises Acquisition LLC, a Delaware limited liability company and direct wholly owned subsidiary of SilverSun ("*Merger Sub II*"), and Rhodium Enterprises, Inc., a Delaware corporation ("*Rhodium*"). Upon the terms and subject to the conditions set forth in the Merger Agreement, among other things, (i) Merger Sub I shall be merged with and into Rhodium (the "*First Merger*"), resulting in Rhodium existing as the surviving company of the First Merger, and (ii) immediately following the First Merger, Rhodium shall be merged with and into Merger Sub II (the "*Second Merger*" and together with the First Merger, the "*Mergers"*), resulting in Merger Sub II existing as the surviving company of the Second Merger and as a direct, wholly owned subsidiary of SilverSun. Following the Mergers, Merger Sub II will operate the pre-Merger business of Rhodium through its management of Rhodium Technologies LLC, a Delaware limited liability company.

In connection with the Merger Agreement and the Mergers, SilverSun and SilverSun Technologies Holdings, Inc., a recently formed Delaware corporation and direct wholly owned subsidiary of SilverSun ("*SilverSun Holdings*"), will enter into that certain Separation and Distribution Agreement (the "*Separation Agreement*"), whereby all of the issued and outstanding common stock of SilverSun Holdings, which will own all of the issued and outstanding common stock of (i) SWK Technologies, Inc., a Delaware corporation and indirect wholly owned subsidiary of SilverSun ("*SWK*"), and (ii) Secure Cloud Services, Inc., a Nevada corporation and indirect wholly owned subsidiary of SilverSun ("*SCS*"), will be distributed on a pro rata basis to the stockholders of SilverSun (the "*Distribution*"). Following the Distribution, (a) the businesses of SWK and SCS will continue to be operated consistent with past practices and will be managed by the pre-Merger executive officers of SilverSun and the pre-Merger members of the SilverSun Board, and (b) SilverSun Holdings will apply for public listing of the SilverSun Holdings shares distributed in the Distribution in reliance on SilverSun Holdings' registration statement on Form 10.

The Distribution will occur on [●], 2023, by way of a pro rata stock dividend to SilverSun stockholders. Each SilverSun stockholder will be entitled to receive one share of SilverSun Holdings common stock for every one share of SilverSun common stock held by such stockholder at the close of business on [●], 2023, the record date for the Distribution (the "*Record Date*"). Immediately following the Distribution, SilverSun stockholders as of the Record Date will own 100% of the SilverSun Holdings common stock and SilverSun Holdings will become an independent, publicly traded company. The SilverSun board of directors believes that creating two focused companies is the best way to drive value for all of SilverSun' stockholders. They also believe that the separation of SilverSun's business application, technology and consulting businesses will better position both companies to capitalize on significant growth opportunities and focus their resources on their respective businesses and strategic priorities.

Following the Distribution, SilverSun Holdings will operate through its subsidiaries SWK and SCS and conduct the business conducted by SilverSun prior to the Distribution and the Mergers with the exception of the business conducted by SilverSun's wholly owned Nevada subsidiary, Critical Cyber Defense Corporation, which will remain a wholly owned subsidiary of Silversun.

SilverSun expects to receive an opinion from counsel to the effect that, among other things, your receipt of the SilverSun Holdings stock in the Distribution should be tax-free to you for U.S. federal income tax purposes. You should consult your own tax advisor as to the particular tax consequences of the Distribution, including potential tax consequences under state, local, and non-U.S. tax laws.

The Separation Agreement and the Mergers, among other matters, will be submitted for approval at the Special Meeting of the stockholders of SilverSun to be held at [●] on [●], 2023 (the "Special Meeting") as discussed in the proxy statement/prospectus of SilverSun on Form S-4 dated October 18, 2022, , as amended on January 9, 2023, February 14, 2023 and [ ], 2023 Following such approval, you do not need to take any action to receive your shares of SilverSun Holdings common stock in connection with the Distribution. Following the consummation of the Distribution, you will own common stock in both SilverSun and SilverSun Holdings. It is expected that your shares of SilverSun Holdings common stock will trade on the OTCQX under the ticker symbol "[●]" and that your shares of SilverSun will continue to trade on The Nasdaq Capital Market. In connection with the Distribution and the Mergers, SilverSun

is expected to change its name to Rhodium Enterprises, Inc. Once renamed, SilverSun is expected to change its symbol to "RHDM" Until such time, SilverSun will continue to trade on The Nasdaq Capital Market under the symbol "SSNT."

The enclosed information statement, which we are mailing to all SilverSun stockholders as of the Record Date, describes the Separation Agreement and the transactions contemplated thereby in detail and contains important information about SilverSun Holdings, including their financial statements. We urge you to read this information statement carefully.

We want to thank you for your support of SilverSun, and we look forward to your continued support in the future.

Sincerely,

Mark Meller
Chief Executive Officer
SilverSun Technologies, Inc.

SILVERSUN TECHNOLOGIES HOLDINGS, INC.

[●], 2023

Dear Future SilverSun Technologies Holdings, Inc. Stockholder:

On behalf of SilverSun Technologies Holdings, Inc. ("*SilverSun Holdings*"), it is my great privilege to welcome you as a stockholder of our company. Following our separation from SilverSun Technologies, Inc. ("*SilverSun*"), we will operate as an independent, publicly traded company. We believe the separation will reduce complexity, increase business focus, and enable stockholders to more clearly evaluate the performance and future prospects of each business, unlocking meaningful value for stockholders. The separation will be effected by means of a pro rata distribution of SilverSun Holdings shares of common stock to existing holders of SilverSun common stock, as described in the attached information statement. For U.S. federal income tax purposes, the distribution is intended to be tax-free to SilverSun stockholders.

SilverSun Holdings, operating through its wholly owned subsidiaries, SWK Technologies, Inc., and (ii) Secure Cloud Services, Inc. will be a business application, technology and consulting company providing strategies and solutions to meet its clients' information, technology and business management needs. SilverSun Holdings' services and technologies will enable customers to manage, protect and monetize their enterprise assets whether on-premise or in the "Cloud." As a value-added reseller of business application software, SilverSun Holdings will offer solutions for accounting and business management, financial reporting, Enterprise Resource Planning, Human Capital Management, Warehouse Management Systems, Customer Relationship Management, and Business Intelligence. Additionally, we will have our own development staff building software solutions for time and billing, and various ERP enhancements. SilverSun Holdings' value-added services will focus on consulting and professional services, specialized programming, training, and technical support. We will have a dedicated network services practice that provides managed services, cybersecurity, application hosting, disaster recovery, business continuity, cloud and other services. SilverSun Holdings' customers will be nationwide, with concentrations in the New York/New Jersey metropolitan area, Arizona, Southern California, North Carolina, Washington, Oregon and Illinois.

We invite you to learn more about our company by reading the enclosed information statement, which details our strategy and plans for near and long-term growth to generate value for our stockholders. We are excited about our future as an independent company, and we look forward to your support as a SilverSun Holdings stockholder as we begin this new and exciting chapter.

Sincerely,

Mark Meller
President and Chief Executive Officer
SilverSun Technologies Holdings Inc.

Information contained herein is subject to completion or amendment. A registration statement on Form 10 relating to these securities has been filed with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

Preliminary and Subject to Completion, dated [●], 2023

INFORMATION STATEMENT

SILVERSUN TECHNOLOGIES HOLDINGS, INC.

Common Stock, par value $0.00001 per share

This information statement is being furnished to you as a holder of common stock of SilverSun Technologies, Inc., a Delaware corporation ("*SilverSun*"), in connection with the distribution (the "*Distribution"*) by SilverSun, on a pro-rata basis, to its stockholders of record as of the close of business on [●], 2023 (the "*Record Date*") of all of the issued and outstanding common stock of SilverSun's newly formed, wholly owned subsidiary, SilverSun Technologies Holdings, Inc., a Delaware corporation ("*SilverSun Holdings*"). Prior to the Distribution, SilverSun will contribute (the "*Contribution*") all of the issued and outstanding stock of its subsidiaries (other than Critical Cyber Defense Corporation, a Nevada corporation ("*CCDC*"), including SWK Technologies, Inc., a Delaware corporation ("*SWK*") and Secure Cloud Services, Inc., a Nevada corporation ("*SCS*"), to SilverSun Holdings resulting in SWK and SCS being direct wholly owned subsidiaries of SilverSun Holdings.

We will apply to have SilverSun Holdings' common stock eligible for trading on the OTCQX as of the effective date of the Distribution. Following the Contribution and the Distribution we, directly or indirectly through our subsidiaries, will hold the assets and liabilities, associated with SWK and SCS. All of the shares of SilverSun Holdings common stock owned by SilverSun will be distributed to the holders of SilverSun common stock as of the Record Date, on a pro rata basis (the Distribution, together with the transfer of any assets and related liabilities, the "*Separation*").

Each holder of SilverSun common stock will receive one share of SilverSun Holdings common stock for every share of SilverSun common stock held as of the close of business on the Record Date.

Immediately after SilverSun completes the Separation, we will be an independent, publicly traded company. If we receive the tax opinion described below, for U.S. federal income tax purposes, we expect to treat the Distribution in a manner such that no gain or loss should be recognized by you, and no amount should be included in your income in connection with the Distribution.

Other than the approval of the Distribution, the Mergers and related proposals at the Special Meeting of the SilverSun stockholders solicited in SilverSun's registration/proxy statement on Form S-4 dated October 18, 2022, , as amended on January 9, 2023, February 14, 2023 and [ ], 2023 no vote or other action is required by you to receive shares of our common stock in connection with the Distribution. You will not be required to pay anything for your shares of SilverSun Holdings common stock.

There currently is no trading market for our common stock. Assuming that the OTCQX authorizes our common stock for trading, we anticipate that a limited market, commonly known as a "when-issued" trading market, for our common stock will commence on [●], 2023 and will continue up to and including the Distribution Date (as defined herein). We expect the "regular-way" trading of our common stock will begin on the first trading day following the Distribution Date.

In reviewing this information statement, you should carefully consider the matters described under the caption "Risk Factors" beginning on page 14.

Neither the Securities and Exchange Commission ("*SEC*"), nor any state securities commission has approved or disapproved these securities or determined if this information statement is truthful or complete. Any representation to the contrary is a criminal offense.

This information statement does not constitute an offer to sell or the solicitation of an offer to buy any securities.

The date of this information statement is [●], 2023.

Prior to the Distribution Date, the Notice of Internet Availability of Information Statement or this Information Statement shall be mailed to the holders of SilverSun common stock as of the Record Date.

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ABOUT THIS INFORMATION STATEMENT

This information statement forms part of a registration statement on Form 10 (File No. 001-[●]) filed with the SEC with respect to the shares of our common stock, par value $0.00001 per share, to be distributed to SilverSun stockholders as of the Record Date in connection with the Distribution.

We and SilverSun have supplied all information contained in this information statement relating to the respective companies. We and SilverSun have not authorized anyone to provide you with information other than the information that is contained in this information statement. We and SilverSun take no responsibility for and can provide no assurances as to the reliability of, any other information that others may give you. This information statement is dated [●], 2023 and you should not assume that the information contained in this information statement is accurate as of any date other than such date.

Except as otherwise indicated or unless the context otherwise requires, the information included in this information statement about SilverSun Holdings assumes the completion of all of the transactions referred to in this information statement in connection with the Separation and Distribution and as if SilverSun Holdings held the business application, technology and consulting businesses of SWK and SCS during all periods described. As a result, references in this information statement to SilverSun Holdings' historical assets, liabilities, products, business or activities are generally references to the applicable assets, liabilities, products, business or activities of SilverSun Holdings, on a pro forma basis, as if the Separation and Distribution had already occurred and SilverSun Holdings was a stand alone company holding SilverSun's business application, technology and consulting businesses. The unaudited pro forma statements of operations give effect to the Separation and Distribution, described elsewhere in this information statement as if they occurred on January 1, 2022, the beginning of the most recently completed fiscal year. The unaudited pro forma condensed balance sheet gives effect to the

Separation and Distribution, as if they occurred as of December 31, 2022, our latest balance sheet date. See the section entitled "The Separation and Distribution" for further information.

Unless otherwise indicated or as the context otherwise requires, all references in this information statement to the following terms will have the meanings set forth below:

- "*Certificate of Amendment"* means the Amended and Restated Certificate of Incorporation of SilverSun to be approved at the Special Meeting which, among other things, (i) authorizes the SilverSun Class A common stock to replace the existing common stock of SilverSun upon consummation of the Mergers, (ii) authorizes the SilverSun Class B common stock, (iii) increases the number of authorized shares of SilverSun's capital stock, and (iv) effects the Reverse Stock Split;
- "*Contribution*" means the contribution by SilverSun to us of all of the issued and outstanding common stock of SWK and SCS;
- "*CCDC*" means Critical Cyber Defense Corporation, a Nevada corporation and wholly owned subsidiary of SilverSun both before and after the Distribution;
- "*DGCL*" means the General Corporation Law of the State of Delaware;
- "*Distribution*" means the process wherein all of the issued and outstanding common stock of SilverSun Holdings, which owns all of the issued and outstanding common stock of SWK and SCS, will be distributed on a pro rata basis to the holders of the issued and outstanding SilverSun common stock as of the Record Date;
- "*Distribution Date*" means the date on which the Distribution is consummated;

- "*Dividend*" means the issuance by SilverSun of a cash dividend of at least $1.50 per pre-Merger/pre-Reverse Split share pro rata in the aggregate amount of up to $8,500,000 following the Second Merger;
- "*Exchange Act*" means the Securities Exchange Act of 1934, as amended;
- "*First Merger*" means the merger wherein Merger Sub I shall merge with and into Rhodium, resulting in Rhodium being the surviving company of the First Merger;
- "*GAAP*" means U.S. generally accepted accounting principles;
- "*IRS*" means the U.S. Internal Revenue Service;
- "*Merger Agreement*" means the September 29, 2022 Agreement and Plan of Merger by and among SilverSun, Merger Sub I, Merger Sub II and Rhodium and all amendments thereto;
- "*Mergers*" means the two mergers by which Merger Sub I shall merge with and into Rhodium, resulting in Rhodium existing as the surviving company of the First Merger, and thereafter, Rhodium shall merge with and into Merger Sub II, resulting in Merger Sub II existing as the surviving company.
- "*Merger Sub I*" means Rhodium Enterprises Acquisition Corp., a Delaware corporation and direct wholly owned subsidiary of SilverSun;
- "*Merger Sub II*" means Rhodium Enterprises Acquisition LLC, a Delaware limited liability company and direct wholly owned subsidiary of SilverSun;
- "*Nasdaq*" means The Nasdaq Capital Market LLC;
- "*OTCQX*" means the OTCQX tier of OTC Markets;

- "*Record Date*" means [●], 2023, the date on which SilverSun shareholders at the close of business are entitled to receive the Dividend and the Distribution;
- "*Reverse Split*" means the reverse stock split of SilverSun's common stock to be effected prior to the effective time of the Second Merger at a ratio to be determined by Rhodium ;
- "*Rhodium*" means Rhodium Enterprises, Inc., a Delaware corporation, which prior to the Second Merger will operate the pre-Merger Bitcoin mining business of Rhodium through its management of Technologies. Subsequent to the Second Merger, such business will be operated through Merger Sub II and SilverSun will change its name to Rhodium Enterprises, Inc.;
- "*Sarbanes-Oxley Act*" means the Sarbanes-Oxley Act of 2002, as amended;
- "*SCS*" means Secure Cloud Services, Inc., a Nevada corporation which, before the Contribution, is a direct wholly owned subsidiary of SilverSun and, after the Contribution, will be a direct wholly owned subsidiary of SilverSun Holdings;

- "*SEC*" means the U.S. Securities and Exchange Commission;
- "*Second Merger*" means the merger following the First Merger, wherein Rhodium shall merge with and into Merger Sub II, resulting in Merger Sub II as the surviving company of the Second Merger;
- "*Securities Act*" means the Securities Act of 1933, as amended;
- "*Separation*" means the "*Distribution*" together with the transfer of any assets and related liabilities;
- "*Separation Agreement*" means the agreement between SilverSun and SilverSun Technologies Holdings, Inc., whereby all of the issued and outstanding common stock of SilverSun Holdings will be distributed on a pro rata basis to the stockholders of SilverSun;
- "*SilverSun*" means SilverSun Technologies, Inc., a Delaware corporation, that owns our company prior to the Separation and that after the Separation, SilverSun Holdings will no longer be a subsidiary of SilverSun and will be a separately traded public company consisting of SilverSun's current businesses excluding the business of SilverSun's wholly owned subsidiary, CCDC. When appropriate in the context, the foregoing term also includes the subsidiaries of this entity;
- "*SilverSun Class A common stock*" means, after giving effect to the Mergers and the Certificate of Amendment, SilverSun's Class A common stock, par value $0.0001 per share;
- "*SilverSun Class B common stock*" means, after giving effect to the Mergers and the Certificate of Amendment, SilverSun's Class B common stock, par value $0.0001 per share;
- "*SilverSun Holdings*," "we," "us," "our," and the "Company," unless the context otherwise requires, means SilverSun Technologies Holdings, Inc., a Delaware corporation, that is, and at all times prior to the consummation of the Separation will be, a wholly owned subsidiary of SilverSun and will hold, following the Contribution, indirectly, through its ownership of SWK and SCS, all of the assets and liabilities associated with the pre-Merger businesses of SilverSun, except for those attributable to SilverSun's subsidiary, CCDC. When appropriate in the context, the foregoing terms also include the subsidiaries of SilverSun Holdings;
- "*Special Meeting*" means the special meeting of the stockholders of SilverSun to be held on [●], 2023, at which such shareholders will be asked to approve , among other things, the Merger Agreement, the Separation Agreement and the Certificate of Amendment;
- "*SWK*" means SWK Technologies, Inc., a Delaware corporation which, before the Contribution, is a direct wholly owned subsidiary of SilverSun and, after the Contribution, will be a wholly owned subsidiary of SilverSun Holdings;and

- "*Technologies*" means Rhodium Technologies LLC, a Delaware limited liability company.

Market and Industry Data

This information statement includes market and industry data that we obtained from industry publications, third-party studies and surveys, government agency sources, filings of public companies in our industry, and internal company surveys. Industry publications and surveys generally state that the information contained therein has been obtained from sources believed to be reliable. Although we believe such industry and market data to be reliable at the date of this information statement, this information could prove to be inaccurate as a result of a variety of matters.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The statements contained in this information statement that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts contained or incorporated herein by reference in this information statement, including statements regarding our future operating results, future financial position, business strategy, objectives, goals, plans, prospects, markets, and plans and objectives for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "anticipates," "believes," "estimates," "expects," "intends," "targets," "contemplates," "projects," "predicts," "may," "might," "plan," "will," "would," "should," "could," "may," "can," "potential," "continue," "objective," or the negative of those terms, or similar expressions intended to identify forward-looking statements. However, not all forward-looking statements contain these identifying words. Specific forward-looking statements in this information statement, include statements regarding our expectations regarding the methodology, effects, timing, and tax-free nature of the Separation; our belief that SilverSun will meet the requisite requirements under Delaware law to effect the Separation; our belief that no other material governmental or regulatory filings or approvals will be necessary to consummate the Separation, other than registration under the federal securities laws of our common stock and completion of the applicable trading requirements on the OTCQX for such shares; our expectation that our common stock will be traded on the OTCQX under the ticker symbol "[●]"; our expectation that after the Separation and the Mergers , SilverSun common stock will be traded on Nasdaq under the ticker symbol "RHDM"; our expectations regarding a "regular-way" market, an "ex-distribution" market, and a "when-issued" market in our shares of common stock between the Record Date and the Distribution Date; our belief that separating SilverSun's businesses operated through SWK and SCS from SilverSun's business operated through CCDC and, following the Mergers, Merger Sub II, is in the best interests of SilverSun and its stockholders; our expectations regarding the number of shares of our outstanding common stock, the number of such shares held by our affiliates, and the number of stockholders of record following the Separation; our anticipation regarding the adverse effects of COVID-19 on our business; our belief that maintaining and further enhancing the brand recognition and reputation of our brands is critical to retaining existing customers and attracting new customers and that the importance of our brand recognition and reputation will increase; our plan to continue to expand our brand recognition and product loyalty through social media and our websites with generation of original content; our anticipation that we will enter into new strategic alliances; our expectation that any claims and lawsuits, arising in the ordinary course of business, we are involved in will not have a material adverse effect on our results of operations or financial condition; our intent to pursue acquisitions that financially and strategically complement our business; our belief that we will drive customer satisfaction and loyalty by offering high-quality, innovative products and services on a timely and cost-effective basis; our intent to pursue and challenge infringements of our intellectual property; our expectation to have certain insurance policies in place as of the date of the Separation; our anticipation that any required contract assignments and new agreements will be obtained prior to the Separation; our belief that none of the contracts or other assets requiring consent to transfer or the contracts requiring a new agreement are individually material to our business; our expectation that the expenses to be incurred by SilverSun Holdings for reporting and corporate governance purposes will be commensurate with those being incurred by SilverSun prior to the Mergers; our expected executive officers, directors, and other key employees; our expected corporate governance policies, guidelines, and practices; our anticipated compensation and benefit plans;our belief that several provisions of our Certificate of Incorporation, Bylaws, and Delaware law that may discourage, delay, or prevent a merger or acquisition that stockholders may consider favorable and will protect our stockholders from coercive or otherwise unfair takeover tactics; our expectations of costs and expenses associated with becoming an independent, publicly traded company; our expectation to incur expenditures to establish certain standalone functions, and other one-time costs subsequent to the completion of the Separation; our expectation that nonrecurring amounts, related to the Separation that are incurred prior to the completion of the Separation, will include costs to separate and/or duplicate investment banker fees, third-party legal and accounting fees, and similar costs; our belief we will meet known or reasonably likely future cash requirements through the combination of cash flows from operating activities, available cash balances, and available borrowings through the issuance of third-party debt; and our expectation to utilize our cash flows to continue to invest in our brands, including research

and development of new product initiatives, talent and capabilities, and growth strategies, including any potential acquisitions, and to repay any indebtedness we may incur over time. All forward-looking statements included herein are based on information available to us as of the date hereof and speak only as of such date. Except as required by law, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements. The forward-looking statements contained in or incorporated by reference into this information statement reflect our views as of the date of this information statement about future events and are subject to risks, uncertainties, assumptions, and changes in circumstances that may cause our actual results, performance, or achievements to differ significantly from those expressed or implied in any forward-looking statement. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future events, results, performance, or achievements. A number of factors could cause actual results to differ materially from those indicated by forward-looking statements. Such factors include, among others: the effects of the coronavirus, or COVID-19, pandemic; lower levels of consumer spending; our ability to introduce new products that are successful in the marketplace; the failure to maintain or strengthen our brand recognition and reputation; the ability to forecast demand for our products or services accurately; our inability to compete in a highly competitive market; our dependence on large customers; pricing pressures by our customers; our ability to collect our accounts receivable the risk of earthquakes, fire, power outages, power losses, and telecommunication failures; our abilities to identify acquisition candidates, to complete acquisitions of potential acquisition candidates, our ability to integrate their businesses with our business, and the success of acquired companies; our ability to protect our intellectual property; the risk of complying with any applicable foreign laws or regulations and the effect of increased protective tariffs; the performance and security of our information systems; the potential for product recalls, product liability, and other claims against us; our dependable on key personnel; economic, social, political, legislative, and regulatory factors; the state of the U.S. economy; risks associated with our facilities, including the expected benefits; and other factors detailed from time to time in our reports that will be filed with the Securities and Exchange Commission, or the SEC.

INFORMATION STATEMENT SUMMARY

This summary highlights information contained in this information statement relating to us and shares of our common stock being distributed by SilverSun in connection with the Distribution. This summary may not contain all details concerning the Separation Agreement or other information that may be important to you. To better understand the Separation Agreement and our business and financial position, you should carefully review this entire information statement, including the risk factors, our historical financial statements, our unaudited pro forma financial statements, and the respective notes to those historical and pro forma financial statements.

Unless otherwise indicated, references in this information statement to fiscal year 2022 and fiscal year 2021 are to the fiscal years ended December 31, 2022 and 2021, respectively. Our historical financial statements have been prepared on a "spin-out" basis to reflect the operations, financial condition, and cash flows of the businesses of SilverSun, exclusive of those conducted by SilverSun's retained subsidiary, CCDC, during all periods shown. Our unaudited pro forma financial statements adjust our historical financial statements to give effect to our separation from SilverSun and our anticipated post-separation capital structure.

Our Company

SilverSun Holdings, along with SWK and SCS, are each wholly owned subsidiaries of SilverSun. We are a business application, technology and consulting company providing strategies and solutions to meet our clients' information, technology and business management needs. Our services and technologies enable customers to manage, protect and monetize their enterprise assets whether on-premise or in the "Cloud." As a value-added reseller of business application software, we offer solutions for accounting and business management, financial reporting, Enterprise Resource Planning ("*ERP*"), Human Capital Management ("*HCM*"), Warehouse Management Systems ("*WMS*"), Customer Relationship Management ("*CRM*"), and Business Intelligence ("*BI*"). Additionally, we have our own development staff building software solutions for time and billing, and various ERP enhancements. Our value-added services focus on consulting and professional services, specialized programming, training, and technical support. We have a dedicated network services practice that provides managed services, cybersecurity, application hosting, disaster recovery, business continuity, cloud and other services. Our customers are nationwide, with concentrations in the New York/New Jersey metropolitan area, Arizona, Southern California, North Carolina, Washington, Oregon and Illinois.

Our Strategy

Our strategies to grow the Company include organic expansion of our robust offerings of software applications, proprietary technology solutions and consulting services; and growth through acquisitions, both within our existing service regions and through strategic geographic expansion.

Underpinning SilverSun Holdings' future growth is our commitment to superior customer service. We will invest valuable time and resources to fully understand how technology is transforming the business management landscape and what current or emerging innovations are deserving of a clients' attention. By leveraging this knowledge and foresight, our growing list of clients are empowered with the means to more effectively manage their businesses; to capitalize on real-time insight drawn from their data resources; and to materially profit from enhanced operational functionality, process flexibility and expedited process execution.

In the event we are unable to identify an existing third-party solution or combined package of solutions that meets specific business management demands of clients in particular niche markets, we task our development team to create a solution.

Central to our growth strategy is our acquisition of application resellers and software publishers of unique and proprietary solutions in the extensive and expanding, but highly fragmented, business solutions marketplace. Investing in the acquisition of other companies and proprietary business management solutions will be an important growth strategy for SilverSun Holdings, allowing us to rapidly offer new products and services, expand into new geographic markets and create new and exciting profit centers.

We understand that the key to enduring success lies in remaining focused on serving the best interests of our clients and their businesses and finding ways for them to accelerate their growth. All too often, industry change comes from the outside in, forcing business owners and managers to react by slipping into crisis management mode and adopting costly business management solutions that simply put out fires. SilverSun Holdings' commitment to achieving market leadership is deeply rooted in our unique value proposition: we will bring together what is arguably the best talent and industry expertise in the most advanced business management tools and processes; we will be counted on for what we believe are unparalleled reliability, innovation and accountability in our product and service offerings and implementations; and we believe we provide practical and cost-effective IT solutions that address both the current and anticipated business management needs and challenges inherent in varied business environments, from unique to commonplace.

Risks Associated with the Proposed Transaction and Our Business

An investment in our company is subject to a number of risks. You should carefully consider the matters discussed under the heading "Risk Factors" of this information statement.

Risks Related to Our Business

- We may incur future losses and may be unable to maintain profitability.
- We cannot accurately forecast our future revenues and operating results, which may fluctuate.
- We may fail to develop new products or may incur unexpected expenses or delays.
- We may need additional financing which we may not be able to obtain on acceptable terms. If we are unable to raise additional capital, as needed, the future growth of our business and operations could be severely limited.
- We may fail to recruit and retain qualified personnel.
- If our technologies and products contain defects or otherwise do not work as expected, we may incur significant expenses in attempting to correct these defects or in defending lawsuits over any such defects.
- Our success is highly dependent upon our ability to compete against competitors that have significantly greater resources than we have.

- If we are not able to protect our trade secrets through enforcement of our confidentiality and non-competition agreements, then we may not be able to compete effectively, and we may not be profitable.

- The software and technology industry is highly competitive. If we cannot develop and market desirable products that the public is willing to purchase, we will not be able to compete successfully. Our business may be adversely effected and we may not be able to generate any revenues.

Risks Related to Our Securities

- We currently do not intend to pay dividends on our common stock. Consequently, our stockholders' ability to achieve a current return on their investment will depend on appreciation in the price of our common stock.

- We may be required to take write-downs or write-offs, restructuring and impairment or other charges that could have a significant negative effect on our financial condition, results of operations and our stock price, which could cause our stockholders to lose some or all of their investment.

- An active, liquid trading market for our common stock may not develop, which may limit your ability to sell your shares.

- We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our common stock, which could depress the price of our common stock.

- Our common stock is and will be subordinate to all of our future indebtedness and any series of preferred stock, and effectively subordinated to all indebtedness and preferred equity claims against our subsidiaries.

- The market price of our common stock is likely to be volatile and could subject us to litigation.

Risks Related to the Separation

- We may not realize the anticipated benefits from the Separation and the Separation could harm our business.

- Until the Separation occurs, SilverSun will have sole discretion to change the terms of the Separation in ways that may be unfavorable to us.

- In connection with the Separation, we and SilverSun will indemnify each other for certain liabilities, we may need to divert cash to meet those obligations if we are required to act under these indemnities to SilverSun, and SilverSun may not be able to satisfy its indemnification obligations to us in the future.

- If the Distribution does not qualify as a transaction that is tax-free for U.S. federal income tax purposes, the holders of SilverSun common stock could be subject to significant tax liability.

- We will be subject to significant restrictions on our actions following the Separation in order to avoid triggering significant tax-related liabilities.

The Distribution

The directors of SilverSun (the "*SilverSun Board*") and the board of directors of Rhodium Enterprises, Inc., a Delaware corporation ("*Rhodium*"), have each unanimously approved, and SilverSun and Rhodium have entered into, an Agreement and Plan of Merger, dated as of September 29, 2022, and amendments thereto dated as of October 20, 2022 and as of December 21, 2022 (as amended, the "*Merger Agreement*"), by and among SilverSun, Rhodium Enterprises Acquisition Corp., a Delaware corporation and direct wholly owned subsidiary of SilverSun ("*Merger Sub I*"), Rhodium Enterprises Acquisition LLC, a Delaware limited liability company and

direct wholly owned subsidiary of SilverSun ("*Merger Sub II*"), and Rhodium. Upon the terms and subject to the conditions set forth in the Merger Agreement, among other things, (i) Merger Sub I shall be merged with and into Rhodium (the "*First Merger*"), resulting in Rhodium existing as the surviving company of the First Merger, and (ii) immediately following the First Merger, Rhodium shall be merged with and into Merger Sub II (the "*Second Merger*" and together with the First Merger, the "*Mergers"*), resulting in Merger Sub II existing as the surviving company of the Second Merger (the "*Surviving Company*") and as a direct, wholly owned subsidiary of SilverSun. Merger Sub II will operate the pre-Merger business of Rhodium through its management of Rhodium Technologies LLC, a Delaware limited liability company ("*Technologies*").

Upon consummation of the Mergers, SilverSun will be structured as an umbrella partnership C-corporation and will have two classes of common stock outstanding, SilverSun Class A common stock and SilverSun Class B common stock. The holders of shares of SilverSun Class A common stock and SilverSun Class B common stock will be entitled to one vote for each share of SilverSun Class A common stock and SilverSun Class B common stock, respectively, held of record on all matters on which SilverSun stockholders are entitled to vote generally. Each share of SilverSun Class B common stock will have no economic rights but will entitle its holder to one vote on all matters to be voted on by stockholders generally. Holders of SilverSun Class A common stock and SilverSun Class B common stock will vote together as a single class on all matters presented to stockholders for their vote or approval, except as otherwise required by applicable law or by SilverSun's Amended and Restated Certificate of Incorporation (the "*Certificate of Amendment*"). Upon consummation of the Mergers, SilverSun will be a holding company and will have no material assets other than its equity interest in CCDC and Merger Sub II, and Merger Sub II and CCDC will be holding companies that will have no material assets other than their equity interest in Technologies. Merger Sub II will become the managing member of Technologies.

For the Certificate of Amendment to take effect, it must be approved at the Special Meeting of SilverSun's stockholders along with several other proposals. The Certificate of Amendment, among other things, (i) authorizes a new class of SilverSun capital stock, the Class A common stock, par value $0.00001 per share (the "*SilverSun Class A common stock*"), to replace the existing common stock of SilverSun upon consummation of the Mergers; (ii) authorizes a new class of SilverSun capital stock, the Class B common stock, par value $0.00001 per share (the "*SilverSun Class B common stock*"), (iii) increases the number of authorized shares of SilverSun's capital stock, and (iv) effects a reverse stock split of SilverSun's common stock (the "*Reverse Split").* Prior to the effective time of the Second Merger and immediately following the Reverse Split, by virtue of filing the Certificate of Amendment and without any additional action on the part of any SilverSun entity, Rhodium or the holders of any securities of SilverSun or Rhodium, including holders of SilverSun common stock, each share of SilverSun common stock issued and outstanding immediately prior to the filing of the Certificate of Amendment shall automatically be converted into one validly issued, fully paid and nonassessable share of SilverSun Class A common stock.

In connection with the Merger Agreement and the Mergers, we and SilverSun will enter into that certain Separation and Distribution Agreement (the "*Separation Agreement*"), whereby all of our issued and outstanding common stock will be distributed on a pro rata basis to the stockholders of SilverSun as of the Record Date (the "*Distribution*"). Following the Distribution, (a) the businesses of SWK and SCS will continue to be operated consistent with past practices and will be managed by the current management of SilverSun and the current members of the SilverSun Board, and (b) SilverSun Holdings will apply for public listing of the SilverSun Holdings shares distributed in the Distribution in reliance on the Form 10 (the "*Form 10")* of which this information statement is a part.

During the years ended December 31, 2021 and December 31, 2022, more than 99% of the revenues generated by SilverSun were generated by SWK. SWK is a technology and consulting company which is a value-added reseller of business application software, offering solutions for accounting and business management, financial reporting, Enterprise Resource Planning, Human Capital Management, Warehouse Management Systems, Customer Relationship Management, and Business Intelligence. Additionally, SWK has its own development staff which builds software solutions for various ERP enhancements. SWK's value-added services focus on consulting and professional services, specialized programming, training, and technical support. SWK also has a dedicated Information Technology network services practice that provides managed services, cybersecurity, application hosting, disaster recovery, business continuity, cloud and other services. SCS has minimal operations, currently generates no revenues and is not expected to generate revenues in the near future although it does have certain depreciation and amortization expenses. Critical Cyber Defense Corp. or CCDC is a wholly owned subsidiary of SilverSun that will not be spun-out and will remain a subsidiary of SilverSun following the Mergers and the spin-off. The commissions from a third-party security company are included in revenues for CCDC's operation.

All of SilverSun's employees with the exception of SilverSun's CEO, Mark Meller, and CFO, Joe Macaluso, are employed through SWK and will remain employees of SWK following the Separation. At the time of the Separation, Mr. Meller will enter into an employment agreement with us which will be identical, in form and substance, to his agreement with SilverSun and Mr. Macaluso will be engaged by us on the same basis as his present engagement with SilverSun.

The Distribution, as described in this information statement, is subject to the satisfaction or waiver of certain conditions. For more information, see "The Separation—Conditions to the Distribution" included elsewhere in this information statement. We cannot provide any assurances that SilverSun will complete the Distribution.

Following a strategic review, it was determined that the Distribution would position SilverSun and SilverSun Holdings for long-term success, including the following:

- ***Distinct Focus***. Each company will benefit from a distinct strategic and management focus on its specific operational and growth priorities.
- ***Differentiated Investment Theses***. Each company will offer differentiated and compelling investment opportunities based on its particular operating and financial model, allowing it to more closely align with its natural investor type.
- ***Optimized Balance Sheet and Capital Allocation Priorities***. Each company will operate with a capital structure and capital deployment strategy tailored to its specific business model and growth strategies without having to compete with the other for investment capital.
- ***Direct Access to Capital Markets***. Each company will have its own equity structure that will afford it direct access to the capital markets and allow it to capitalize on its unique growth opportunities appropriate to its business.
- ***Incremental Stockholder Value***. Each company will benefit from the investment community's ability to value its businesses independently within the context of its particular industry with the anticipation that, over time, the aggregate market value of the companies will be higher, on a fully distributed basis and assuming the same market conditions, than if SilverSun Holdings were to remain under its current configuration.

Neither we nor SilverSun can assure you that, following the Distribution, any of the benefits described above or otherwise in this information statement will be realized to the extent anticipated or at all. For more information, see "Risk Factors."

Regulatory Approvals and Appraisal Rights

We must complete the necessary registration under the federal securities laws of our common stock to be issued in connection with the Distribution. We must also complete the applicable listing requirements on the OTCQX for such shares. Other than these requirements, we do not believe that any other material governmental or regulatory filings or approvals will be necessary to consummate the Distribution.

SilverSun stockholders will not have any appraisal rights in connection with the Distribution.

Corporate Information

We were incorporated in Delaware on September 26, 2022. We maintain our principal executive offices at 120 Eagle Rock Avenue, Suite 320, East Hanover, New Jersey 07936. Our telephone number is (973) 396-1720. Following the Separation, our website address will be Silversuntech.com. Our website and the information contained therein or connected thereto is not incorporated into this information statement or the registration statement of which it forms a part.

SUMMARY OF THE SEPARATION

The following is a summary of the material terms of the Separation and other related transactions.

Distributing Company	SilverSun Technologies, Inc., a Delaware corporation. Following the Distribution, SilverSun will not own any shares of our common stock.
Distributed Company	SilverSun Technologies Holdings, Inc., a Delaware corporation, which is currently a wholly owned subsidiary of SilverSun and will hold, directly or indirectly through its subsidiaries, all of the pre-Merger assets and legal entities, subject to any related liabilities, associated with the businesses of SilverSun, except those conducted by SilverSun's subsidiary, Critical Cyber Defense Corp. Following the consummation of the Separation, we will be an independent, publicly traded company.
Distribution Ratio	Each holder of SilverSun common stock will receive one share of our common stock for every one share of SilverSun common stock held as of the close of business on the Record Date.
Distributed Securities	SilverSun will distribute 100% of the outstanding shares of our common stock in the Distribution. Based on the 5,256,177 shares of SilverSun common stock outstanding as of the Record Date, and applying the distribution ratio of one share of our common stock for every one share of SilverSun common stock, SilverSun will distribute 5,256,177 shares of our common stock to SilverSun stockholders that hold SilverSun common stock as of the close of business on the Record Date.
Fractional Shares	Because the Distribution Ratio is one for one, no fractional shares will be issued in connection with the Distribution.

Record Date	The anticipated Record Date will be the close of business in New York on or around [●], 2023.
Distribution Date	The Distribution Date is expected to be on or around [●], 2023.
Distribution	On the Distribution Date, SilverSun will distribute all of the 5,256,177 issued and outstanding shares of SilverSun Holdings owned by it to the SilverSun stockholders as of the close of business on the Record Date based on the distribution ratio of one share of SilverSun Holdings for every share of SilverSun held on the Record Date. The shares of our common stock will be distributed electronically in direct registration or book-entry form, and no certificates will be distributed. On or shortly following the Distribution Date, the Distribution Agent will mail to stockholders that hold their shares directly with SilverSun, and are therefore registered holders, a direct registration account statement that reflects the number of shares of our common stock that have been registered in book-entry form in their name.

For shares of SilverSun common stock that are held through a bank or brokerage firm, the bank or brokerage firm will credit the stockholder's account with the shares of our common stock that they are entitled to receive in connection with the Distribution.

SilverSun stockholders will not be required to make any payment, to surrender or exchange their shares of SilverSun common stock, or to take any other action to receive their shares of our common stock in connection with the Distribution.

If you are a SilverSun stockholder as of the close of business on the Record Date and decide to sell your shares on or before the Distribution Date, you may choose to sell your SilverSun common stock with or without your entitlement to receive our common stock in connection with the Distribution. Beginning on the close of business on the Record Date and continuing up to and including the Distribution Date, we expect that there will be two markets in SilverSun common stock: a "regular-way" market and an "ex-distribution" market. Shares of SilverSun common stock that trade on the "regular-way" market will trade with an entitlement to receive shares of our common stock in connection with the Distribution. Shares of SilverSun common stock that trade on the "ex-distribution" market will trade without an entitlement to receive shares of our common stock in connection with the Distribution. Therefore, if you sell shares of SilverSun common stock on the "regular-way" market after the close of business on the Record Date and up to and including through the Distribution Date, you will be selling your right to receive shares of our common stock in connection with the Distribution. If you own shares of SilverSun common stock as of the close of business on the Record Date and sell those shares on the "ex-distribution" market, up to and including through the Distribution Date, you will still receive the shares of our common stock that you would be entitled to receive in respect of your ownership, as of the Record Date, of the shares of SilverSun common stock that you sold.

Conditions to the Distribution

The consummation of the Distribution is subject to the satisfaction or waiver of the following conditions, among other conditions described in this information statement:6

- the SEC will have declared effective our registration statement on Form 10, of which this information statement is a part, under the Securities Exchange Act of 1934, as amended, or the Exchange Act; no stop order suspending the effectiveness of our registration statement on Form 10 will be in effect; no proceedings for such purpose will be pending or threatened by the SEC; and this information statement, or a notice of Internet availability thereof, will have been mailed to the holders of SilverSun common stock as of the close of business on the Record Date;

- the Distribution will be made in a manner that does not cause SilverSun to be unable to pay its debts as they become due in the usual course of its business or cause the total assets of SilverSun to be less than the sum of its total liabilities plus the amount that would be needed, if SilverSun were to be dissolved immediately after the effective time of the Distribution, to satisfy the preferential rights upon such dissolution of stockholders whose preferential rights are superior to those receiving the Distribution, if any, in each case in accordance with Section 170 of the DGCL;

- our common stock to be delivered in connection with the Distribution will have been approved for listing on the OTCQX;

- any material governmental approvals and consents and any material permits, registrations, and consents from third parties, in each case, necessary to effect the Distribution and to permit the operation of the business application, technology and consulting businesses after the Distribution Date substantially as conducted as of the date of the Separation Agreement will have been obtained;
- no event or development will have occurred or exists that, in the judgment of the SilverSun Board, in its sole discretion, makes it inadvisable to effect the Distribution or other transactions contemplated by the Separation and Distribution Agreement.

The fulfillment of these conditions will not create any obligations on SilverSun's part to effect the Separation, and the SilverSun Board has reserved the right, in its sole discretion, to abandon, modify, or change the terms of the Separation, including by accelerating or delaying the timing of the consummation of all or part of the Distribution, at any time prior to the Distribution Date.

Stock Listing	We will apply to have our common stock listed on the OTCQX under the ticker symbol "[●]"
Dividend Policy	We currently intend to retain all available funds and any future earnings, if any, to fund the development and expansion of our business, and we do not anticipate paying any cash dividends on our common stock in the foreseeable future. See the section entitled "Dividend Policy."
Transfer Agent	Pacific Stock Transfer, Inc.
U.S. Federal Income Tax Consequences	You should review the section entitled "Material U.S. Federal Income Tax Consequences of the Distribution—The Distribution" for a discussion of the material U.S. federal income tax consequences of the Distribution. You should consult your own tax advisor as to the particular tax consequences to you of the Distribution, including potential tax consequences under state, local, and non-U.S. tax laws.

QUESTIONS AND ANSWERS ABOUT THE SEPARATION

Please see "The Separation" for a more detailed description of the matters summarized below.

Why am I receiving this document?

You are receiving this document because you are a SilverSun stockholder as of the close of business on the Record Date and, as such, will be entitled to receive shares of our common stock upon completion of the transactions described in this information statement. We are sending you this document to inform you about the Separation and to provide you with information about our company and our business and operations upon completion of the Separation.

What do I have to do to participate in the Separation?

The Separation Agreement and the Mergers, among other matters, will be submitted for approval at the Special Meeting of the stockholders of SilverSun to be held at [●] on [●], 2023 (the "Special Meeting). Following such approval, you do not need to take any action to receive your shares of SilverSun Holdings common stock in connection with the Distribution

Why is SilverSun separating its businesses other than the business conducted by SilverSun's subsidiary, Critical Cyber Defense Corp., from its current business operations?

The Separation is being made in conjunction with the Mergers under which SilverSun will acquire the business conducted prior to the Mergers by Rhodium, a technology company which utilizes proprietary technologies to mine Bitcoin. There are no synergies between the SilverSun businesses being spun out and those of Rhodium so the parties to the Mergers agreed that the Separation would be in their mutual best interest. SilverSun and Rhodium agreed to leave Critical Cyber Defense Corp. in SilverSun because Rhodium's Bitcoin mining business is the type of operation that has an acute need for cyber defense services as hostile third parties often try to infiltrate the systems of "crypto" companies to misappropriate their cryptocurrency assets. Rhodium is optimistic that having in-house expertise and functionality will enable it to optimize its cyber security profile in a cost-effective manner.

You should review the section titled "The Separation—Reasons for the Separation." for a more detailed discussion of the reasons for the Separation.

What is SilverSun Holdings?

We are a newly formed Delaware corporation that will hold, directly or indirectly through our subsidiaries, all of the assets and legal entities, subject to any related liabilities, of the pre-Merger business of SilverSun, excluding those of SilverSun's subsidiary, Critical Cyber Defense Corp., and will be publicly traded following the Separation.

How will SilverSun accomplish the Separation?

The Separation involves the contribution of SWK and SCS along with their assets, and subject to any related liabilities, to our company and SilverSun's distribution to its stockholders of all the shares of our common stock. Following this Contribution and Distribution, we will be a publicly-traded company independent from SilverSun, and SilverSun will not retain any ownership interest in our company.

What will I receive in the Distribution?

In connection with the Distribution, you will be entitled to receive one share of our common stock for every one share of SilverSun common stock held by you as of the close of business on the Record Date.

How does my ownership in SilverSun change as a result of the Separation and the Reverse Split?

Your ownership of SilverSun stock will not be directly affected by the Separation but will be affected by the Reverse Split. Following the Reverse Split, you will own fewer shares of SilverSun but your pre-Merger percentage ownership of SilverSun will remain the same. However, as the result of the SilverSun shares being issued in the Mergers, you will experience dilution.

What is the Record Date?

The Record Date for determining holders of record of SilverSun common stock entitled to participate in the Distribution is anticipated to be the close of business on or about [●], 2023. When we refer to the Record Date in this information statement, we are referring to that time and date.

When will the Distribution occur?

The Distribution is expected to occur on or around [●], 2023.

As a SilverSun stockholder as of the Record Date, how will shares of common stock be distributed to me?

At the effective time of the Distribution, we will instruct our Transfer and Distribution Agent to make book-entry credits for the shares of our common stock that you are entitled to receive as a stockholder of SilverSun as of the close of business on the Record Date. Since shares of our common stock will be in uncertificated book-entry form, you will receive share ownership statements in place of physical share certificates.

What if I hold my shares through a broker, bank, or other nominee?

SilverSun stockholders that hold their shares through a broker, bank, or other nominee will have their bank, brokerage, or other account credited with our common stock. For additional information, those stockholders should contact their broker or bank directly.

How will fractional shares be treated in the Distribution?

Because shares of our common stock are being distributed on a one-for-one basis in the Distribution, no fractional shares will be issued.

What are the U.S. federal income tax consequences to me of the Distribution?

If SilverSun obtains a tax opinion of a law firm with expertise in these matters that is reasonably acceptable to Rhodium that the Distribution "should" qualify as a distribution under Section 355(a) of the Internal Revenue Code ("Code"), the parties intend to treat the Distribution as a transaction that is tax-free to the stockholders of SilverSun. On the basis that the Distribution so qualifies for U.S. federal income tax purposes, you should not recognize any gain or loss, and no amount should be included in your income in connection with the Distribution. You should review the section titled "Material U.S. Federal Income Tax Consequences of the Distribution—The Distribution" for a discussion of the material U.S. federal income tax consequences of the Distribution.

How will I determine the tax basis I will have in my SilverSun shares after the Distribution and the SilverSun Holdings shares I receive in connection with the Distribution?

Generally, for U.S. federal income tax purposes, your aggregate basis in your shares of SilverSun Class A common stock and the shares of our common stock that you receive in connection with the Distribution should equal the aggregate basis of SilverSun Class A common stock held by you immediately before the consummation of the Distribution. This aggregate basis should be allocated between your shares of SilverSun common stock and the shares of our common stock that you receive in connection with the Distribution in proportion to the relative fair market value of each immediately following the consummation of the Distribution. See "Material U.S. Federal Income Tax Consequences of the Distribution—The Distribution."

How will SilverSun's common stock and SilverSun Holdings' common stock trade after the Separation?

After the Separation, SilverSun Holdings' common stock will trade on the OTCQX under the ticker symbol "[●]." and SilverSun's Class A common stock will continue to trade on Nasdaq. It is expected that Silver's Class A common stock will trade under the ticker symbol "RHDM."

If I sell my shares of SilverSun common stock on or before the Distribution Date, will I still be entitled to receive SilverSun Holdings shares in the Distribution with respect to the sold shares?

Beginning on the Record Date and continuing up to and including the Distribution Date, we expect that there will be two markets in SilverSun common stock: a "regular-way" market and an "ex-distribution" market. Shares of SilverSun common stock that trade on

the "regular-way" market will trade with the entitlement to receive shares of our common stock in connection with the Distribution. Shares of SilverSun common stock that trade on the "ex-distribution" market will trade without the entitlement to receive shares of our common stock in connection with the Distribution. Therefore, if you sell shares of SilverSun common stock on the "regular-way" market after the close of business on the Record Date and up to and including through the Distribution Date, you will be selling your right to receive shares of our common stock in connection with the Distribution. If you own shares of SilverSun common stock as of the close of business on the Record Date and sell these shares on the "ex-distribution" market, up to and including through the Distribution Date, you will still receive the shares of our common stock that you would be entitled to receive in respect of your ownership, as of the Record Date, of the shares of SilverSun common stock that you sold. You are encouraged to consult with your financial advisor regarding the specific implications of selling your SilverSun common stock prior to or on the Distribution Date.

Will I receive a stock certificate for SilverSun Holdings shares distributed as a result of the Distribution?

No. Registered holders of SilverSun common stock that are entitled to receive the Distribution will receive a book-entry account statement reflecting their ownership of our common stock. For additional information, registered stockholders in the United States, Canada, or Puerto Rico you should contact SilverSun's transfer agent, Pacific Stock Transfer, Inc., in writing at 6725 Via Austi Pkway #300, Las Vegas, NV 89119, toll free at +1 (800) 785-7782, or through its website at https://pacificstocktransfer.com/contact . See "The Separation—When and How You Will Receive the Distribution of SilverSun Holdings Shares."

Can SilverSun decide to cancel the Distribution even if all the conditions have been met?

Yes. SilverSun has the right to terminate, or modify the terms of, the Separation at any time prior to the Distribution Date, even if all of the conditions to the Distribution are satisfied, but terminating under such circumstances would subject SilverSun to a $5,000,000 fee.

Do I have appraisal rights?

No. SilverSun stockholders do not have any appraisal rights in connection with the Separation.

Will SilverSun Holdings have any outstanding indebtedness immediately following the Separation?

Yes, Following the Separation, we expect to have approximately $1,775,000 of debt, consistent with the debt of SilverSun prior to the Separation. Such indebtedness will principally consist of s notes associated with acquisitions and leases on IT equipment. See "Capitalization" and "Unaudited Pro-Forma Financial Statements"

Does SilverSun Holdings currently intend to pay cash dividends on its common stock?

No. We do not currently intend to pay cash dividends on our common stock. See "Dividend Policy."

What will happen to outstanding SilverSun equity compensation awards?

Outstanding SilverSun equity compensation awards will remain with SilverSun and will be treated in the manner set forth in the Merger Agreement.

What will the relationship between SilverSun and SilverSun Holdings be following the Separation?

Following the Separation, SilverSun will not own any shares of our common stock, and we each will be independent, publicly traded companies with our own management teams. In connection with the Separation, we will enter into the Separation Agreement which provides for the allocation between us and our subsidiaries, on the one hand, and SilverSun and its subsidiaries, on the other hand, of the assets, liabilities, legal entities, and obligations associated with the spun out businesses, on the one hand, and the businesses of CCDC and pre-Merger Rhodium, on the other hand. See "The Separation—Agreements with SilverSun."

Who is the transfer agent for our common stock?

Pacific Stock Transfer, Inc., will be the transfer agent for our common stock. Pacific Stock Transfer's mailing address is 6725 Via Austi Pkway #300, Las Vegas, NV 89119, and its phone number for stockholders in the United States, Canada, or Puerto Rico is Toll Free at +1(800) 785-7782.

Who is the Distribution Agent for the Distribution?

Pacific Stock Transfer, Inc. is the Distribution Agent.

Who can I contact for more information?

If you have questions relating to the mechanics of the distribution of our shares, you should contact the Distribution Agent as set forth below:

Pacific Stock Transfer, Inc.
6725 Via Austi Pkwy #300
Last Vegas, NV 89119
Toll Free: +1 (800) 785-7782

If you have questions relating to the transactions described herein, you should contact SilverSun as set forth below:

SilverSun Technologies, Inc.
120 Eagle Rock Ave
East Hanover, NJ 07936
T: 973-396-1720

After the Separation, if you have questions relating to our company, you should contact us as set forth below:

SilverSun Technologies Holdings, Inc.
120 Eagle Rock Ave
East Hanover, NJ 07936
T: 973-396-1720

RISK FACTORS

Certain factors may have a material adverse effect on our business, financial condition and results of operations. You should carefully consider the risks described below, in addition to other information contained in this information statement, including our financial statements and related notes. If any of these risks and uncertainties actually occur, our business, financial condition and results of operations may be materially adversely affected. As a result, the market price of our securities could decline, and you could lose all or part of your investment. Additionally, the risks and uncertainties described in this information statement are not the only risks and uncertainties that we face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may become material and adversely affect our business, financial condition and results of operations.

Risks Related to Our Business

We have a large accumulated deficit, may incur future losses and may be unable to maintain profitability.

As of December 31, 2022, and December 31, 2021, we had an accumulated deficit of $876,590 and $594,371, respectively. As of December 31, 2022, and December 31, 2021, we had stockholders' equity of $9,552,464 and $9,356,823, respectively. We may incur net losses in the future. Our ability to achieve and sustain long-term profitability is largely dependent on our ability to successfully market

and sell our products and services, control our costs, and effectively manage our growth. We cannot assure you that we will be able to maintain profitability. In the event we fail to maintain profitability, our stock price could decline.

We cannot accurately forecast our future revenues and operating results, which may fluctuate.

Our operating history and the rapidly changing nature of the markets in which we compete make it difficult to accurately forecast our revenues and operating results. Furthermore, we expect our revenues and operating results to fluctuate in the future due to a number of factors, including the following:

- The timing of sales of our products and services;
- Disruption to our customers and revenue, labor workforce, unavailability of products and supplies used in operations due to the COVID-19 pandemic;
- The timing of product implementation, particularly large design projects;
- Unexpected delays in introducing new products and services;
- Increased expenses, whether related to sales and marketing, product development, or administration;
- The mix of product license and services revenue; and
- Costs related to possible acquisitions of technology or businesses.

We may fail to develop new products or may incur unexpected expenses or delays.

Although we currently have fully developed products available for sale, we may need to develop various new technologies, products, and product features to remain competitive. Due to the risks inherent in developing new products and technologies—limited financing, loss of key personnel, and other factors—we may fail to develop these technologies and products or may experience lengthy and costly delays in doing so. Although we license some of our technologies in their current stage of development, we cannot assure that we will be able to develop new products or enhancements to our existing products in order to remain competitive.

We may need additional financing which we may not be able to obtain on acceptable terms. If we are unable to raise additional capital, as needed, the future growth of our business and operations could be severely limited.

A limiting factor on our growth is our limited capitalization, which could impact our ability to execute on our business plan. If we raise additional capital through the issuance of debt, this will result in increased interest expense. If we raise additional funds through the issuance of equity or convertible debt securities, the percentage ownership of the Company held by existing shareholders will be reduced and our shareholders may experience significant dilution. In addition, new securities may contain rights, preferences or privileges that are senior to those of our common stock. If additional funds are raised by the issuance of debt or other equity instruments, we may become subject to certain operational limitations (for example, negative operating covenants). There can be no assurance that acceptable financing necessary to further implement our business plan can be obtained on suitable terms, if at all. Our ability to develop our business, fund expansion, develop or enhance products or respond to competitive pressures, could suffer if we are unable to raise the additional funds on acceptable terms, which would have the effect of limiting our ability to increase our revenues or possibly attain profitable operations in the future.

If we fail to maintain an effective system of internal control, we may not be able to report our financial results accurately or to reduce probability of fraud occurrence. Any inability to report and file our financial results accurately and timely could harm our reputation and adversely impact the trading price of our common stock.

Effective internal control is necessary for us to provide reliable financial reports and prevent fraud. We may not be able to manage our business as effectively as we would if an effective control environment existed, and our business and reputation with investors may be harmed.

Management has concluded that the Company did maintain effective internal control over financial reporting as of December 31, 2022, based on the criteria set forth in 2013 Internal Control—Integrated Framework issued by the COSO.

We may fail to recruit and retain qualified personnel.

We may, in the future, rapidly expand our operations and grow our sales, development, and administrative operations. Accordingly, recruiting and retaining such personnel in the future will be critical to our success. There is intense competition from other companies for qualified personnel in the areas of our activities, particularly consulting, sales, marketing, and managed services. If we fail to identify, attract, retain and motivate these highly skilled personnel, this could have a material adverse effect on our business, financial condition, results of operations and future prospects.

If our technologies and products contain defects or otherwise do not work as expected, we may incur significant expenses in attempting to correct these defects or in defending lawsuits over any such defects.

Software products are not currently accurate in every instance and may never be. Furthermore, we could inadvertently release products and technologies that contain defects. In addition, third-party technology that we include in our products could contain defects. We may incur significant expenses to correct such defects. Clients who are not satisfied with our products or services could bring claims against us for substantial damages. Such claims could cause us to incur significant legal expenses and, if successful, could result in the plaintiffs being awarded significant damages. Our payment of any such expenses or damages could prevent us from becoming profitable.

Our success is highly dependent upon our ability to compete against competitors that have significantly greater resources than we have.

The ERP software, MSP and business consulting industries are highly competitive, and we believe that this competition will intensify. Many of our competitors have longer operating histories, significantly greater financial, technical, product development and marketing resources, greater name recognition and larger client bases than we do. Our competitors could use these resources to market or develop products or services that are more effective or less costly than any or all of our products or services or that could render any or all of our products or services obsolete. Our competitors could also use their economic strength to influence the market to continue to buy their existing products.

If we are not able to protect our trade secrets through enforcement of our confidentiality and non-competition agreements, then we may not be able to compete effectively, and we may not be profitable.

We attempt to protect our trade secrets, including the processes, concepts, ideas and documentation associated with our technologies, through the use of confidentiality agreements and non-competition agreements with our current employees and with other parties to whom we have divulged such trade secrets. If the employees or other parties breach our confidentiality agreements and non-competition agreements or if these agreements are not sufficient to protect our technology or are found to be unenforceable, our competitors could acquire and use information that we consider to be our trade secrets and we may not be able to compete effectively. Some of our competitors have substantially greater financial, marketing, technical and manufacturing resources than we have, and we may not be profitable if our competitors are also able to take advantage of our trade secrets.

Our failure to secure trademark registrations could adversely affect our ability to market our product candidates and our business.

Our trademark applications in the United States and any other jurisdictions where we may file may be denied, and we may not be able to maintain or enforce our registered trademarks. During trademark registration proceedings, we may receive rejections. Although we are given an opportunity to respond to those rejections, we may be unable to overcome such rejections. In addition, with respect to the United States Patent and Trademark Office and any corresponding foreign agencies, third parties are given an opportunity to oppose

pending trademark applications and to seek to cancel registered trademarks. Opposition or cancellation proceedings may be filed against our applications and/or registrations, and our applications and/or registrations may not survive such proceedings. Failure to secure such trademark registrations in the United States and in foreign jurisdictions could adversely affect our ability to market our product candidates and our business.

We may unintentionally infringe on the proprietary rights of others.

Many lawsuits currently are being brought in the software industry alleging violation of intellectual property rights. Although we do not believe that we are infringing on any patent rights, patent holders may claim that we are doing so. Any such claim would likely be time-consuming and expensive to defend, particularly if we are unsuccessful, and could prevent us from selling our products or services. In addition, we may also be forced to enter into costly and burdensome royalty and licensing agreements.

Our industry is characterized by rapid technological change and failure to adapt our product development to these changes may cause our products to become obsolete.

We participate in a highly dynamic industry characterized by rapid change and uncertainty relating to new and emerging technologies and markets. Future technology or market changes may cause some of our products to become obsolete more quickly than expected.

The trend toward consolidation in our industry may impede our ability to compete effectively.

As consolidation in the software industry continues, fewer companies dominate particular markets, changing the nature of the market and potentially providing consumers with fewer choices. Also, many of these companies offer a broader range of products than us, ranging from desktop to enterprise solutions. We may not be able to compete effectively against these competitors. Furthermore, we may use strategic acquisitions, as necessary, to acquire technology, people and products for our overall product strategy. The trend toward consolidation in our industry may result in increased competition in acquiring these technologies, people or products, resulting in increased acquisition costs or the inability to acquire the desired technologies, people or products. Any of these changes may have a significant adverse effect on our future revenues and operating results.

We face intense price-based competition for licensing of our products which could reduce profit margins.

Price competition is often intense in the software market. Price competition may continue to increase and become even more significant in the future, resulting in reduced profit margins.

The software and technology industry is highly competitive. If we cannot develop and market desirable products that the public is willing to purchase, we will not be able to compete successfully. Our business may be adversely effected and we may not be able to generate any revenues.

We have many potential competitors in the software industry. We consider the competition to be competent, experienced, and may have greater financial and marketing resources than we do. Our ability to compete effectively may be adversely affected by the ability of these competitors to devote greater resources to the development, sales, and marketing of their products than are available to us. Some of the Company's competitors, also, offer a wider range of software products, have greater name recognition and more extensive customer bases than the Company. These competitors may be able to respond more quickly to new or changing opportunities, customer desires, as well as undertake more extensive promotional activities, offer terms that are more attractive to customers and adopt more aggressive pricing policies than the Company. We cannot provide any assurances that we will be able to compete successfully against present or future competitors or that the competitive pressure we may encounter will not force us to cease operations.

If there are events or circumstances affecting the reliability or security of the internet, access to our website and/or the ability to safeguard confidential information could be impaired causing a negative effect on the financial results of our business operations.

Despite the implementation of security measures, our website infrastructure may be vulnerable to computer viruses, hacking or similar disruptive problems caused by members, other internet users, other connected internet sites, and the interconnecting telecommunications networks. Such problems caused by third parties could lead to interruptions, delays or cessation of service to our customers. Inappropriate use of the internet by third parties could also potentially jeopardize the security of confidential information stored in our computer system,

which may deter individuals from becoming customers. Such inappropriate use of the internet includes attempting to gain unauthorized access to information or systems, which is commonly known as “cracking” or “hacking.” Although we have implemented security measures, such measures have been circumvented in the past by hackers on other websites on the internet, although our networks have never been breached, and there can be no assurance that any measures we implement would not be circumvented in future. Dealing with problems caused by computer viruses or other inappropriate uses or security breaches may require interruptions, delays or cessation of service to our customers, which could have a material adverse effect on our business, financial condition and results of operations.

If we lose the services of any of our key personnel our business may suffer.

We are dependent on Mark Meller, our Chief Executive Officer, and other key employees in our Company. The loss of any of our key personnel could materially harm our business because of the cost and time necessary to retain and train a replacement. Such a loss would also divert management attention away from operational issues.

To service our debt obligations, we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control. Any failure to repay our outstanding indebtedness as it matures, could materially adversely impact our business, prospects, financial condition, liquidity, results of operations, and cash flows.

Our debt obligations principally consist of notes associated with acquisitions and leases on IT equipment. Our ability to satisfy our debt obligations and repay or refinance our maturing indebtedness will depend principally upon our future operating performance.

As a result, prevailing economic conditions and financial, business, legislative, regulatory and other factors, many of which are beyond our control, will affect our ability to make payments on our debt. If we do not generate sufficient cash flow from operations to satisfy our debt service obligations, we may have to undertake alternative financing plans, such as refinancing or restructuring our debt, incurring additional debt, issuing equity or convertible securities, reducing discretionary expenditures and selling certain assets (or combinations thereof). Our ability to execute such alternative financing plans will depend on the capital markets and our financial condition at such time. In addition, our ability to execute such alternative financing plans may be subject to certain restrictions under our existing indebtedness. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants compared to those associated with any debt that is being refinanced, which could further restrict our business operations. Our inability to generate sufficient cash flow to satisfy our debt obligations, or our inability to refinance our debt obligations on commercially reasonable terms or at all, would have a material adverse effect on our business, prospects, financial condition, liquidity, results of operations and cash flows.

Computer malware, viruses, hacking, phishing attacks, and spamming could harm our business and results of operations.

Computer malware, viruses, physical or electronic break-ins and similar disruptions could lead to interruption and delays in our services and operations and loss, misuse, or theft of data. Computer malware, viruses, computer hacking and phishing attacks against online networking platforms have become more prevalent and may occur on our systems in the future.

Any attempts by hackers to disrupt our website service or our internal systems, if successful, could harm our business, be expensive to remedy and damage our reputation or brand. Our network security business disruption insurance may not be sufficient to cover significant expenses and losses related to direct attacks on our website or internal systems. Efforts to prevent hackers from entering our computer systems are expensive to implement and may limit the functionality of our services. Though it is difficult to determine what, if any, harm may directly result from any specific interruption or attack, any failure to maintain performance, reliability, security and availability of our products and services and technical infrastructure may harm our reputation, brand and our ability to attract customers. Any significant disruption to our website or internal computer systems could result in a loss of customers and could adversely affect our business and results of operations.

We have previously experienced, and may in the future experience, service disruptions, outages, and other performance problems due to a variety of factors, including infrastructure changes, third-party service providers, human or software errors and capacity constraints. If our services are unavailable when customers attempt to access them or they do not load as quickly as they expect, customers may seek other services.

Some errors in our software code may only be discovered after the code has been deployed. Any errors, bugs, or vulnerabilities discovered in our code after deployment, inability to identify the cause or causes of performance problems within an acceptable period of time or difficultly maintaining and improving the performance of our platform, particularly during peak usage times, could result in damage to our reputation or brand, loss of revenues, or liability for damages, any of which could adversely affect our business and financial results.

We expect to continue to make significant investments to maintain and improve our software and to enable rapid releases of new features and products. To the extent that we do not effectively address capacity constraints, upgrade our systems as needed and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology, our business and operating results may be harmed.

We have a disaster recovery program to transition our operating platform and data to a failover location in the event of a catastrophe and have tested this capability under controlled circumstances, however, there are several factors ranging from human error to data corruption that could materially lengthen the time our platform is partially or fully unavailable to our user base as a result of the transition. If our platform is unavailable for a significant period of time as a result of such a transition, especially during peak periods, we could suffer damage to our reputation or brand, or loss of revenues any of which could adversely affect our business and financial results.

We need to manage growth in operations to realize our growth potential and achieve our expected revenues, and our failure to manage growth will cause a disruption of our operations resulting in the failure to generate revenue and an impairment of our long-lived assets.

In order to take advantage of the growth that we anticipate in our current and potential markets, we believe that we must expand our sales and marketing operations. This expansion will place a significant strain on our management and our operational, accounting, and information systems. We expect that we will need to continue to improve our financial controls, operating procedures and management information systems. We will also need to effectively train, motivate and manage our employees. Our failure to manage our growth could disrupt our operations and ultimately prevent us from generating the revenues we expect.

In order to achieve the above-mentioned targets, the general strategies of our Company are to maintain and search for hard-working employees who have innovative initiatives, as well as to keep a close eye on expansion opportunities through merger and/or acquisition.

There is a risk associated with COVID-19

The Company's operations may be affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID-19) which in March 2020, was declared a pandemic by the World Health Organization. The ultimate disruption which may be caused by the outbreak is uncertain; however, it may result in a material adverse impact on the Company's financial position, operations, and cash flows. Possible areas that may be affected include, but are not limited to, disruption to the Company's customers and revenue, labor workforce, inability of customers to pay outstanding accounts receivable due and owing to the Company as they limit or shut down their businesses, customers seeking relief or extended payment plans relating to accounts receivable due and owing to the Company, unavailability of products and supplies used in operations, and the decline in value of assets held by the Company, including property and equipment.

We face risks arising from acquisitions.

We may pursue strategic acquisitions in the future. Risks in acquisition transactions include difficulties in the integration of acquired businesses into our operations and control environment, difficulties in assimilating and retaining employees and intermediaries, difficulties in retaining the existing clients of the acquired entities, assumed or unforeseen liabilities that arise in connection with the acquired businesses, the failure of counterparties to satisfy any obligations to indemnify us against liabilities arising from the acquired businesses, and unfavorable market conditions that could negatively impact our growth expectations for the acquired businesses. Fully integrating an acquired company or business into our operations may take a significant amount of time. We cannot assure you that we will be successful in overcoming these risks or any other problems encountered with acquisitions and other strategic transactions. These risks may prevent us from realizing the expected benefits from acquisitions and could result in the failure to realize the full economic value of

a strategic transaction or the impairment of goodwill and/or intangible assets recognized at the time of an acquisition. These risks could be heightened if we complete a large acquisition or multiple acquisitions within a short period of time.

Risks Related to Our Securities

We currently do not intend to pay dividends on our common stock. Consequently, our stockholders' ability to achieve a return on their investment will depend on appreciation in the price of our Common Stock.

We do not expect to pay cash dividends on our common stock. Any future dividend payments are within the absolute discretion of our board of directors and will depend on, among other things, our results of operations, working capital requirements, capital expenditure requirements, financial condition, level of indebtedness, contractual restrictions with respect to payment of dividends, business opportunities, anticipated cash needs, provisions of applicable law and other factors that our board of directors may deem relevant.

We may be required to take write-downs or write-offs, restructuring and impairment or other charges that could have a significant negative effect on our financial condition, results of operations and our stock price, which could cause our stockholders to lose some or all of their investment.

We may be forced to write-down or write-off assets, restructure our operations, or incur impairment or other charges that could result in our reporting losses. Even though these charges may be non-cash items and not have an immediate impact on our liquidity, the fact that we report charges of this nature could contribute to negative market perceptions about us or our securities. In addition, charges of this nature may cause us to violate net worth or other covenants to which we may be subject. Accordingly, a stockholder could suffer a reduction in the value of their shares of common stock.

Although we will apply to trade our common stock on the OTCQX under the trading symbol " [●]," an active trading market for our common stock may never develop or be sustained following the Separation. A public trading market having the desirable characteristics of depth, liquidity and orderliness depends upon the existence of willing buyers and sellers at any given time, such existence being dependent upon the individual decisions of buyers and sellers over which neither we nor any market maker has control. The failure of an active and liquid trading market to develop and continue would likely have a material adverse effect on the value of our common stock. An inactive market may also impair our ability to raise capital to continue to fund operations by issuing additional shares of our common stock or other equity or equity-linked securities and may impair our ability to acquire other companies or technologies by using any such securities as consideration.

We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our common stock, which could depress the price of our common stock.

Our Certificate of Incorporation authorizes us to issue one or more series of preferred stock. Our board of directors will have the authority to determine the preferences, limitations and relative rights of the shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our stockholders. Our preferred stock could be issued with voting, liquidation, dividend and other rights superior to the rights of our common stock. The potential issuance of preferred stock may delay or prevent a change in control of us, discouraging bids for our common stock at a premium to the market price, and materially adversely affect the market price and the voting and other rights of the holders of our common stock.

The trading price of our securities will likely be, and continue to be, volatile and you could lose all or part of your investment.

The trading price of our securities could be volatile and subject to wide fluctuations in response to various factors, some of which are beyond our control, including but not limited to our general business condition, the release of our financial reports and general economic conditions and forecasts. Broad market and industry factors may materially harm the market price of our securities irrespective of our operating performance. The stock market in general has experienced price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the particular companies affected. The trading prices and valuations of these stocks, and of our securities, may not be predictable. A loss of investor confidence in the market for the stocks of other companies which investors perceive to be similar to us could depress our stock price regardless of our business, prospects, financial conditions or results of operations. A decline in the market price of our securities also could adversely affect our ability to issue additional securities and

our ability to obtain additional financing in the future. Any of these factors could have a material adverse effect on our stockholders' investment in our securities, and our securities may trade at prices significantly below the price they paid for them. In such circumstances, the trading price of our securities may not recover and may experience a further decline.

Anti-takeover provisions contained in our Certificate of Incorporation and Bylaws, as well as provisions of Delaware law, could impair a takeover attempt.

We are subject to Section 203 of the Delaware General Corporation Law, which, subject to certain exceptions, prohibits a Delaware corporation from engaging in any "business combination" (as defined below) with any "interested stockholder" (as defined below) for a period of three years following the date that such stockholder became an interested stockholder, unless: (1) prior to such date, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder; (2) on consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the number of shares outstanding those shares owned (x) by persons who are directors and also officers and (y) by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or (3) on or subsequent to such date, the business combination is approved by the board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66 and 2/3% of the outstanding voting stock that is not owned by the interested stockholder.

Section 203 of the Delaware General Corporation Law defines "business combination" to include: (1) any merger or consolidation involving the corporation and the interested stockholder; (2) any sale, transfer, pledge or other disposition of 10% or more of the assets of the corporation involving the interested stockholder; (3) subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder; (4) any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder; or (5) the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation. In general, Section 203 defines an "interested stockholder" as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by such entity or person.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our securities will depend in part on the research and reports that securities or industry analysts publish about us or our business. If only a limited number of securities or industry analysts commence coverage of our Company, the trading price for our securities would likely be negatively impacted. In the event securities or industry analysts initiate coverage, if one or more of the analysts who covers us downgrades our stock or publishes unfavorable research about our business, our stock price may decline. If one or more of these analysts ceases coverage of our Company or fails to publish reports on us regularly, demand for our securities could decrease, which might cause our stock price and trading volume to decline.

We are a smaller reporting company within the meaning of the Securities Act, and if we take advantage of certain exemptions from disclosure requirements available to smaller reporting companies, this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies.

We are a "smaller reporting company" as defined in Item 10(f)(1) of Regulation S-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. We will remain a smaller reporting company until the last day of any fiscal year for so long as either (1) the market value of our shares of common stock held by non-affiliates does not equal or exceed $250 million as of the prior June 30, or (2) our annual revenues do not equal or exceed $100 million during such completed fiscal year and the market value of the shares of our common stock held by non-affiliates did not equal or exceed $700 million as of the prior June 30.

Your percentage ownership in our company may be diluted in the future.

In the future, your percentage ownership in our company may be diluted because of equity issuances, acquisitions, strategic investments, capital market transactions, or otherwise, including equity compensation awards that we grant to our directors, officers and employees. Our Compensation Committee can be expected to grant additional equity compensation awards to our employees after the Separation. These awards would have a dilutive effect on our earnings per share, which could adversely affect the market price of our common stock. From time to time, we may issue additional equity compensation awards to our employees under our employee benefits plans.

In addition, our Certificate of Incorporation authorizes our Board of Directors to create and issue, without the approval of our stockholders, one or more series of preferred stock having such powers, preferences, and rights, if any, and such qualifications, limitations, and restrictions, if any, as established by our Board of Directors. The terms of one or more series of preferred stock that is so created and issued by our Board of Directors may dilute the voting power or reduce the value of our common stock. For example, our Board of Directors could create and issue one or more series of preferred stock having the right to elect one or more of our directors (in all events or on the happening of specified events) and/or the right to veto specified transactions. Similarly, the repurchase or redemption rights or dividend, distribution, or liquidation rights of a series of preferred stock created and issued by our Board of Directors could affect the residual value of the common stock. See "Description of Capital Stock—Preferred Stock."

Our common stock is and will be subordinate to all of our future indebtedness and any series of preferred stock, and effectively subordinated to all indebtedness and preferred equity claims against our subsidiaries.

Shares of our common stock are common equity interests in us and, as such, will rank junior to all of our future indebtedness and other liabilities. Additionally, holders of our common stock may become subject to the prior dividend and liquidation rights of holders of any series of preferred stock that our Board of Directors may designate and issue without any action on the part of the holders of our common stock. Furthermore, our right to participate in a distribution of assets upon any of our subsidiaries' liquidation or reorganization is subject to the prior claims of that subsidiary's creditors.

The market price of our common stock is likely to be volatile and could subject us to litigation.

The market price of our common stock may be subject to wide fluctuations. Factors affecting the market price of our common stock include:

- Variations in our operating results, earnings per share, cash flows from operating activities, deferred revenue, and other financial metrics and non-financial metrics, and how those results compare to analyst expectations.
- Issuances of new stock which dilutes earnings per share.
- Forward looking guidance to industry and financial analysts related to future revenue and earnings per share.
- The net increases in the number of customers and paying subscriptions, either independently or as compared with published expectations of industry, financial or other analysts that cover our company.
- Changes in the estimates of our operating results or changes in recommendations by securities analysts that elect to follow our common stock.
- Announcements of technological innovations, new services or service enhancements, strategic alliances, or significant agreements by us or by our competitors.
- Announcements by us or by our competitors of mergers or other strategic acquisitions, or rumors of such transactions involving us or our competitors.
- Announcements of customer additions and customer cancellations or delays in customer purchases.
- Recruitment or departure of key personnel.

- Trading activity by a limited number of stockholders who together beneficially own a majority of our outstanding common stock.

In addition, if the stock market in general experiences uneven investor confidence, the market price of our common stock could decline for reasons unrelated to our business, operating results, or financial condition. The market price of our common stock might also decline in reaction to events that affect other companies within, or outside, our industries even if these events do not directly affect us. Some companies that have experienced volatility in the trading price of their stock have been the subject of securities class action litigation. If we are to become the subject of such litigation, it could result in substantial costs and a diversion of management's attention and resources.

In order to raise sufficient funds to expand our operations, we may have to issue additional securities at prices which may result in substantial dilution to our shareholders.

If we raise additional funds through the sale of equity or convertible debt, our current stockholders' percentage ownership will be reduced. In addition, these transactions may dilute the value of our common shares outstanding. We may also have to issue securities that may have rights, preferences and privileges senior to our common stock.

Possible adverse effect of issuance of preferred stock.

Our Certificate of Incorporation authorizes the issuance of 1,000,000 shares of preferred stock, of which all shares are available for issuance, with designations, rights and preferences as determined from time to time by our board of directors. As a result of the foregoing, our board of directors can issue, without further shareholder approval, preferred stock with dividend, liquidation, conversion, voting or other rights that could adversely affect the voting power or other rights of the holders of common stock. The issuance of preferred stock could, under certain circumstances, discourage, delay or prevent a change in control of the Company.

Our common stock may be considered a penny stocks and thus be subject to the penny stock rules.

The SEC has adopted a number of rules to regulate "penny stocks" that restricts transactions involving stock which is deemed to be penny stock. Such rules include Rules 3a51-1, 15g-1, 15g-2, 15g-3, 15g-4, 15g-5, 15g-6, 15g-7, and 15g-9 under the Securities and Exchange Act of 1934, as amended. These rules may have the effect of reducing the liquidity of penny stocks. "Penny stocks" generally are equity securities with a price of less than $5.00 per share (other than securities registered on certain national securities exchanges or quoted on Nasdaq if current price and volume information with respect to transactions in such securities is provided by the exchange or system). Our common stock may be considered a "penny stock" within the meaning of the rules. The additional sales practice and disclosure requirements imposed upon U.S. broker-dealers may discourage such broker-dealers from effecting transactions in shares of our common stock, which could severely limit the market liquidity of such shares and impede their sale in the secondary market.

A U.S. broker-dealer selling penny stock to anyone other than an established customer or "accredited investor" (generally, an individual with net worth in excess of $1,000,000 or an annual income exceeding $200,000, or $300,000 together with his or her spouse) must make a special suitability determination for the purchaser and must receive the purchaser's written consent to the transaction prior to sale, unless the broker-dealer or the transaction is otherwise exempt. In addition, the "penny stock" regulations require the U.S. broker-dealer to deliver, prior to any transaction involving a "penny stock," a disclosure schedule prepared in accordance with SEC standards relating to the "penny stock" market, unless the broker-dealer or the transaction is otherwise exempt. A U.S. broker-dealer is also required to disclose commissions payable to the U.S. broker-dealer and the registered representative and current quotations for the securities. Finally, a U.S. broker-dealer is required to submit monthly statements disclosing recent price information with respect to the "penny stock" held in a customer's account and information with respect to the limited market in "penny stocks."

Stockholders should be aware that, according to SEC, the market for "penny stocks" has suffered in recent years from patterns of fraud and abuse. Such patterns include (i) control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer; (ii) manipulation of prices through prearranged matching of purchases and sales and false and misleading press releases; (iii) "boiler room" practices involving high-pressure sales tactics and unrealistic price projections by inexperienced sales persons; (iv) excessive and undisclosed bid-ask differentials and markups by selling broker-dealers; and (v) the wholesale dumping of the same securities by promoters and broker-dealers after prices have been manipulated to a desired level, resulting in investor losses. Our management is aware of the abuses that have occurred historically in the penny stock market. Although we do not expect to be in

a position to dictate the behavior of the market or of broker-dealers who participate in the market, management will strive within the confines of practical limitations to prevent the described patterns from being established with respect to our securities.

Risks Related to the Separation

We may not realize the anticipated benefits from the Separation and the Separation could harm our business.

We may not be able to achieve the full strategic and financial benefits expected to result from the Separation and such benefits may be delayed or not occur at all. The Separation is designed to enhance strategic and management focus, provide a distinct investment identity, and allow us to efficiently allocate resources and deploy capital. We may not achieve these and other anticipated benefits for a variety of reasons, including the following:

- the Separation will require significant amounts of management's time and effort, which may divert management's attention from operating and growing our business; and
- actions required to separate the respective businesses could disrupt our operations.

If we fail to achieve some or all of the benefits expected to result from the Separation, or if such benefits are delayed, our business could be harmed.

Until the Separation occurs, SilverSun will have sole discretion to change the terms of the Separation in ways that may be unfavorable to us.

Until the Separation occurs, our business application, technology and consulting businesses will be a business segment of SilverSun. Completion of the Separation remains subject to the satisfaction or waiver of certain conditions, some of which are in the sole and absolute discretion of SilverSun, including final approval by the SilverSun Board. Additionally, SilverSun has the sole and absolute discretion to change certain terms of the Separation, including the amount of any cash transfer between us, the amount of our indebtedness, and the allocation of contingent liabilities, which changes could be unfavorable to us. In addition, SilverSun may decide at any time prior to the completion of the Separation not to proceed with the Separation.

In connection with the Separation, we and SilverSun will indemnify each other for certain liabilities, we may need to divert cash to meet those obligations if we are required to act under these indemnities to SilverSun, and SilverSun may not be able to satisfy its indemnification obligations to us in the future.

Pursuant to the Separation Agreement and other agreements with SilverSun, SilverSun will agree to indemnify us for certain liabilities and we will agree to indemnify SilverSun for certain liabilities, as discussed further in "The Separation—Agreements with SilverSun." Payments that we may be required to provide under indemnities to SilverSun may be significant and could negatively affect our business. Third parties could also seek to hold us responsible for the liabilities that SilverSun has agreed to retain and, under certain circumstances, we may be subject to continuing contingent liabilities of SilverSun following the Separation that arise relating to the operations of the spun-out businesses during the time prior to the Separation, such as certain tax liabilities that relate to periods during which taxes of the spun-out businesses were reported as part of SilverSun; liabilities retained by SilverSun that relate to contracts or other obligations entered into jointly by the spun-out businesses and SilverSun's other current businesses; post-employment liabilities, including unfunded liabilities, that apply to SilverSun, including the spun-out businesses; environmental liabilities related to sites at which both SilverSun and the spun-out businesses operated; and liabilities arising from third-party claims in respect of contracts in which both SilverSun and the spun-out businesses supply goods or provide services.

SilverSun has agreed to indemnify us for such contingent liabilities. While we have no reason to expect that SilverSun will not be able to support its indemnification obligations to us, we can provide no assurance that SilverSun will be able to fully satisfy its indemnification obligations or that such indemnity obligations will be sufficient to cover our liabilities for matters which SilverSun has agreed to retain, including such contingent liabilities. Moreover, even if we ultimately succeed in recovering from SilverSun any amounts for which we are indemnified, we may be temporarily required to bear these losses ourselves. Each of these risks could have a material adverse effect on our business, operating results, and financial condition.

If the Distribution does not qualify as a transaction that is tax-free for U.S. federal income tax purposes, the holders of SilverSun common stock could be subject to significant tax liability.

If SilverSun obtains a tax opinion of a law firm with expertise in these matters that is reasonably acceptable to Rhodium that the Distribution "should" qualify as a distribution described in Section 355(a) of the Code, subject to the discussion below of the impact of Section 355(e) of the Code, the parties intend to treat the Distribution as a tax-free transaction to the holders of SilverSun common stock under Section 355(a) of the Code. Such opinion will rely on certain representations, assumptions, and undertakings, including those relating to the past and future conduct of our business, and the opinion would not be valid if such representations, assumptions, and undertakings were incorrect. Further, if despite the opinion, the IRS or a court determines that the Distribution is a taxable transaction for U.S. federal income tax purposes, the Distribution would be taxable to the holders of SilverSun's common stock that receive SilverSun Holdings common stock in the Distribution. If an opinion is not delivered, the parties intend to report the Distribution as a taxable corporate distribution to the holders of SilverSun's common stock. For more information regarding the opinion see "Material U.S. Federal Income Tax Consequences of the Distribution."

Even if the Distribution otherwise qualifies under Section 368(a)(1)(D) and Section 355 of the Code, the Distribution is expected to result in a U.S. federal income tax liability to SilverSun (but not to holders of SilverSun common stock) under Section 355(e) of the Code because one or more persons are expected to acquire, directly or indirectly, a 50% or greater interest (measured by either vote or value) in the stock of SilverSun or in the stock of our company (or any successor corporation) as part of a plan or series of related transactions that includes the Distribution. See "Material U.S. Federal Income Tax Consequences of the Distribution."

We will be subject to significant restrictions on our actions following the Separation in order to avoid triggering significant tax-related liabilities.

The Tax Matters Agreement generally will prohibit us from taking certain actions that could cause the Distribution to fail to qualify as a tax-free distribution to the holders of SilverSun common stock, including the following:

- during the two-year period following the Distribution Date, we may not discontinue the active conduct of our business (within the meaning of Section 355(b)(2) of the Code);
- during the two-year period following the Distribution Date, we may not liquidate or merge, consolidate, or amalgamate with any other person;
- during the two-year period following the Distribution Date, we may not sell or otherwise dispose of more than 30% of our consolidated gross assets or more than 30% of the gross assets of SWK;
- during the two-year period following the Distribution Date, we may not purchase any of our common stock, other than pursuant to certain open-market repurchases of less than 20% of our common stock (in the aggregate);
- during the two-year period following the Distribution Date, we may not amend our Certificate of Incorporation (or other organizational documents) or take any other action affecting the voting rights of our common stock; and
- more generally, we may not take any action that could reasonably be expected to cause the Distribution to fail to qualify as tax-free distribution for U.S. federal income tax purposes.

  Due to these restrictions under the Tax Matters Agreement, we may be limited in our ability to pursue strategic transactions, equity or convertible debt financings, or other transactions that may otherwise be in our best interests.

Due to these restrictions under the Tax Matters Agreement, we may be limited in our ability to pursue strategic transactions, equity or convertible debt financings, or other transactions that may otherwise be in our best interests.

THE SEPARATION

General

The directors of SilverSun (the "*SilverSun Board*") and the board of directors of Rhodium have each unanimously approved, and SilverSun and Rhodium have entered into, an Agreement and Plan of Merger, dated as of September 29, 2022, and amended as of October 20, 2022 and December 21, 2022, by and among SilverSun, Merger Sub I, Merger Sub II and Rhodium. Upon the terms and subject to the conditions set forth in the Merger Agreement, among other things, (i) Merger Sub I shall be merged with and into Rhodium, resulting in Rhodium existing as the surviving company of the First Merger, and (ii) immediately following the First Merger, Rhodium shall be merged with and into Merger Sub II resulting in Merger Sub II existing as the surviving company of the Second Merger and as a direct, wholly owned subsidiary of SilverSun. Following the Mergers, Merger Sub II will operate the pre-Merger business of Rhodium through its management of Rhodium Technologies LLC, a Delaware limited liability company.

In connection with the Merger Agreement and the Mergers, we and SilverSun will enter into the Separation Agreement, whereby all of our issued and outstanding common will be distributed on a pro rata basis to the stockholders of SilverSun as of the Record Date. Following the Distribution, (a) the businesses of our wholly owned subsidiaries, SWK and SCS, will continue to be operated consistent with past practices and will be managed by the current management of SilverSun and the current members of the SilverSun Board, and (b) SilverSun Holdings will apply for public listing of the shares of our common stock distributed in the Distribution in reliance on the Form 10 (the "*Form 10*") of which this information statement is a part.

Promptly following the Second Merger, SilverSun will issue a cash dividend of at least $1.50 per pre-Merger/pre-Reverse Split share pro rata in the aggregate amount of up to $8,500,000 (the "Dividend") to its stockholders as of the Record Date. The Dividend amount shall come from the $10,000,000 cash to be received from Rhodium in connection with the Mergers.

Following the Distribution, SilverSun will have no wholly-owned subsidiaries other than CCDC and the Rhodium operations it will acquire on that same day. The Separation Agreement sets forth the terms and conditions regarding the separation of the business application, technology and consulting businesses from SilverSun.

Following the Mergers, SilverSun will consummate the Distribution to the stockholders of SilverSun as of the Record Date, pursuant to the Merger Agreement and Separation Agreement. Consummation of the Distribution is subject to conditions that must be satisfied or waived by SilverSun prior to the completion of the Separation. In addition, SilverSun has the right in its sole and absolute discretion to determine the date and terms of the Distribution and Dividend and will have the right, at any time until completion of the Distribution, to determine to abandon or modify the Distribution and Dividend and to terminate the Separation Agreement.

In addition, the Separation Agreement governs the treatment of indemnification, insurance, and litigation responsibility and management of SilverSun Holdings and SilverSun after the date of Distribution. The Separation Agreement provides that SilverSun Holdings will indemnify SilverSun following the Distribution for any obligations and liabilities related to or arising from the SilverSun Holdings' obligations and liabilities related to or arising from its respective businesses on or after to the date of Distribution.

In addition to the Separation Agreement, we will enter several other agreements with SilverSun to effect the Separation and provide a framework for our relationship with SilverSun after the Separation. These agreements will provide for the allocation between us and our subsidiaries, on the one hand, and SilverSun and its subsidiaries, on the other hand, of the assets, liabilities, legal entities, and obligations associated with the business application, technology and consulting businesses, on the one hand, and the other current SilverSun businesses, on the other hand, and will govern the relationship between our company and our subsidiaries, on the one hand, and SilverSun and its subsidiaries, on the other hand, subsequent to the Separation.

The Separation as described in this information statement is subject to the satisfaction or waiver of certain conditions. For a more detailed description of these conditions, see "The Separation—Conditions to the Distribution." We cannot provide any assurances that SilverSun will complete the Separation.

Reasons for the Separation

The SilverSun Board of Directors and its various committees have met regularly; engaged in an extensive evaluation and analysis of the businesses conducted through its subsidiaries; explored opportunities to drive enhanced performance and stockholder value; consulted with financial, legal, tax, and accounting advisors; and engaged in a strategic review of the growth prospects, enterprise value, end-markets, customers, financial market considerations, credit and insurance factors, and business operations in the current market for each business.

Following a strategic review, it was determined that separating the businesses conducted through SWK and SCS from SilverSun's other current businesses in connection with the Mergers and SilverSun's succession to Rhodium's business would be in the best interests of SilverSun and its stockholders and that the Separation would create two companies with attributes that best position each company for long-term success, including the following:

- ***Distinct Focus***. Each company will benefit from a distinct strategic and management focus on its specific operational and growth priorities.
- ***Differentiated Investment Theses***. Each company will offer differentiated and compelling investment opportunities based on its particular operating and financial model, allowing it to more closely align with its natural investor type.
- ***Optimized Balance Sheet and Capital Allocation Priorities***. Each company will operate with a capital structure and capital deployment strategy tailored to its specific business model and growth strategies without having to compete with the other for investment capital.
- ***Direct Access to Capital Markets***. Each company will have its own equity structure that will afford it direct access to the capital markets and allow it to capitalize on its unique growth opportunities appropriate to its business.
- ***Incremental Stockholder Value***. Each company will benefit from the investment community's ability to value its businesses independently within the context of its particular industry with the anticipation that, over time, the aggregate market value of the companies will be higher, on a fully distributed basis and assuming the same market conditions, than if SilverSun were to remain under its current configuration.

While a number of potentially negative factors were also considered, including, among others, risks relating to the creation of a new public company, such as increased costs from operating as a separate public company, potential disruptions to each business, the loss of synergies and joint purchasing power, increased administrative costs, one-time separation costs, the fact that each company will be less diversified following the Separation, and the potential inability to realize the anticipated benefits of the Separation, it was nevertheless determined that the potential benefits of the Separation outweighed the potential negative factors in connection therewith. However, neither we nor SilverSun can assure you that, following the Separation, any of the benefits described above or otherwise will be realized to the extent anticipated or at all. For more information see "Risk Factors."

The Number of Shares You Will Receive

For every one share of SilverSun common stock you own as of the close of business on the Record Date, you will receive one share of our common stock on the Distribution Date. Accordingly, no fractional shares will be issued in the Distribution.

When and How You Will Receive the Distribution of SilverSun Holdings Shares

SilverSun will distribute the shares of our common stock on the Distribution Date to SilverSun holders of record as of the close of business on the Record Date. The Distribution is expected to be completed following market closing on the Distribution Date. SilverSun's transfer agent and registrar, Pacific Stock Transfer, will serve as transfer agent and registrar for our common stock and as Distribution Agent in connection with the Distribution.

If you own SilverSun common stock as of the close of business on the Record Date, the shares of our common stock that you are entitled to receive in connection with the Distribution will be issued electronically, as of the Distribution Date, to your account as follows:

- ***Registered Stockholders***. If you own your shares of SilverSun stock directly, either in book-entry form through an account at Pacific Stock Transfer and/or if you hold paper stock certificates, you will receive your shares of our common stock by way

of direct registration in book-entry form. Registration in book-entry form is a method of recording stock ownership when no physical paper share certificates are distributed to stockholders, as is the case in connection with the Distribution.

On or shortly following the Distribution Date, the Distribution Agent will mail to you a direct registration account statement that reflects the number of shares of our common stock that have been registered in book-entry form in your name. Stockholders having any questions concerning the mechanics of having shares of our common stock registered in book-entry form may contact Pacific Stock Transfer at the address set forth under "Questions and Answers About the Separation" in this information statement.

- ***Beneficial Stockholders***. Many SilverSun stockholders hold their shares of SilverSun common stock beneficially through a bank or brokerage firm. In such cases, the bank or brokerage firm would be said to hold the stock in "street name" and ownership would be recorded on the bank or brokerage firm's books. If you hold your SilverSun common stock through a bank or brokerage firm, your bank or brokerage firm will credit your account with the shares of our common stock that you are entitled to receive in connection with the Distribution. If you have any questions concerning the mechanics of having shares of common stock held in "street name," we encourage you to contact your bank or brokerage firm.

Results of the Separation

Immediately following the Separation, we expect to have approximately [●] stockholders of record, based on the number of registered stockholders of SilverSun common stock at the time of the Separation , applying a distribution ratio of one share of our common stock for every one shares of SilverSun common stock. We expect to have approximately 5,256,177 shares of our common stock outstanding following the Separation. The actual number of shares to be distributed will be determined on the Record Date.

Incurrence of Debt

In connection with the Separation, we may incur debt in the ordinary course of business.

Regulatory Approvals

We must complete the necessary registration under the federal securities laws of our common stock to be issued in connection with the Distribution. We must also complete the applicable listing requirements on the OTCQX for such shares. Other than these requirements, we do not believe that any other material governmental or regulatory filings or approvals will be necessary to consummate the Distribution.

Appraisal Rights

No SilverSun stockholder will have any appraisal rights in connection with the Separation.

Listing and Trading of Our Common Stock

Following the Distribution, we expect that our common stock will trade on the OTCQX under the ticker symbol "[●]."

Trading Between Record Date and Distribution Date

Beginning on the Record Date and continuing up to and including the Distribution Date, we expect that there will be two markets in SilverSun common stock: a "regular-way" market and an "ex-distribution" market. Shares of SilverSun common stock that trade on the "regular-way" market will trade with an entitlement to receive shares of our common stock in connection with the Distribution. Shares of SilverSun common stock that trade on the "ex-distribution" market will trade without an entitlement to receive shares of our common stock in the Distribution. Therefore, if you sell shares of SilverSun common stock on the "regular-way" market after the close of business on the Record Date and up to and including through the Distribution Date, you will be selling your right to receive shares of our common stock in connection with the Distribution. If you own shares of SilverSun common stock as of the close of business on the Record Date and sell those shares on the "ex-distribution" market, up to and including through the Distribution Date, you will still receive the shares

of our common stock that you would be entitled to receive in respect of your ownership, as of the Record Date, of the shares of SilverSun common stock that you sold.

Furthermore, beginning on the Record Date and continuing up to and including the Distribution Date, we expect there will be a "when-issued" market in our common stock. "When-issued" trading refers to a sale or purchase made conditionally because the security has been authorized but not yet issued. The "when-issued" trading market will be a market for shares of our common stock that will be distributed to SilverSun stockholders on the Distribution Date. If you own shares of SilverSun common stock as of the close of business on the Record Date, you would be entitled to receive shares of our common stock in connection with the Distribution. You may trade this entitlement to receive shares of our common stock, without trading the shares of SilverSun common stock you own, in the "when-issued" market. On the first trading day following the Distribution Date, we expect "when-issued" trading with respect to our common stock will end and "regular-way" trading in our common stock will begin.

Conditions to the Distribution

We expect the Distribution will be effective on [●], 2023, the Distribution Date, provided that, among other conditions described in the Separation, the following conditions will have been satisfied or waived by SilverSun in its sole discretion:

- the Distribution will be made in a manner that does not cause SilverSun to be unable to pay its debts as they become due in the usual course of its business or cause the total assets of SilverSun to be less than the sum of its total liabilities plus the amount that would be needed, if SilverSun were to be dissolved immediately after the effective time of the Distribution, to satisfy the preferential rights upon such dissolution of stockholders whose preferential rights are superior to those receiving the Distribution, if any, in each case in accordance with Section 170 of the DGCL;

- the SilverSun Board shall have approved the Merger Agreement, the Separation Agreement and the transactions contemplated thereby, including the declaration of the Distribution, which approval may be given or withheld at its sole and absolute discretion;

- the SilverSun shareholders shall have approved the Merger Agreement, the Separation Agreement and related matters at the SilverSun Special Shareholders Meeting;

- the SEC will have declared effective our registration statement on Form 10, of which this information statement is a part, under the Exchange Act; no stop order suspending the effectiveness of our registration statement on Form 10 will be in effect; no proceedings for such purpose will be pending before or threatened by the SEC; and this information statement, or a notice of Internet availability thereof, will have been mailed to the holders of SilverSun common stock as of the Record Date;

- the SEC will have declared effective SilverSun's registration statement on Form S-4, no stop order suspending the effectiveness of such registration statement on Form S-4 will be in effect; and no proceedings for such purpose will be pending before or threatened by the SEC;

- the Merger shall have been consummated pursuant to the terms of the Merger Agreement;

- the ancillary agreements to the Mergers and the Separation will have been executed and delivered by each of the parties thereto and no party to any of the ancillary agreements will be in material breach of any such agreement;

- all actions and filings necessary or appropriate under applicable federal, state "blue sky," or foreign securities laws and the rules and regulations thereunder will have been taken and, when applicable, become effective or been accepted; our common stock to be delivered in connection with the Distribution will have been approved for listing on the OTCQX;

- any material Governmental Authorizations necessary to consummate the Mergers, the Separation and the transactions contemplated thereby (collectively, the "*Transactions*"), or any portion thereof, shall have been obtained and be in full force and effect;

- no preliminary or permanent injunction or other order, decree, or ruling issued by a Governmental Authority, and no statute (as interpreted through orders or rules of any Governmental Authority duly authorized to effectuate the statute), rule, regulation or executive order promulgated or enacted by any Governmental Authority shall be in effect preventing the consummation of, or materially limiting the benefits of, the Transactions; and

- no other event or development will have occurred or failed to occur that, in the judgment of the SilverSun Board of Directors, in its sole discretion, prevents the consummation of the Transactions or any portion thereof or makes the consummation of the Transactions inadvisable.

The fulfillment of these conditions will not create any obligations on SilverSun's part to effect the Separation, and the SilverSun Board has reserved the right, in its sole discretion, to abandon, modify, or change the terms of the Separation, including by accelerating or delaying the timing of the consummation of all or part of the Distribution, at any time prior to the Distribution Date.

Agreements with SilverSun

In connection with the Separation, we will enter into the Separation Agreement and other agreements with SilverSun to effect the Separation and provide a framework for our relationship with SilverSun after the Separation. These agreements will provide for the allocation between us and our subsidiaries, on the one hand, and SilverSun and its subsidiaries, on the other hand, of the assets, liabilities, legal entities, and obligations associated with the cybersecurity defense business, on the one hand, and the other current SilverSun businesses, on the other hand, and will govern the relationship between our company and our subsidiaries, on the one hand, and SilverSun and its subsidiaries, on the other hand, subsequent to the Separation.

The forms of the principal agreements described below have been filed as exhibits to the registration statement of which this information statement forms a part. The following descriptions of these agreements are summaries of the material terms of these agreements.

Separation and Distribution Agreement

The Separation Agreement will govern the overall terms of the Separation. Prior to the Separation, SilverSun will contribute all of the issued and outstanding common stock of its wholly owned subsidiaries, SWK and SCS to SilverSun Holdings (the "*Contribution*"). Following the Contribution and the Mergers in accordance with the Merger Agreement, SilverSun will distribute all of our issued and outstanding common stock to the holders of SilverSun common stock as of the Record Date on a pro rata basis.

Unless otherwise provided in the Separation Agreement or any of the related ancillary agreements, all assets will be transferred on an "as is, where is" basis. Generally, if the transfer of any assets or any claim or right or benefit arising thereunder requires a consent that will not be obtained before the Distribution, or if the transfer or assignment of any such asset or such claim or right or benefit arising thereunder would be ineffective or would adversely affect the rights of the transferor thereunder so that the intended transferee would not in fact receive all such rights, the party retaining any asset that otherwise would have been transferred will use commercially reasonable efforts to promptly transfer, or cause the entity(ies) affiliated with it to promptly transfer, to the other party or the appropriate entity(ies).

The Separation Agreement specifies conditions that must be satisfied or waived by SilverSun prior to the completion of the Separation, which are described further in "The Separation—Conditions to the Distribution." In addition, SilverSun has the right in its sole and absolute discretion to determine the date and terms of the Separation and will have the right, at any time until completion of the Distribution, to determine to abandon or modify the Distribution and to terminate the Separation Agreement.

In addition, the Separation Agreement will govern the treatment of indemnification, insurance, and litigation responsibility and management of SilverSun Holdings, on the one hand, and Parent, on the other hand, after the Distribution Date. The Separation Agreement provides that SilverSun Holdings will indemnify SilverSun following the Distribution for any obligations and liabilities related to or arising from our business, on the one hand, and SilverSun and CCDC on the other hand, prior to the Distribution. Following the Distribution, SilverSun and SilverSun Holdings will indemnify the other party following the Distribution for any obligations and liabilities related to or arising from its respective business on or after to the Distribution Date.

Tax Matters Agreement

In connection with the Distribution, SilverSun and SilverSun Holdings will enter into the Tax Matters Agreement that will govern the respective rights, responsibilities, and obligations of SilverSun, SilverSun Holdings and their respective subsidiaries after the Distribution with respect to tax liabilities and benefits, tax attributes, tax returns, tax contests and other tax matters (the "Tax Matters Agreement").

In general, the Tax Matters Agreement will govern the rights and obligations of SilverSun, on the one hand, and SilverSun Holdings, on the other hand, after the Distribution with respect to taxes for tax periods (or portions thereof) ending on, before or after the Distribution Date. Subject to certain exceptions, under the Tax Matters Agreement:

SilverSun Holdings generally will be responsible for (i) taxes of SilverSun, SilverSun Holdings and its subsidiaries for tax periods (or portions thereof) ending on or before the Distribution Date, (ii) taxes of SilverSun arising from the Distribution, other than the first $1 million of such taxes, which will be borne by SilverSun, and (iii) taxes of SilverSun arising from and allocable to the business conducted by CCDC (the "*CCDC Business*") for tax periods (or portions thereof) beginning after the Distribution Date, to the extent that the CCDC Business does not generate sufficient positive cash flow to pay such tax liabilities;

SilverSun generally will be responsible for (i) the first $1 million of taxes of SilverSun arising from the Distribution, and (ii) taxes of SilverSun and its subsidiaries for tax period (or portion thereof) beginning after the Distribution Date, other than taxes arising from and allocable to the CCDC Business for which SilverSun Holdings has an indemnification obligation (as discussed above).

SilverSun will have the right to participate in any audit relating, in whole or in part, to the tax returns of the SilverSun consolidated group relating to the tax period (or portion thereof) ending before or on the Distribution Date, if any issue raised on an audit may have a material adverse effect on SilverSun. While SilverSun Holdings will control such audits, SilverSun Holdings may not settle any such audit without the consent of SilverSun, which may not be unreasonably withheld, conditioned or delayed.

Where the Tax Matters Agreement requires a party to pay an amount in respect of another person's taxes, such party also is generally required to pay related costs and expenses.

In addition, the Tax Matters Agreement generally will prohibit SilverSun Holdings from taking certain actions that could affect the Distribution's qualification as a distribution that is tax-free to the SilverSun stockholders pursuant to Section 355(a) of the Code. Among other things, subject to certain exceptions, for a two-year period following the Distribution Date, SilverSun Holdings and its subsidiaries may not:

- sell, transfer or otherwise dispose of thirty percent (30%) or more of the gross assets of the SilverSun Holdings business (such percentage to be measured based on fair market value as of the Distribution Date);
- redeem or repurchase any stock or stock rights of SilverSun Holdings, other than in certain open-market transactions;
- merge, consolidate or amalgamate with any other person unless, in the case of a merger, consolidation, SilverSun Holdings is the survivor of the merger or consolidation; or
- amend its certificate of incorporation or take any other action that would affect the voting rights of the equity interests in SilverSun Holdings distributed to SilverSun common stockholders pursuant to the Distribution.

If SilverSun Holdings or any of its affiliates intends to take certain restricted actions described in the Tax Matters Agreement, including the actions described above, SilverSun Holdings will be required to obtain an IRS ruling or an unqualified tax opinion reasonably satisfactory to SilverSun to the effect that such action will not affect the intended tax treatment of the Distribution.

If SilverSun receives a tax opinion from a law firm with expertise in these matters that is reasonably acceptable to Rhodium Enterprises, Inc. that the Distribution should qualify as a tax-free distribution to SilverSun stockholders under Section 355(a) of the Code, SilverSun and SilverSun Holdings intend to treat the Distribution as tax-free to the SilverSun stockholders pursuant to Section 355(a) of the Code, and SilverSun will covenant that there is no plan or intention to dispose of or discontinue the CCDC Business within two years of the date of Closing.

The Tax Matters Agreement will be binding on and inure to the benefit of any successor to any of the parties of the Tax Matters Agreement to the same extent as if such successor had been an original party to the Tax Matters Agreement.

Transferability of Shares of Our Common Stock

The shares of our common stock that you will receive in connection with the Distribution will be freely transferable, unless you are considered an "affiliate" of ours pursuant to Rule 144 under the Securities Act. Persons that can be considered our affiliates after the Separation generally include individuals or entities that directly, or indirectly through one or more intermediaries, control, are controlled by, or are under common control with us, and may include certain of our officers and directors. In addition, individuals who are affiliates of SilverSun on the Distribution Date may be deemed to be affiliates of ours. We estimate that our directors and executive officers, who may be considered "affiliates" for purposes of Rule 144, will beneficially own approximately 2,011,298 shares of our common stock immediately following the Separation. See "Security Ownership of Certain Beneficial Owners and Management" included elsewhere in this information statement. Our affiliates may sell shares of our common stock received in connection with the Distribution only:

- under a registration statement that the SEC has declared effective under the Securities Act; or
- under an exemption from registration under the Securities Act, such as the exemption afforded by Rule 144.

In general, under Rule 144 as currently in effect, an affiliate will be entitled to sell, within any three-month period, a number of shares of our common stock that does not exceed the greater of the following:

- one percent of our common stock then outstanding; or
- the average weekly trading volume of our common stock during the four calendar weeks preceding the filing of a notice on Form 144 for the sale.

Rule 144 also includes notice requirements and restrictions governing the manner of sale for sales by our affiliates. Sales may not be made under Rule 144 unless certain information about us is publicly available.

Reason for Furnishing this Information Statement

This information statement is being furnished solely to provide information to SilverSun stockholders who are entitled to receive shares of our common stock in connection with the Distribution. The information statement is not, and is not to be construed as, an inducement or encouragement to buy, hold, or sell any of our securities. We believe the information contained in this information statement is accurate as of the date set forth on the cover. Changes may occur after that date and neither SilverSun nor we undertake any obligation to update such information except in the normal course of our respective public disclosure obligations.

DIVIDEND POLICY

We currently intend to retain all available funds and future earnings, if any, to fund the development and expansion of our business, and we do not anticipate paying any cash dividends on our common stock in the foreseeable future. Any future determination to pay dividends on our common stock will be made at the discretion of our Board of Directors and will depend on various factors, including applicable laws, our results of operations, financial condition, future prospects, the terms of our outstanding indebtedness, and any other factors deemed relevant by our Board of Directors.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of December 31, 2022, on a historical and on a pro forma basis giving effect to the Separation and Distribution as if they occurred on December 31,, 2022. The historical cash and cash equivalents and capitalization for SilverSun Holdings are derived from the financial statements of SilverSun Holdings and accompanying

notes included in this Form 10. Explanations for the pro forma adjustments can be found under "Unaudited Pro Forma Financial Information." The following table should be reviewed in conjunction with "Unaudited Pro Forma Financial Information" "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the financial statements and accompanying notes of SilverSun incorporated by reference herein and filed as Exhibit 99.2 to the Form 10 of which this information statement forms a part.

We are providing the capitalization table for information purposes only. The capitalization table below may not reflect the capitalization or financial condition that would have resulted had we been operating as an independent, publicly traded company on December 31, 2022 and is not necessarily indicative of our future capitalization or financial condition.

The capitalization table above assumes that there will be 5,256,177 shares of our common stock outstanding upon consummation of the Distribution.

	As of December 31, 2022	
	Historical	**Pro Forma**
Cash and cash equivalents	$ 8,008,633	$ 8,124,189
Debt(1)		
Long-term debt – current portion	783,479	783,479
Long-term debt	671,014	671,014
Current portion of financial lease obligations	214,990	214,990
Financial lease obligations, net of current portion	401,453	401,453
Equity:		
Net SilverSun investment		
Common Stock and additional paid-in capital	10,429,054	9,592,240
Total capitalization	$ 12,499,990	$ 11,663,176

(1) Table excludes operating lease liabilities

UNAUDITED PRO FORMA FINANCIAL STATEMENTS

The unaudited pro forma combined financial statements set forth below have been derived from SilverSun Technologies, Inc.'s ("SilverSun") historical annual financial statements, including SilverSun's audited condensed consolidated balance sheet as of December 31, 2022, and SilverSun's unaudited condensed consolidated statement of operations for the years ended December 31, 2022 and December 31, 2021, which are included as Exhibits to this information statement.

The unaudited pro forma financial statements consist of an unaudited pro forma consolidated balance sheet as of December 31, 2022. We have not included any adjustments to the historical financial statements of SilverSun as there is no material impact to the historical statements of operations. For the year ended December 31, 2022, Critical Cyber Defense Corp. ("CCDC") which will remain a subsidiary of SilverSun following the separation of SilverSun and SilverSun Technologies Holdings, Inc. ("SilverSun Holdings") contributed approximately $47,000 in revenues and $42,000 in income before taxes. For the year ended December 31, 2021, CCDC contributed no revenues and had a loss of $8,000. For the year ended December 31, 2020, CCDC had no revenues or expenses. Expenses commensurate with those associated with the operations of SilverSun prior to the separation will be incurred by SilverSun Holdings following the separation including those associated with being a public company.

The unaudited pro forma financial statements should be read in conjunction with SilverSun's historical audited financial statements and the related notes. See "Capitalization" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this information statement.

The unaudited pro forma statements of operations have been prepared to include transaction accounting, and autonomous entity adjustments to reflect the financial condition and results of operations as if SilverSun and SilverSun Holdings were each a separate stand-alone entity and as if the spin-off had occurred or become effective as of January 1, 2022, the beginning of SilverSun's most recently

completed fiscal year. The unaudited pro forma combined balance sheet has been prepared to give effect to the adjustments as though the spin-off had occurred as of December 31, 2022. The unaudited pro forma financial statements constitute forward-looking information and are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated. See "Special Note Regarding Forward-Looking Statements."

The unaudited pro forma combined financial statements presented below have been derived from SilverSun's historical audited financial statements included as Exhibits to this information statement and do not purport to represent what SilverSun Holdings' financial position and results of operations would have been had the separation of SilverSun Holdings from SilverSun occurred on the dates indicated and are not necessarily indicative of SilverSun Holdings' future financial position and future results of operations. In addition, the unaudited pro forma financial statements are provided for illustrative and informational purposes only. The pro forma adjustments are based on available information and assumptions that management believes are reasonable; however, such adjustments are subject to change.

Our unaudited pro forma financial statements have been prepared to reflect transaction accounting, and autonomous entity adjustments as if SilverSun and SilverSun Holdings were each a separate stand-alone and publicly traded entity.

Transactions accounting adjustments that reflect the effects of SilverSun Holdings legal separation from SilverSun include:

- The contribution by SilverSun of the companies that comprise SWK Technologies, Inc. and Secure Cloud Services, Inc. and the retention by SilverSun of certain specified assets and liabilities reflected in SilverSun's historical financial statements
- Cash received
- Dividend payment
- One-time transaction costs related to this transaction
- The tax impact related to this transaction
- Elimination of Critical Cyber Defense Corp.

UNAUDITED SILVERSUN TECHNOLOGIES HOLDINGS, INC. AND SUBSIDIARIES PRO FORMA BALANCE SHEET

	As of December 31, 2022			
	Historical	**Adjustments**	**Notes**	**Pro Forma**
Assets				
Current assets:				
Cash	8,008,633	115,556	(1)(2)(4)(6)(7)(8)(9)	8,124,189
Accounts receivable	2,232,960	(9,596)	(8)	2,223,364
Unbilled services	367,165	-		367,165
Deferred charges	1,516,895	(1,516,895)	(3)	-
Other current assets	1,573,615	-		1,573,615
Total Current assets	13,699,268	(1,410,935)		12,288,333
Property and equipment, net	711,314	-		711,314
Operating lease right-of-use assets	328,562	-		328,562
Intangible assets, net	4,265,353	-		4,265,353
Goodwill	1,139,952	-		1,139,952
Deferred tax asset	1,106,065	(95,850)	(5)	1,010,215
Deposits & other assets	187,553	-		187,553
Total other assets	7,738,799	-		7,642,949
Total assets	21,438,067	(1,506,785)		19,931,282

Liabilities and stockholders' equity				
Accounts payable	3,272,555	(745,144)	(4)(8)	2,527,411
Accrued liabilities	2,432,703	-		2,432,703
Accrued Interest	23,757	-		23,757
Income tax payable	-	-	(5)(7)	-
Long-term debt - current portion	680,146	-		680,146
Long-term debt - related party - current portion	103,333	-		103,333
Current portion of financial lease obligations	214,990	-		214,990
Current operating lease (right of use asset)	268,345	-		268,345
Deferred revenue	3,757,090	-		3,757,090
Total Current liabilities	10,752,919	(745,144)		10,007,775
Long term debt net of current portion	671,014	-		671,014
Long term debt - related party - net of current portion	-	-		-
Finance lease obligations net of current portion	401,453	-		401,453
Operating lease liabilities net of current portion	60,217	-		60,217
Total liabilities	11,885,603	(745,144)		11,140,459
Stockholders' equity:				
Preferred stock;	-	-		
Series A Preferred stock	-	-		
Common stock and additional Paid-in capital	10,429,054	(836,814)	(1)(2)(3)(5)(6)(8)(9)	9,592,240
Accumulated deficit	(876,590)	75,173	(8)	(801,417)
Total stockholders' equity	9,552,464	(761,641)		8,790,823
Total liabilities and stockholders' equity	21,438,067	(1,506,785)		19,931,282

Note 1: Reflect cash received from Rhodium pursuant to merger agreement in the amount of $10,000,000.
Note 2: Reflects payment of dividend in the amount of up to $8,500,000.
Note 3: Reflects the charge from deferred charges to additional Paid-in capital for transaction costs of $1,516,895.
Note 4: Reflects payment of remaining transaction costs of $744,000 in accounts payable
Note 5: To record estimated liability for taxes as a result of taxable gain on this transaction of $1,247,373 ($1,343,223 less $95,850 (NOL)).
Note 6: Payment from Rhodium to offset part of taxes associated with gain on the transaction in the amount of $1,000,000.
Note 7: Payment of tax liability of $1,336,743
Note 8: Elimination of Critical Cyber Defense Corp.
Note 9: Payment of additional transaction costs of $364,000.

UNAUDITED SILVERSUN TECHNOLOGIES HOLDINGS, INC. AND SUBSIDIARIES
PRO FORMA STATEMENTS OF OPERATIONS

	Historical and Pro Forma For the Years Ended	
	December 31, 2022	**December 31, 2021**
Revenues:		
Software product, net	$ 11,781,362	$ 7,863,387
Service, net	33,203,914	33,837,993
Total revenues, net	44,985,276	41,701,380
Cost of revenues:		

Product	7,077,804	4,575,386
Service	19,946,736	19,917,936
Total cost of revenues	27,024,540	24,493,322
Gross profit	17,960,736	17,208,058
Operating expenses:		
Selling and marketing expenses	7,745,265	6,719 909
General and administrative expenses	9,471,625	9,402 259
Share-based compensation expenses	180,260	441 310
Depreciation and amortization expenses	948,965	875 566
Total selling, general and administrative expenses	18,346,115	17,439,044
Loss from operations	(385,379)	(230,986)
Other income (expense)		
Interest expense, net	(89,024)	(46,802)
Gain on bargain purchase	-	71,359
Gain on sale of product line	-	250,000
Total other income (expense), net	(89,024)	274,557
(Loss) income before taxes	(474,403)	43,571
Benefit (provision) for income taxes	192,184	(174,005)
(Net loss)	$ (282,219)	$ (134,434)

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

As explained above, unless otherwise indicated, the terms ""we," "us," "our," "our Company," "the Company," "SilverSun Holdings" refer to SilverSun Holdings, Inc., together with its consolidated subsidiaries. The following discussion and analysis of the Company's financial condition and results of operations should be read together with the Company's financial statements and related notes appearing elsewhere in this information statement. Some of the information contained in this discussion and analysis or set forth elsewhere in this information statement, including information with respect to the Company's plans and strategy for the Company's business and related financing, includes forward-looking statements involving risks and uncertainties and should be read together with the "Risk Factors" and "Cautionary Note Regarding Forwarding- Looking Statements" sections of this information statement. Such risks and uncertainties could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis. Except as otherwise indicated or unless the context otherwise requires, the information included in this Management's Discussion and Analysis of Financial Condition and results of Operations about SilverSun Holdings assumes the completion of all of the transactions referred to in this information statement in connection with the Separation and Distribution and as if SilverSun Holdings held the business application, technology and consulting businesses of SWK and SCS during all periods described.

Overview

SilverSun Holdings is engaged in providing transformational business management applications and technologies and professional consulting services to small and medium size companies, primarily in the manufacturing, distribution and service industries.

SilverSun Holdings is executing a multi-pronged business strategy centered on cloud-based products, services, recurring revenue, customer retention and on rapidly increasing the size of our installed customer base. The growth of SilverSun Holdings' customer base is accomplished via both its traditional marketing programs and acquisitions. After a customer is secured, SilverSun Holdings'' strategy is to up-sell and cross-sell, providing the customer with advanced technologies and third-party add-ons that help them digitally transform their business. These add-on products could include application hosting, cybersecurity, warehouse management, human capital management,

payment automation, sales tax compliance or any number of other products or services that SilverSun Holdings represents. Many of these incremental products and services are billed on a subscription basis, often paying monthly for the service, which increases SilverSun Holdings' monthly recurring revenue. This strategy increases the average revenue per customer, which facilitates SilverSun Holdings' continued growth, and reduces its cost of customer acquisition, which enhances SilverSun Holdings' profitability profile.

SilverSun Holdings' core strength is rooted in its ability to discover and identify the driving forces of change that are affecting — or will affect — businesses in a wide range of industries. SilverSun Holdings invests valuable time and resources to fully understand how technology is transforming the business management landscape and what current or emerging innovations are deserving of a clients' attention. By leveraging this knowledge and foresight, SilverSun Holdings' growing list of clients are empowered with the means to more effectively manage their businesses; to capitalize on real-time insight drawn from their data resources; and to materially profit from enhanced operational functionality, process flexibility and expedited process execution.

SilverSun Holdings is a business application, technology and consulting company providing strategies and solutions to meet its clients' information, technology and business management needs. SilverSun Holdings' services and technologies enable customers to manage, protect and monetize their enterprise assets whether on-premise or in the cloud. As a value-added reseller of business application software, SilverSun Holdings offers solutions for accounting and business management, financial reporting, Enterprise Resource Planning, Human Capital Management, Warehouse Management Systems, Customer Relationship Management, and Business Intelligence. Additionally, SilverSun Holdings has its own development staff building software solutions for various ERP enhancements. SilverSun Holdings' value-added services focus on consulting and professional services, specialized programming, training, and technical support. SilverSun Holdings has a dedicated Information Technology network services practice that provides managed services, Infrastructure-as-a-Service, cybersecurity, application hosting, disaster recovery, business continuity, cloud and other services. SilverSun Holdings' customers are nationwide, with concentrations in the New York/New Jersey metropolitan area, Arizona, Connecticut, Southern California, North Carolina, Washington, Oregon and Illinois.

SilverSun Holdings' core business is divided into the following practice areas:

ERP (Enterprise Resource Management) and Accounting Software)

SilverSun Holdings is a value-added reseller for a number of industry-leading ERP applications. SilverSun Holdings is a Sage Software Authorized Business Partner and Sage Certified Gold Development Partner. SilverSun Holdings believes it is among the largest Sage partners in North America, with a sales and implementation presence complemented by a scalable software development practice for customizations and enhancements. Due to the growing demand for cloud-based ERP solutions, SilverSun Holdings also has in its ERP portfolio Acumatica, a browser-based ERP solution that can be offered on premise, in the public cloud, or in a private cloud. SilverSun Holdings has recently added Sage Intacct, a cloud-based solution for core financials to its offerings of cloud-based solutions. SilverSun Holdings develops and resells a variety of add-on solutions to all of its ERP and accounting packages that help customize the installation to its customers' needs and streamline their operations.

Value-Added Services for ERP

SilverSun Holdings goes beyond simply reselling software packages; it has a consulting and professional services organization that manages the process as it moves from the sales stage into implementation, go-live, and production. SilverSun Holdings works inside its customers' organizations to ensure all software and IT solutions are enhancing their business needs. A significant portion of SilverSun Holdings' services revenue comes from continuing to work with existing customers as their business needs change, upgrading from one version of software to another, or providing additional software solutions to help them manage their business and grow their revenue. SilverSun Holdings has a dedicated help desk team that fields hundreds of calls every week. SilverSun Holdings' custom programming department builds specialized software packages as well as "off the shelf" enhancements and time and billing software.

IT Managed Network Services and Business Consulting

SilverSun Holdings provides comprehensive IT managed services, Infrastructure-as-a-Service, cybersecurity, business continuity, disaster recovery, data back-up, network maintenance and service upgrades designed to eliminate the IT concerns of its customers. SilverSun Holdings is a Microsoft Solutions Provider. Its staff includes engineers who maintain certifications from Microsoft and Sage Software. They are Microsoft Certified Systems Engineers and Microsoft Certified Professionals, and they provide a host of services for SilverSun

Holdings clients, including remote network monitoring, server implementation, support and assistance, operation and maintenance of large central systems, technical design of network infrastructure, technical troubleshooting for large scale problems, network and server security, data backup, archiving, and storage of data from servers. There are numerous competitors, both larger and smaller, nationally and locally, with whom SilverSun Holdings competes in this market.

Application Hosting

Application hosting is a type of SaaS (Software-as-a-Service) hosting solution that allows applications to be available from a remote cloud infrastructure and to be accessed by users through the internet.

Results of Operations for the Years Ended December 31, 2022 and 2021.

Revenues

Revenues for the year ended December 31, 2022 increased $3,283,896 (7.9%) to $ 44,985,276 as compared to $41,701,380 for the year ended December 31, 2021. This increase is mostly attributed to an increase in software sales, offset partially by a decrease in service revenues.

Software sales increased by $3,917,975 (49.8%) to $11,781,362 in 2022 from $7,863,387 in 2021. The increase is attributable to an increase in sales of cloud-based ERP software and increased sales of third-party solutions which add functionality to customer's existing systems.

Service revenue decreased by $634,079 (1.9%) to $33,203,914 in 2022 from $33,837,993 in 2021. This decrease is mainly attributed to lower maintenance revenue as more customers migrate to cloud-based products, and lower consulting revenues as a result of customer delays on projects and the sale of a consulting practice in late 2021. Service revenue increased $2,817,672 (8.3%) excluding the X3 product line which was sold in 2021.

Gross Profit

Gross profit for the year ended December 31, 2022 increased $752,678 (4.4%) to $17,960,736, as compared to $17,208,058 for the year ended December 31, 2021. For the year ended December 31, 2022, the overall gross profit percentage was 39.9%, as compared to 41.3% for the year ended December 31, 2021.

The gross profit attributed to software sales increased $1,415,557 (43.1%) to $4,703,558 for 2022 from $3,288,001 in 2021, which is due mostly to the increased volume of software sold. For the year ended December 31, 2022, the gross profit percentage for software was 39.9%, as compared to 41.8 % for the year ended December 31, 2021. While revenues may decrease because of the shift to a subscription-based business model, our margins will, for the most part, not significantly change. The mix of products being sold by the Company changes from time to time which can cause the overall gross margin percentage to vary.

The gross profit attributed to services decreased $662,879 (4.8%) to $13,257,178 for 2022 from $13,920,057 in 2021. This decrease is mostly due to the gross profit loss associated with sale of a legacy consulting practice in November 2021. Excluding the effect of that practice in 2021, gross profit declined only $5,222 (0.0%) for the year ended December 31, 2022 as compared to the year ended December 31, 2021.

For the year ended December 31, 2022 the gross profit percentage for services was 39.9% as compared to 41.3% for the year ended December 31, 2021. This change in gross profit percentage is mostly due higher to costs associated with increasing pay and benefits to employees to retain and recruit their services and to address inflationary pressures in the overall economy, plus the training of new employees, who were hired to accommodate our growth, and who are not as yet as billable as our more experienced team.

Operating Expenses

Selling and marketing expenses increased $1,025,356 (15.3%) to $7,745,265 for the year ended December 31, 2022 as compared to $6,719,909 for the year ended December 31, 2021. This increase is primarily due to increased commissions as a result of the increase in

software sales, higher travel and entertainment expenses associated with attendance with trade shows and conference as well as higher outside sales expenses.

General and administrative expenses increased $69,366 (0.7%) to $9,471,625 for the year ended December 31, 2022, as compared to $9,402,259 for the year ended December 31, 2021. This increase is a result of payroll and payroll-related expenses and departmental changes for various employees which involved moving their compensation between cost of revenues and administrative expenses as well as a lower rent, professional fees, license fees and credit card charges, mostly offset by higher recruitment costs, outside services fees, bad debt expense and excise taxes.

Share-based compensation decreased $261,050 to $180,260 for the year ended December 31, 2022 as compared to $441,310 for the year ended December 31, 2021. The decrease is primarily due to the issuance of stock options in 2021 that were expensed as these stock options were immediately vested.

Depreciation and amortization expense for the year ended December 31, 2021 was $948,965 as compared to $875,566 for the year ended December 31, 2021. This increase of $73,399 (8.4%) for the year ended December 31, 2022 is primarily due to the additional amortization of intangible assets related to the new acquisitions and increased depreciation related to equipment purchases over the last 12 months.

Loss Income from Operations

As a result of the above, the Company had a loss from operations of $385,379 for the year ended December 31, 2022, as compared to a loss from operations of $230,986 for the year ended December 31, 2021.

Other Income (Expense)

For the year ended December 31, 2022, other expense was $89,024 as compared to other income of $274,557 for the year ended December 31, 2021. The year ended December 31, 2021 includes the gain on the sale of a product line in the amount of $250,000 as well as a gain of a bargain purchase from an acquisition in the amount of $71,359 which did not occur in 2022.

(Loss) Income Before Taxes

As a result of the above, the Company had a loss before taxes of $474,403 for the year ended December 31, 2022 as compared to income before taxes in the amount of $43,571 for the year ended December 31, 2021.

Income Taxes

For the year ended December 31, 2022 the Company recorded tax benefit of $192,184, primarily as a result of the loss for the year.

For the year ended December 31, 2021, the Company recorded a tax provision of $178,005 primarily due to the non-cash share-based compensation, which is related to the issuance of stock options which are not tax deductible in the current year.

State provision requirements were calculated based on the estimated tax rate. The Federal effective rate is higher than the statutory rate primarily due to the non-cash share-based compensation related to the issuance of stock options which are not tax deductible.

Net (Loss) Income

As a result of the above, the Company generated a net loss of $282,219 for the year ended December 31, 2022 as compared to a net loss of $134,434 for the year ended December 31, 2021.

Liquidity and Capital Resources

The uncertainty on the economy continues to create uncertainty for the Company in the coming months and quarters. While our Company has not been significantly impacted because of this uncertainty nor from the impact of Covid-19, the potential negative impact on our business, in the future, is impossible to determine at this point, although it is likely that we could suffer negative consequences as many

companies go out of business or decrease their technology spending. As such, we need to rely on our own limited resources to weather any economic downturn. Management will continue to monitor developments, explore various cost-cutting measures, and explore other sources of funding, but there is no guarantee we will be successful in doing so.

The Company currently has no line of credit or other credit facility with any lender.

We are currently seeking additional operating income opportunities through potential acquisitions or investments. Such acquisitions or investments may consume cash reserves or require additional cash or equity. Our working capital and additional funding requirements will depend upon numerous factors, including: (i) strategic acquisitions or investments; (ii) an increase in current company personnel; (iii) the level of resources that we devote to sales and marketing capabilities; (iv) technological advances; and (v) the activities of competitors.

In addition to developing new products, obtaining new customers and increasing sales to existing customers, management plans to increase its business and profitability by entering into collaboration agreements, buying assets, and acquiring companies in the business software and information technology consulting and other markets with solid revenue streams and established customer bases that generate positive cash flow. We continue to seek these opportunities.

At December 31, 2022, future payments of promissory notes are as follows over each of the next four fiscal years:

2023	$ 783,479
2024	360,093
2025	258,738
2026	52,183
Total	$ 1,454,493

During the year ended December 31, 2022, the Company had a net increase in cash of $1,194,516. The Company's principal sources and uses of funds were as follows:

Cash provided by operating activities:

The Company provided $2,038,392 in cash for operating activities for the year ended December 31, 2022 as compared to providing $226,034 of cash from operating activities for the year ended December 31, 2021. This increase in cash provided by operations is primarily because of the increase in accounts payable and deferred revenues offset partially by the increase in deferred charges.

Cash used in investing activities:

Investing activities for the year ended December 31, 2022 used cash of $188,742 as compared to using $510,464 of cash for the year ended December 31, 2021. This decrease in cash used is due primarily to lower cash required to acquire businesses or assets as well as lower purchases of property and equipment. In addition, the Company received proceeds from a sale of a product line in 2021 which it did not receive in 2022.

Cash (used in) provided by financing activities

For the year ended December 31, 2022 financing activities used cash of $655,134 as compared to providing cash of $503,131 for the year ended December 31, 2021. The decrease in cash provided is attributed to the fact that the Company received no proceeds from the sale of common stock for the year ended December 31, 2022, whereas it received net proceeds from the sale of common stock under its Registration Statement on Form S-3 and the previously disclosed At Market Issuance Sales Agreement with a sales agent during the year ended December 31, 2021. The cash received from the sale of stock was offset mostly by the payment of a cash dividend in 2021.

The Company believes that as a result of the growth in business, and the funds on hand, it has adequate liquidity to fund its operating plans for at least the next twelve months, provided, however, that the Company cannot currently quantify the uncertainty related to the recent pandemic and the uncertainty of the economy and its effects on the business in the coming quarters. The belief that the Company has sufficient liquidity may be incorrect as the impact of Covid-19 becomes clearer over the coming months and quarters. The Company does not anticipate any major capital expenditures in the near future.

For the year ended December 31, 2022, inflation has impacted the Company's profitability, as it has resulted in increased costs necessary to recruit and retain personnel. As the Company returns back to its pre-Covid marketing and trade show schedules, the higher costs of travel and meals will also have a negative impact on the Company's profitability.

Critical Accounting Policies

The discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The preparation of these consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate these estimates, including those related to bad debts, intangible assets, and litigation. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of certain assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions.

We have identified below the accounting policies, related to what we believe are most critical to our business operations and are discussed throughout Management's Discussion and Analysis of Financial Condition or Plan of Operation where such policies affect our reported and expected financial results.

Revenue Recognition

The Company has elected the significant financing component practical expedient in accordance with Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers. In determining the transaction price, the Company does not adjust the promised amount of consideration for the effects of a significant financing component as the Company expects, at contract inception, that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

Software product revenue is recognized when the product is delivered to the customer and the Company's performance obligation is fulfilled.

Service revenue is recognized when the professional consulting, maintenance or other ancillary services are provided to the customer. Shipping and handling costs charged to customers are classified as revenue, and the shipping and handling costs incurred are included in cost of sales.

Accounts Receivable

Accounts receivable consist primarily of invoices for maintenance and professional services. Full payment for software ordered by customers is primarily due in advance of ordering from the software supplier. Payments for maintenance and support plan renewals are due before the beginning of the maintenance period. Terms under our professional service agreements are generally 50% due in advance and the balance on completion of the services.

The Company maintains an allowance for bad debt estimated by considering a number of factors, including the length of time the amounts are past due, the Company's previous loss history and the customer's current ability to pay its obligations. Accounts are written off against the allowance when deemed uncollectable.

Unbilled Services

The Company recognizes revenue on its professional services as those services are performed. Unbilled services represent the revenue recognized but not yet invoiced.

Definite Lived Intangible Assets and Long-Lived Assets

The values assigned to intangible assets were based on an independent valuation. Purchased intangible assets are amortized over the useful lives based on the estimate of the use of economic benefit of the asset using the straight-line amortization method.

The Company assesses potential impairment of its intangible assets and other long-lived assets when there is evidence that recent events or changes in circumstances have made recovery of an asset's carrying value unlikely. Factors the Company considers important, which may cause impairment include, among others, significant changes in the manner of use of the acquired asset, negative industry or economic trends, and significant underperformance relative to historical or projected operating results.

Business Combinations

We account for business combinations under the acquisition method of accounting. This method requires the recording of acquired assets and assumed liabilities at their acquisition date fair values. The excess of the purchase price over the fair value of assets acquired and liabilities assumed is recorded as goodwill. Results of operations related to business combinations are included prospectively beginning with the date of acquisition and transaction costs related to business combinations are recorded within general and administrative expenses.

Income Taxes

The Company accounts for income taxes using the asset and liability method described in FASB ASC 740, "Income Taxes". Deferred tax assets arise from a variety of sources, the most significant being: a) tax losses that can be carried forward to be utilized against profits in future years; b) expenses recognized for financial reporting purposes but disallowed in the tax return until the associated cash flow occurs; and c) valuation changes of assets which need to be tax effected for book purposes but are deductible only when the valuation change is realized.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes, as well as net operating loss carryforwards. Based on ASU 2015-17, all deferred tax assets or liabilities are classified as long-term. Valuation allowances are established against deferred tax assets if it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates or laws is recognized in operations in the period that includes the enactment date.

The Company accounts for uncertainties in income taxes under ASC 740-10-50 which prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC 740-10 requires that the Company determine whether the benefits of its tax positions are more-likely-than-not of being sustained upon audit based on the technical merits of the tax position. The Company recognizes the impact of an uncertain income tax position taken on its income tax return at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant taxing authority.

The Company has federal net operating loss ("NOL") carryforwards which are subject to limitations under Section 382 of the Internal Revenue Code.

The Company files income tax returns in the U.S. federal and state jurisdictions. Tax years 2019 to 2022 remain open to examination for both the U.S. federal and state jurisdictions.

Despite the Company's belief that its tax return positions are consistent with applicable tax laws, one or more positions may be challenged by taxing authorities. Settlement of any challenge can result in no change, a complete disallowance, or some partial adjustment reached through negotiations or litigation. Interest and penalties related to income tax matters, if applicable, will be recognized as income tax expense. There were no liabilities for uncertain tax positions at December 31, 2022 and 2021. During the years ended December 31, 2022 and 2021 the Company did not incur any expense related to interest or penalties for income tax matters, and no such amounts were accrued as of December 31, 2022 and 2021.

Off Balance Sheet Arrangements

During fiscal 2022, we did not engage in any material off-balance sheet activities or have any relationships or arrangements with unconsolidated entities established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes. Further, we have not guaranteed any obligations of unconsolidated entities, nor do we have any commitment or intent to provide additional funding to any such entities.

BUSINESS

The Company is engaged in providing transformational business management applications and technologies and professional consulting services to small and medium size companies, primarily in the manufacturing, distribution and service industries.

The Company executes a multi-pronged business strategy centered on cloud-based products, services, recurring revenue, customer retention and on rapidly increasing the size of its installed customer base. The growth of the Company's customer base is accomplished via both traditional marketing programs and acquisitions. After a customer is secured, the Company's strategy is to up-sell and cross-sell, providing the customer with advanced technologies and third-party add-ons that help them digitally transform their business. These add-on products could include application hosting, cybersecurity, warehouse management, human capital management, payment automation, sales tax compliance or any number of other products or services that we represent. Many of these incremental products and services are billed on a subscription basis, often paying monthly for the service, which increases the Company's monthly recurring revenue. This strategy increases the average revenue per customer, which facilitates the Company's continued growth, and reduces its cost of customer acquisition, which enhances the Company's profitability profile.

As a business application, technology and consulting company, SilverSun Holdings provides strategies and solutions to meet its clients' information, technology and business management needs. SilverSun Holdings' services and technologies enable customers to manage, protect and monetize their enterprise assets whether on-premise or in the cloud. As a value-added reseller of business application software, SilverSun Holdings offers solutions for accounting and business management, financial reporting, Enterprise Resource Planning, Human Capital Management, Warehouse Management Systems, Customer Relationship Management, and Business Intelligence. Additionally, SilverSun Holdings has its own development staff building software solutions for various ERP enhancements. SilverSun Holdings' value-added services focus on consulting and professional services, specialized programming, training, and technical support. SilverSun Holdings has a dedicated Information Technology network services practice that provides managed services, cybersecurity, application hosting, disaster recovery, business continuity, cloud and other services. SilverSun Holdings' customers are nationwide, with concentrations in the New York/New Jersey metropolitan area, Arizona, Connecticut, Southern California, North Carolina, Washington, Oregon and Illinois.

SilverSun Holdings' core business is divided into the following practice areas:

ERP (Enterprise Resource Management) and Accounting Software).

SilverSun Holdings, through its wholly owned subsidiary SWK, is a value-added reseller for a number of industry-leading ERP applications. SilverSun Holdings is a Sage Software Authorized Business Partner and Sage Certified Gold Development Partner. SilverSun Holdings believes it is among the largest Sage partners in North America, with a sales and implementation presence complemented by a scalable software development practice for customizations and enhancements. Due to the growing demand for cloud-based ERP solutions, SilverSun Holdings also has in its ERP portfolio Acumatica, a browser-based *ERP* solution that can be offered on premise, in the public cloud, or in a private cloud. SilverSun Holdings develops and resells a variety of add-on solutions to all our ERP and accounting packages that help customize the installation to its customers' needs and streamline their operations.

Value-Added Services for ERP.

SilverSun Holdings goes beyond simply reselling software packages; SilverSun Holdings has a consulting and professional services organization that manages the process as it moves from the sales stage into implementation, go live, and production. SilverSun Holdings works inside our customers' organizations to ensure all software and IT solutions are enhancing their business needs. A significant portion of our services revenue comes from continuing to work with existing customers as their business needs change, upgrading from one version of software to another, or providing additional software solutions to help them manage their business and grow their revenue. SilverSun Holdings has a dedicated help desk team that fields hundreds of calls every week. SilverSun Holdings' custom programming department builds specialized software packages as well as "off the shelf" enhancements and time and billing software.

Arrangements with Principal Suppliers

SilverSun Holdings' revenues are primarily derived from the resale of third-party vendor software products and services. These resales are made pursuant to channel sales agreements whereby SilverSun Holdings is granted authority to purchase and resell the vendor products and services. Under these agreements, SilverSun Holdings either resells software directly to its customers or act as a sales agent for various vendors and receive commissions for its sales efforts.

SilverSun Holdings, through SWK, is required to enter into an annual Channel Partner Agreement with Sage Software whereby Sage Software appoints SilverSun Holdings as a non-exclusive partner to market, distribute, and support Sage 100, Sage 500, and Sage Intacct. The Channel Partner Agreement is for a one-year term, and automatically renews for an additional one-year term on the anniversary of the agreement's effective date. These agreements authorize SilverSun Holdings to sell these software products to customers in the United States. There are no clauses in this agreement that limit or restrict the services that SilverSun Holdings can offer to customers. SilverSun Holdings also operates a Sage Software Authorized Training Center Agreement and is party to a Master Developers Program License Agreement.

For the years ended December 31, 2022 and 2021, purchases from Sage Software were approximately 15% and 13% respectively. Generally, SilverSun Holdings does not rely on any one specific supplier for all its purchases and maintains relationships with other suppliers that could replace its existing supplier should the need arise.

Network and Managed Services.

SilverSun Holdings provides comprehensive IT network and managed services designed to eliminate the IT concerns of its customers. Businesses can focus on their core strengths rather than technology issues. SilverSun Holdings adapts its solutions for virtually any type of business, from large national product and service providers, to small businesses with local customers. SilverSun Holdings' business continuity services provide automatic on-site and off-site backups, complete encryption, and automatic failure testing. SilverSun Holdings also provides application hosting, IT consulting and managed network services. SilverSun Holdings' focus in the network and managed services practice is to emphasize industry verticals in order to demonstrate our ability to better understand our customers' needs.

Customers

SilverSun Holdings markets its products primarily throughout North America. For the years ended December 31, 2022 and 2021, the top ten customers accounted for 7% ($3,147,258) and 9% ($3,644,319) , respectively, of total revenues. Generally, SilverSun Holdings does not rely on any one specific customer for any significant portion of its revenue base. No single customer accounted for ten percent or more of SilverSun Holdings' consolidated revenues base. SilverSun Holdings' customers are nationwide, with concentrations in the New York/New Jersey metropolitan area, Arizona, Southern California, North Carolina, Washington, Oregon and Illinois.

Intellectual Property

SilverSun Holdings regards its technology and other proprietary rights as essential to its business. SilverSun Holdings relies on copyright, trade secret, confidentiality procedures, contract provisions, and trademark law to protect its technology and intellectual property. SilverSun Holdings has also entered into confidentiality agreements with our consultants and corporate partners and intend to control access to, and distribution of its products, documentation, and other proprietary information.

Research and Product Development

SilverSun Holdings is continually looking to improve and develop new products. SilverSun Holdings' product initiatives include various new product offerings, which are either extensions of existing products or newly conceptualized product offerings. SilverSun Holdings uses a dual-shore development approach to keep product development costs at a minimum. All its product development is led by U.S. based employees. The project leaders are technical resources who are involved in developing technical specifications, design decisions, usability testing, and transferring the project knowledge to SilverSun Holdings' offshore development team.

Competition

SilverSun Holdings' markets are highly fragmented, and the business is characterized by a large number of participants, including several large companies, as well significant number of small, privately-held, local competitors. A significant portion of SilverSun Holdings' revenue is currently derived from requests for proposals and price is often an important factor in awarding such agreements. Accordingly, SilverSun Holdings' competitors may underbid SilverSun if they elect to price their services aggressively to procure such business. SilverSun Holdings' competitors may also develop the expertise, experience and resources to provide services that are equal or superior in both price and quality to SilverSun Holdings' services, and SilverSun Holdings may not be able to enhance its competitive position. The principal competitive factors for SilverSun Holdings' professional services include geographic presence, breadth of service offerings, technical skills, quality of service and industry reputation. SilverSun Holdings believes it competes favorably with its competitors on the basis of these factors.

Employees

As of February 6, 2023, SilverSun Holdings had approximately 172 full time employees with 45 of our employees engaged in sales and marketing activities, 97 employees are engaged in service fulfillment, and 30 employees performing administrative functions. SilverSun Holdings' future success depends in significant part upon the continued services of its key sales, technical, and senior management personnel and its ability to attract and retain highly qualified sales, technical, and managerial personnel. None of SilverSun Holdings' employees are represented by a collective bargaining agreement and SilverSun has never experienced a work stoppage.

Additional Information

Following the Distribution, SilverSun Holdings' website address will be SilverSuntech.com. SilverSun does not intend its website address to be an active link or to otherwise incorporate by reference the contents of the website into this information statement. The SEC maintains an Internet website (*http://www.sec.gov*) that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC.

Industry Overview

As a value-added reseller of business application software, we offer solutions for accounting and business management, financial reporting, managed services, ERP, HCM, WMS, CRM, and BI. Additionally, we have our own development staff building software solutions for various ERP enhancements. Our value-added services focus on consulting and professional services, specialized programming, training, and technical support. The majority of our customers are small and medium businesses.

Organic Growth

Our organic growth strategy is to increase our market penetration and client retention through the upgrade of, and expanded sales efforts with our existing products and managed services and development of new and enhanced software and technology solutions. Our client retention is sustained by our providing responsive, ongoing software and technical support and monitoring and maintenance services for both the solutions we sell, and other client technology needs we provide.

Repeat business from our existing customer base has been key to our success and we expect it will continue to play a vital role in our growth. We focus on nurturing long-standing relationships with existing customers while also establishing relationships with new customers.

Enterprise Resource Planning Software Strategy

Our ERP software strategy is focused on serving the needs of our expansive installed base of customers for our Sage 100, Sage 500 , and Sage BusinessWorks practices, while rapidly growing the number of customers using Sage Intacct and Acumatica. We currently have approximately 5,000 active ERP customers using one of these five solutions, including customers using certain add-on support products to these solutions. In the past, we had focused primarily on on-premise mid-market Sage Software solutions, but in the past few years, we have focused on cloud ERP solutions. This has allowed us to increase our average deal size and to keep pace with the changing trends that we see in the industry.

Geographic Expansion

Generally, our technology offerings require some on-premise implementation and support. When we expand into new geographic territories, we prefer to find qualified personnel in an area to augment our current staff of consultants to service our business. The need for hands-on implementation and support may also require investment in additional physical offices and other overhead. We believe our approach is conservative.

We may accelerate expansion if we find complementary businesses that we are able to acquire in other regions. Our marketing efforts to expand into new territories have included attendance at trade shows in addition to personal contact.

Leadership

For information regarding Company's management and leadership team, see below under "*Management*" in this information statement.

Business Strategy

Overview

Our strategy is to grow our business through a combination of intra-company growth of our software applications, technology solutions and managed services, as well as expansion through acquisitions. We have established a national presence via our internal marketing, sales programs, and acquisitions and now have ERP customers throughout most of the United States.

Managed Services Strategy

The IT Managed Services market is broadly segmented by types of services, for example, managed datacenter, managed network, managed mobility, managed infrastructure, managed communications, managed information, managed security and other managed services. In addition, the market is segmented by market verticals, such as public sector, banking, financial services and insurance, education, retail, contact centers and service industries, high tech and telecommunications, healthcare and pharmaceuticals, travel and logistics, manufacturing, energy and utilities among others.

The recent trend in the industry shows that there is a high demand for managed services across every industry vertical. The implementation of managed services can reduce IT costs by 30% to 40% in such enterprises. This enables organizations to have flexibility and technical advantage. Enterprises having their services outsourced look forward to risk sharing and to reduce their IT costs and IT commitments, so that they can concentrate on their core competencies.

Organizations implementing managed services have reported almost a 50% to 60% increase in the operational efficiency of their outsourced processes. Enterprises have accepted outsourcing services as a means to enable them to reduce their capital expenditure (CapEx) and free up internal sources. Newer managed services that penetrate almost all the industry domains, along with aggressive pricing in services, are being offered. This results in an increase in the overall revenues of the managed services market. It is observed that there is an increase in outsourcing of wireless, communications, mobility, and other value-added services, such as content and e-commerce facilities. With increasing technological advancements and the cost challenges associated with having the IT services in-house, we believe the future seems optimistic for managed services providers.

Our strategy is to continue to expand our product offerings to the small and medium sized business marketplace, and to increase our scale and capabilities via acquisition throughout the United States, but initially in those regions where we currently have existing offices.

Potential Competitive Strengths

- Independent Software Vendor. As an independent software vendor we have published integrations between ERPs and third-party products which differentiates us from other business application providers because, as a value-added reseller of the ERPs that our proprietary products integrate with, we have specific software solution expertise in the ERPs we resell, which ensures that our products tightly integrate with the ERPs. We own the intellectual property related to these integrations and sell the solutions both directly and through other software resellers within the Sage network.

- Sage Certified Gold Development Partner. As a Sage Certified Gold Development Partner, we are licensed to customize the source code of the Sage ERPs. Very few resellers are master developers, and in fact, we provide custom programming services for many other resellers. We have full-time programmers on staff, which provides us with a depth and breadth of expertise that we believe very few competitors can match.

- Ability to Recruit, Manage and Retain Quality Personnel. We have a track record of recruiting, managing and retaining skilled labor and our ability to do so represents an important advantage in an industry in which a shortage of skilled labor is often a key limitation for both clients and competitors alike. We recruit skilled labor from competitors and from amongst end users with experience using the various products we sell, whom we then train as consultants. We believe our ability to hire, manage and maintain skilled labor gives us an edge over our competitors as we continue to grow.

- Combination of Hardware/Software Expertise. Many competitors have software solution expertise. Others have network/hardware expertise. We believe we are among the very few organizations with an expertise in both software and hardware, affording us the opportunity to provide turnkey solutions for our customers without the need to bring in additional vendors on a project.

- Technical Expertise. Our geographical reach and substantial technical capabilities afford our clients the ability to customize and tailor solutions to satisfy all of their business needs.

Growth Strategy

General

Our strategy is to grow our business through a combination of intra-company growth of our software applications, technology solutions and managed services, as well as expansion through acquisitions. We have established a national presence via our internal marketing, sales programs, and acquisitions and now have ERP customers throughout most of the United States.

Intra-Company Growth

Our intra-company growth strategy is to increase our market penetration and client retention through the upgrade of, and expanded sales efforts with our existing products and managed services and development of new and enhanced software and technology solutions. Our client retention is sustained by our providing responsive, ongoing software and technical support and monitoring and maintenance services for both the solutions we sell and other client technology needs we provide.

Repeat business from our existing customer base has been key to our success and we expect it will continue to play a vital role in our growth. We focus on nurturing long-standing relationships with existing customers while also establishing relationships with new customers.

Information Systems

Our information systems utilize leading software enterprise resource platforms, including procurement, inventory management, receivables management, and accounting.

Acquisitions

The markets in which we provide our services are occupied by a large number of competitors, many substantially larger than us, and with significantly greater resources and geographic reach. We believe that to remain competitive, we need to take advantage of acquisition opportunities that arise which may help us achieve greater geographic presence and economies both within our existing footprint and expanded territories. We may also utilize acquisitions, whenever appropriate, to expand our technological capabilities and product offerings. We focus on acquisitions that are profitable and fit seamlessly with our existing operations.

We believe our markets contain a number of attractive acquisition candidates. We foresee expanding through acquisitions of one or more of the following types of software and technology organizations:

Managed Service Providers ("MSPs"). MSPs provide their small and medium-sized business clients with a suite of services, which may include 24/7/365 remote monitoring of networks, disaster recovery, business continuity, data back-up, cyber-security and the like. There are hundreds of providers of such services in the U.S., most with annual recurring revenue of less than $10 million. We believe that we may be able to consolidate a number of these MSPs with our existing operation in an effort to become one of the more significant providers of these services in the U.S.

Independent Software Vendors ("ISVs"). ISVs are publishers of both stand-alone software solutions and integrations that integrate with other third-party products. Our interest lies with ISVs selling into the small and medium-sized business marketplace, providing applications addressing e-commerce, mobility, security, and other functionalities. Since we have expertise in both selling directly to end-users and selling through a sales channel, we believe we can significantly enhance the sales volume of any potential acquisition via our existing infrastructure, our sales channel, and our internal marketing programs. There are many ISVs in North America, constituting a large and significant target base for our acquisition efforts.

Value-Added Resellers ("VARs") of ERP, Human Capital Management ("HCM"), Warehouse Management Systems ("WMS"), CRM and BI Software. VAR's gross margins are a function of the sales volume they provide a publisher in a twelve-month period, and we are currently operating at the highest margins. Smaller resellers who sell less and operate at significantly lower margins, are at a competitive disadvantage to companies such as ours and are often amenable to creating a liquidity event for themselves by selling to larger organizations. We have benefitted from completing such acquisitions in a number of ways, including but not limited to: (i) garnering new customers to whom we can upsell and cross-sell our broad range of products and services; (ii) gaining technical resources that enhance our capabilities; and (iii) extending our geographic reach.

Our business strategy provides that we will examine the potential acquisition of businesses within and outside our industry. In determining a suitable acquisition candidate, we will carefully analyze a target's potential to add to and complement our product mix, expand our existing revenue base, improve our margins, expand our geographic coverage, strengthen our management team, add technical resources and expertise, and, above all, improve stockholder returns. More specifically, we have identified the criteria listed below, by which we evaluate potential acquisition targets in an effort to gain the synergies necessary for successful growth of the Company:

- Access to new customers and geographic markets;
- Recurring revenue of the target;
- Opportunity to gain operating leverage and increased profit margins;
- Diversification of sales by customer and/or product;
- Improvements in product/service offerings; and
- Ability to attract public capital and increased investor interest.

We are unable to predict the nature, size or timing of any acquisition. We can give no assurance that we will reach agreement or procure the financial resources necessary to fund any acquisition, or that we will be able to successfully integrate or improve returns as a result of any such acquisition.

We continue to seek out and hold preliminary discussions with various acquisition candidates.

On April 1, 2021, SWK acquired certain assets of CT-Solution, Inc. ("*CTS*"), a leading Indianapolis-based reseller of Sage Software solutions. Over the last 20 years, CTS has implemented technology applications at prominent manufacturers, distributors, and professional service organizations throughout the Midwest.

On May 1, 2021, SWK acquired certain assets of PeopleSense, Inc. ("*PSI*"), a leading Chicago-based reseller of Sage Software's human resource management solutions. Over the last 18 years, PSI has implemented HCM solutions to clientele spanning over half of the United States, Canada, Puerto Rico and the U.S. Virgin Islands.

On January 1, 2022, the Company entered into an Asset Purchase Agreement with Dynamic Tech Services, Inc ("*DTS*"), a Georgia corporation pursuant to which SWK acquired from DTS certain assets related to the component of DTS's operations devoted to selling and supporting Acumatica Cloud Enterprise Resource Planning solutions.

On January 22, 2022, the Company entered into an agreement to acquire certain assets of NEO3, LLC ("*NEO3*"), an Ohio-based company related to its Sage 100 and Acumatica operations.

With the exception of the Rhodium transaction, we have not entered into any other recent agreements or understandings for any acquisitions that management deems material.

Enterprise Resource Planning Software Strategy

Our ERP software strategy is focused on serving the needs of our expansive installed base of customers for our Sage 100, Sage 500, and Sage BusinessWorks practices, while rapidly growing the number of customers using Sage Intacct and Acumatica. We currently have approximately 5,000 active ERP customers using one of these five solutions, including customers using certain add-on support products to these solutions. In the past we, have focused primarily on on-premise mid-market Sage Software solutions but in the past few years have focused on cloud ERP solutions. This has allowed us to increase our average deal size and to keep pace with the changing trends that we see in the industry.

Managed Services Strategy

The IT Managed Services market is broadly segmented by types of services, for example, managed datacenter, managed network, managed mobility, managed infrastructure, managed communications, managed information, managed security and other managed services. In addition, the market is segmented by market verticals, such as public sector, banking, financial services and insurance, education, retail, contact centers and service industries, high tech and telecommunications, healthcare and pharmaceuticals, travel and logistics, manufacturing, energy and utilities among others.

The recent trend in the industry shows that there is a high demand for managed services across every industry vertical. The implementation of managed services can reduce IT costs by 30% to 40% in such enterprises. This enables organizations to have flexibility and technical advantage. Enterprises having their services outsourced look forward to risk sharing and to reduce their IT costs and IT commitments, so that they can concentrate on their core competencies. Organizations implementing managed services have reported almost a 50% to 60% increase in the operational efficiency of their outsourced processes. Enterprises have accepted outsourcing services as a means to enable them to reduce their capital expenditures (CapEx) and free up internal sources. Newer managed services that penetrate almost all the industry domains, along with aggressive pricing in services, are being offered. This results in an increase in the overall revenues of the managed services market. It is observed that there is an increase in outsourcing of wireless, communications, mobility, and other value-added services, such as content and e-commerce facilities. With increasing technological advancements and the cost challenges associated with having the IT services in-house, we believe the future seems optimistic for managed services providers.

Our strategy is to continue to expand our product offerings to the small and medium sized business marketplace, and to increase our scale and capabilities via acquisition throughout the United States, but initially in those regions where we currently have existing offices.

Geographic Expansion

Generally, our technology offerings require some on-premise implementation and support. When we expand into new geographic territories, we prefer to find qualified personnel in an area to augment our current staff of consultants to service our business. The need for hands-on implementation and support may also require investment in additional physical offices and other overhead. We believe our approach is conservative.

We may accelerate expansion if we find complementary businesses that we are able to acquire in other regions. Our marketing efforts to expand into new territories have included attendance at trade shows in addition to personal contact.

Seasonality

Our business is not seasonal and there are not large fluctuations with our operations between quarterly revenues based on the time of year.

Government Regulation

Like other manufacturers and distributors of consumer products, we are required to comply with a wide variety of federal, state, and international laws, rules, and regulations, including those related to consumer products and consumer protection, advertising and marketing, labor and employment, data protection and privacy, intellectual property, workplace health and safety, the environment, the import and export of products, and tax matters. Our failure to comply with applicable federal, state, and international laws, rules, and regulations may result in our being subject to claims, lawsuits, fines, and adverse publicity that could have a material adverse effect on our business, operating results, and financial condition. These laws, rules, and regulations currently impose significant compliance requirements on our business, and more restrictive laws rules, and regulations may be adopted in the future. In the future, it is possible that NFTs become subject to regulation similar to the way in which securities are regulated. In the event NFTs become subject to regulation, the Company fully intends to comply with any such regulations.

Backlog

We currently do not have a material backlog of orders. Backlog consists of orders for which purchase orders have been received and which are generally scheduled for shipment within six months or subject to capacity constraints, including lack of available product.

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Our Products and Services

Enterprise Resource Planning Software

Substantially all our initial sales of ERP financial accounting solutions consist of pre-packaged software and associated services to customers in the United States.

The Company resells ERP software published by Sage Software, Acumatica and other providers for the financial accounting requirements of small and medium-sized businesses focused on manufacturing and distribution, and the delivery of related services from the sales of these products, including installation, support and training. The programs perform and support a wide variety of functions related to accounting, including financial reporting, accounts payable and accounts receivable, and inventory management.

We provide a variety of services along with our financial accounting software sales to assist our customers in maximizing the benefits from these software applications. These services include training, technical support, and professional services. We employ consultants and instructors and have specific training in the topics they are teaching. We can also provide on-site training services that are highly tailored to meet the needs of a particular customer.

We provide end-user technical support services through our support/help desk. Our product and technology consultants assist customers calling with questions about product features, functions, usability issues, and configurations. The support/help desk offers services in a variety of ways, including prepaid services, time and materials billed as utilized and annual support contracts. Customers can communicate with the support/help desk through e-mail, telephone, and fax channels. Standard support/help desk services are offered during normal business hours five (5) days per week.

Warehouse Management Systems

We are resellers of Warehouse Management System ("*WMS*") software. The primary purpose of a WMS is to control the movement and storage of materials within an operation and process the associated transactions. Directed picking, directed replenishment, and directed put-away are the key to WMS. The detailed setup and processing within a WMS can vary significantly from one software vendor to another. However, the basic WMS will use a combination of item, location, quantity, unit of measure, and order information to determine where to stock, where to pick, and in what sequence to perform these operations.

The WMS software improves accuracy and efficiency, streamlines materials handling, meets retail compliance requirements, and refines inventory control. Most WMS solutions also work as part of a complete operational solution by integrating seamlessly with radio frequency hardware, accounting software, shipping systems and warehouse automation equipment.

We market WMS to our existing and new medium-sized business customers.

IT Managed Network Services and Business Consulting

We provide IT managed services, cybersecurity, business continuity, disaster recovery, data back-up, network maintenance and service upgrades for our business clients. We are a Microsoft Solutions Provider. Our staff includes engineers who maintain certifications from Microsoft and Sage Software. They are Microsoft Certified Systems Engineers and Microsoft Certified Professionals, and they provide a host of services for our clients, including remote network monitoring, server implementation, support and assistance, operation and maintenance of large central systems, technical design of network infrastructure, technical troubleshooting for large scale problems, network and server security, and backup, archiving, and storage of data from servers. There are numerous competitors, both larger and smaller, nationally and locally, with whom we compete in this market.

Application Hosting

We provide hosting services to customers located throughout the country within our own data centers.

Product Development

We are continually looking to improve and develop new products. Our product initiatives include various new product offerings, which generally are extensions of existing products. We are using a dual-shore development approach to keep product development costs at a minimum. All our product development is led by U.S. based employees. The project leaders are technical resources who are involved in developing technical specifications, design decisions, usability testing, and transferring the project knowledge to our offshore development team. Several times per week, the product development leadership team meets with our project leaders and development teams to discuss project status, development obstacles, and project timelines.

Properties

On March 1, 2017, the Company entered into a new operating lease agreement for its main office located at 120 Eagle Rock Avenue, East Hanover, NJ 07936. The main office premises consist of 5,129 square feet of office space at a monthly rent starting at $8,762 and escalating to $10,044 per month by the end of the term April 30, 2024.

On October 24, 2017 the Company entered into a lease for $3,584 per month for one year beginning November 1, 2018 for the additional space at 120 Eagle Rock Ave (suite 302). It was subsequently extended on February 1, 2020 for five years starting while extending the

rental space to 3,516 square feet at $6,153 per month and escalating to $ 6,886 per month by the end of the term. The Company terminated this lease September 30, 2021.

The Company leased 3,422 square feet of office space in Greensboro, NC with a monthly rent of $4,182 a month. The lease expired February 28, 2017 and was extended after reducing the rental space to 2,267 square feet at a monthly rent of $2,765 per month. The extension expired February 28, 2020 and was renewed for a term of three years at a rate of $3,022 per month.

The Company leases 6,115 square feet of office space in Thorofare, NJ starting at $4,591 per month and escalating to $5,168 per month by the end of the term February 28, 2022. The lease was not renewed.

The Company leases office space in Chicago, IL with a monthly rent of $582. The lease expired May 31, 2020. This has been renewed for two years expiring May 31, 2022 at rate of $655 per month. The lease was not renewed.

The Company leases office space in Sisters, OR with a monthly rent of $720. The lease expired on November 30, 2019 and is being rented on a month to month basis.

The Company leases 1,107 square feet of office space in San Diego, CA with a monthly rent of $4,184 escalating to $4,461 per month at the end of the lease term, February 28, 2021. The Company extended this lease for one month, ending March 31, 2021, for $4,461 for the one month. This lease was not renewed.

On February 25, 2019, the Company signed a lease for 1,180 square feet of office space in Lisle, IL. The lease begins April 1, 2019 with a monthly rent of $1,942 escalating to $2,040 by the end of the lease term March 31, 2022. This lease was not renewed.

The Company leases 2,105 square feet of office space in Phoenix, AZ starting at $1,271 and escalating to $2,982 per month by the end of the term September 30, 2020. On June 25, 2020, the Company signed an extension to a lease for 2,105 square feet of space in Phoenix, Arizona. The lease begins October 1, 2020 and terminates September 30, 2023 with a monthly rent of $3,026 escalating to $3,201 per month in the third year.

The Company leases office space in Burr Ridge, IL starting at $2,849 per month and escalating to $2,929 per month by the end of the term which ends July 30, 2022. The Company requested and received early termination and, as such, the lease expired March 31, 2022.

The Company leases office space in Syracuse, NY, at a monthly rent of $2,300. The lease expired on May 31, 2018 and was subsequently extended for a three-year term commencing June 1, 2018 and ending May 31, 2021. This lease was not renewed.

Our leased space is utilized for office purposes and it us our belief that the space is adequate for our immediate needs. Additional space may be required as we expand our business activities. We do not foresee any significant difficulties in obtaining additional facilities if deemed necessary.

Legal Proceedings

During the normal course of its business, the Company may be subject to occasional legal proceedings and claims. There are currently no legal proceedings or claims asserted against the Company or its subsidiaries.

MANAGEMENT

Directors and Executive Officers following the Separation

The following table sets forth information regarding individuals who are expected to serve as our executive officers and directors, including their positions, after the Distribution. All of these individuals currently serve as executive officers and directors of SilverSun in the same capacities they will serve in for us. After the Separation, none of our executive officers and directors will be executive officers or directors of SilverSun.

Name	Age	Position
Mark Meller	63	Chairman, President, Chief Executive Officer and Director
Joseph Macaluso	71	Chief Financial Officer and Secretary
Stanley Wunderlich	75	Director
Kenneth Edwards	64	Director
John Schachtel	61	Director

Mark Meller, Chief Executive Officer, President, Director

Mr. Meller will serve as our President, Chief Executive Officer and Chairman of the Board of Directors following the Separation. He has served as the President, Chief Executive Officer and Chairman of the Board of Directors of SilverSun since January 2015 and will continue to serve in these capacities for SilverSun until the Separation. From September 2003 through January 2015, he was Chief Financial Officer of SilverSun. From October 2004 until February 2007, Mr. Meller was the President, Chief Executive Officer, Chief Financial Officer and Director of Deep Field Technologies, Inc. From December 15, 2004 until September 2009, Mr. Meller was the President, Chief Executive Officer, Chief Financial Officer and Director of MM2 Group, Inc. From August 29, 2005 until August 2006, Mr. Meller was the President, Chief Executive Officer and Chief Financial Officer of iVoice Technology, Inc. From 1988 until 2003, Mr. Meller was Chief Executive Officer of Bristol Townsend and Co., Inc., a New Jersey based consulting firm providing merger and acquisition advisory services to middle market companies. From 1986 to 1988, Mr. Meller was Vice President of Corporate Finance and General Counsel of Crown Capital Group, Inc, a New Jersey based consulting firm providing advisory services for middle market leveraged buy-outs (LBO's). Prior to 1986, Mr. Meller was a financial consultant and practiced law in New York City. He is a member of the New York State Bar.

Mr. Meller has a B.A. from the State University of New York at Binghamton and a J.D. from the Boston University School of Law.

In evaluating Mr. Meller's specific experience, qualifications, attributes and skills in connection with his appointment to our board, we took into account his experience in the industry and his knowledge of running and managing the businesses to be operated by us.

Joseph Macaluso, Chief Financial Officer

Joseph Macaluso has over 30 years of experience in financial management. Mr. Macaluso will serve as our Chief Financial Officer and Secretary following the Separation. Mr. Macaluso served as Chairman of the Audit Committee and a Director of SilverSun from 2015 before becoming SilverSun's Chief Financial Officer on January 4, 2021. Mr. Macaluso will continue to serve as SilverSun's Chief Financial Officer until the Separation. Mr. Macaluso previously served as the Principal Accounting Officer of Tel-Instrument Electronics Corp., a developer and manufacturer of avionics test equipment for both the commercial and military markets. Prior to that, he had been involved in companies in the medical device and technology industries holding positions including Chief Financial Officer, Treasurer and Controller.

Mr. Macaluso has a Bachelor of Science degree in Accounting from Fairfield University.

Stanley Wunderlich, Director

Mr. Stanley Wunderlich has over 40 years of experience on Wall Street as a business owner and consultant. Mr. Wunderlich will serve as a director for us following the Separation. Mr. Wunderlich has served as a director of SilverSun and will continue to serve in that capacity for SilverSun until the Separation. Mr. Wunderlich is a founding partner and has been Chairman and Chief Executive Officer of Consulting for Strategic Growth 1, specializing in investor and media relations and the formation of capital for early-growth stage companies both domestic and international, from 2000 through the present. Since 1987, he has been the Chief Executive Officer of Consulting for Strategic Growth 1, Ltd.

Mr. Wunderlich has a bachelor's degree from Brooklyn College.

In evaluating Mr. Wunderlich's experience, qualifications, attributes and skills in connection with his appointment to our Board, we took into account his experience in finance and investor relations.

Kenneth Edwards, Director

Mr. Edwards combines over 40 years of experience in the accounting and finance industry. Previously, he has been involved with a few certified public accounting firms as well as companies in various other industries holding positions including Partner, Managing Director, Chief Financial Officer and Senior Vice-President of Finance. Mr. Edwards will serve as a director for us following the Separation. Mr. Edwards has served as a director of SilverSun and will continue to serve in that capacity for SilverSun until the Separation. Mr. Edwards currently serves as Chief Financial Officer of Edison Learning, Inc., an Education Management Company. Ken joined Edison Learning, Inc. in September 2017. From July 2016 to September 2017, he was Managing Director for CFO Strategies, LLC, a company involved in outsourced CFO and Controller services. From July 1981 to July 1993 and from October 2000 to June 2016, he was with several public accounting firms (Coopers & Lybrand, BDO Seidman, Edwards & Company and Cohn Reznick) in various roles until his retirement from Cohn Reznick as an Audit Partner in June 2016. During the period from July 1993 to July 1997, he served as Senior Vice President of Finance for Home State Holdings, Inc., an insurance holding company that focused on property and casualty insurance, and from July 1997 to September 2000 as Chief Financial Officer for Menu Direct, Inc. a specialty food manufacturer. Ken is currently a member of the Advisory Board of Robert Wood Johnson University Hospital, located at Somerset New Jersey. He previously served as a Director and Treasurer for the Urban League of Morris Country and as a Director and Chairperson for the Hope Chest Scholarship Foundation. He has an undergraduate accounting degree from Goshen College.

The Board believes that Mr. Edwards' extensive experience as a CPA makes him well-qualified to help guide the Audit Committee of our board. We have determined that Mr. Edwards meets the current independence and experience requirements contained in the listing standards of The Nasdaq Capital Markets and is an audit committee financial expert as defined in Securities and Exchange Commission regulations.

John Schachtel, Director

On March 27, 2017, Mr. Schachtel was appointed to the SilverSun board and will continue to serve in that capacity for SilverSun until the Separation. Mr. Schachtel will serve as a director for us following the Separation. Since May 2017, Mr. Schachtel has been the Executive Vice President and Chief Operating Officer of Regional Management Corp., one of the leading consumer finance installment loan companies in the United States. Prior to assuming his current position, Mr. Schachtel was the Chief Operating Officer of OneMain Financial Holdings, Inc. and served 11 years as the Executive Vice President, Northeast & Midwest Division for OneMain Financial Holdings, Inc.

Mr. Schachtel has a Bachelor of Science degree from Northwestern University and an MBA in Finance from New York University.

In evaluating Mr. Schachtel's specific experience, qualifications, attributes and skills in connection with his appointment to our board, we took into account his expertise in general management, finance, corporate governance and strategic planning, as well as his experience in operations and mergers and acquisitions.

Family Relationships

There are no family relationships among any of our directors or executive officers.

Board Composition and Director Independence

Following the Distribution, our board of directors will consist of four members: Mr. Mark Meller, Mr. Stanley Wunderlich, Mr. Kenneth Edwards, and Mr. John Schachtel. The directors will serve until our next annual meeting and until their successors are duly elected and qualified. The Company defines "independent" as that term is defined in Rule 5605(a)(2) of the NASDAQ listing standards.

In making the determination of whether a member of the board is independent, our board considers, among other things, transactions and relationships between each director and his immediate family and the Company, including those reported under the caption "*Certain Relationships and Related-Party Transactions*". The purpose of this review is to determine whether any such relationships or transactions are material and, therefore, inconsistent with a determination that the directors are independent. On the basis of such review and its understanding of such relationships and transactions, our board affirmatively determined that Mr. Wunderlich, Mr. Edwards, and Mr. Schachtel have qualified as independent and that they have no material relationship with us that might interfere with their exercise of independent judgment.

Committees of the Board of Directors

Effective upon the completion of the Distribution, our board of directors will have the following committees, each of which will operate under a written charter that will be posted on our website prior to the Distribution.

Audit Committee

The Audit Committee will be established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934. Following the Distribution, the Audit Committee will consist of Mr. Kenneth Edwards, Mr. Stanley Wunderlich and Mr. John Schachtel. Mr. Edwards, who will be Chairman of the Audit Committee, may be deemed a financial expert as defined in Item 407(d)(5) of Regulation S-K.

The Audit Committee will assist our board of directors in overseeing our accounting and financial reporting processes and the audits of our financial statements. In addition, the Audit Committee will be directly responsible for the appointment, compensation, retention and oversight of the work of our independent registered public accounting firm.

The responsibilities of the Audit Committee will be more fully described in our Audit Committee Charter and will include, among other duties:

- selecting the independent registered public accounting firm, approving all related fees and compensation, overseeing the work of the independent accountant, and reviewing its selection with the board of directors;
- annually preapproving the proposed services to be provided by the accounting firm during the year;
- annually reviewing a report from the independent registered public accounting firm describing the accounting firm's internal quality-control procedures, any material issues of the accounting firm and all relationships between the accounting firm and us;
- evaluating the independence of the registered public accounting firm;
- reviewing our annual and quarterly financial statements, any major issues regarding accounting principles, and any analyses prepared with respect to significant financial reporting issues and judgments;
- assessing the effectiveness of our internal audit function and overseeing the adequacy of internal controls and risk management processes; and
- reviewing the type and presentation of information to be included in earnings releases, as well as financial information and earnings guidance to be provided to analysts and rating agencies.

Compensation Committee

Following the Distribution, the Compensation Committee will consist of Mr. Stanley Wunderlich and Mr. John Schachtel. Mr. Schachtel will serve as Chairman.

The Compensation Committee will assist our board of directors in discharging its abilities relating to the compensation and benefits of our Chief Executive Officer and other executive officers (as defined in the Exchange Act), employees and non-employee directors, in a manner consistent with and in support of our business objectives, competitive practice and all applicable rules and regulations. The responsibilities of the Compensation Committee will be more fully described in the compensation committee charter and will include, among other duties:

- reviewing and approving the goals and objectives of our executive compensation plans, evaluating performance in light of those goals and objectives and, determining and approving the executive officers' compensation based on this evaluation, including any long-term incentive component of compensation, if applicable;
- reviewing the terms of any compensation "clawback" or similar policies;
- adopting stock ownership guidelines for executive officers and non-employee directors; and
- reviewing the goals and objectives of our general compensation plans and other employee benefit plans, including all equity-compensation plans to be submitted for stockholder approval.

Nominating and Corporate Governance Committee

Following the Distribution, the Nominating and Corporate Governance Committee will consist of Mr. Kenneth Edwards, Mr. Stanley Wunderlich and Mr. John Schachtel. Mr. Wunderlich will serve as Chairman.

The Nominating and Corporate Governance Committee will assist our board of directors in discharging its abilities relating to, among other things, providing oversight of nomination and corporate governance matters. The responsibilities of the nominating and corporate governance committee will be more fully described in the nominating and corporate governance committee charter and will include, among other duties:

- assisting in identifying, recruiting and, if appropriate, interviewing candidates to fill positions on the board of directors, reviewing the background and qualifications of individuals being considered and selecting the director nominees for election by stockholders or appointment by the board of directors;
- reviewing the suitability for continued services as a director of each member of the board of directors when his or her term expires and when he or she has a change in status and recommending whether or not the director should be re-nominated;
- advising and making recommendations to the board of directors on the composition and size of the board of directors and each standing committee of the board of directors, frequency and structure of meetings and other procedures of the board of directors and committees;
- developing and reviewing corporate governance guidelines; and
- evaluating the performance and effectiveness of the board of directors.

Code of Business Conduct and Ethics Policy

Prior to the completion of the Distribution, we will adopt a written code of business conduct and ethics policy for directors, executive officers and employees. The code will be designed to deter wrongdoing and to promote, among other things:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- protection of client and third-party information in compliance with applicable privacy and data security requirements;
- full, fair, accurate, timely and understandable disclosure in reports and documents that we file with the SEC and other regulators and in our other public communications;
- compliance with applicable laws, rules and regulations; and
- accountability for adherence to the code and prompt internal reporting of any possible violation of the code.

Involvement in Certain Legal Proceedings

To the best of our knowledge, none of the persons that will be serving as our directors or executive officers following the Distribution has, during the past ten years:

- been convicted in a criminal proceeding or been subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);
- had any bankruptcy petition filed by or against the business or property of the person, or of any partnership, corporation or business association of which he was a general partner or executive officer, either at the time of the bankruptcy filing or within two years prior to that time;
- been subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction or federal or state authority, permanently or temporarily enjoining, barring, suspending or otherwise limiting, his involvement in any type of business, securities, futures, commodities, investment, banking, savings and loan, or insurance activities, or to be associated with persons engaged in any such activity;
- been found by a court of competent jurisdiction in a civil action or by the Securities and Exchange Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;
- been the subject of, or a party to, any federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated (not including any settlement of a civil proceeding among private litigants), relating to an alleged violation of any federal or state securities or commodities law or regulation, any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order, or any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
- been the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Except as set forth in our discussion below in “Certain Relationships and Related Transactions,” none of our directors or executive officers has been involved in any transactions with us or any of our directors, executive officers, affiliates or associates which are required to be disclosed pursuant to the rules and regulations of the SEC.

EXECUTIVE AND DIRECTOR COMPENSATION

We are currently part of SilverSun and not an independent company and our compensation committee has not yet been formed. The historical compensation shown below was determined by SilverSun. Prior to the Distribution, we will continue to be a part of SilverSun , and therefore, compensation of our executive officers and directors will be determined based on the design and objectives of the SilverSun compensation programs. Future compensation levels of our executive officers and directors will be determined based on the compensation policies, programs and procedures to be established by the compensation committee that our board of directors will form in connection with the Distribution. Accordingly, the amounts and forms of compensation reported below are not necessarily indicative of the compensation that our Named Executive Officers ("NEOs") and directors will receive following the Distribution. Notwithstanding the foregoing, it is intended that our NEOs and directors will be, following the Distribution, compensated on terms which are identical to the terms under which they are presently being compensated by SilverSun. All references in the following tables to equity awards are to equity awards granted by SilverSun in respect of SilverSun common stock.

The following section provides compensation information for those persons that are expected to serve as our executive officers following the Distribution.

The following summary compensation table sets forth all compensation awarded to, earned by, or paid to the named executive officers by SilverSun during the years ended December 31, 2022 and 2021.

Name and Position(s)	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total Compensation ($)
Mark Meller President, Chief Executive Officer, and Director	2022	$1,026,650	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,026,650
	2021	$ 936,238	$ -	$ -	$ -	$ -	$ -	$ -	$ 936,238
Joseph Macaluso, Chief Financial Officer (1)	2022	$ 228,516	$45,150	$ -	$ -	$ -	$ -	$ -	$ 273,666
	2021	$ 237,085	$37,347	$ -	$ 89,062	$ -	$ -	$ -	$ 363,494

(1) On January 4, 2021, the Board of Directors of the Company (the "Board") appointed Mr. Joseph Macaluso as Chief Financial Officer of the Company (the "CFO Appointment"). Concurrently, Mr. Macaluso submitted his resignation from his positions as a member of the Board and Chairman of the Audit Committee of the Company

Mark Meller, Chief Executive Officer

Mark Meller, who is expected to serve as our Chief Executive Officer, President and Chairman following the Distribution, presently serves in similar roles for SilverSun. Mr. Meller will resign from his positions with SilverSun in connection with the Distribution and the Mergers. Mr. Meller has had an Employment Agreement with SilverSun since September 15, 2003. On February 4, 2016 (the "*Effective Date*"), SilverSun entered into an amended and restated employment agreement (the "*Meller SilverSun Employment Agreement*") with Mark Meller, pursuant to which Mr. Meller continues to serve as SilverSun's President and Chief Executive Officer. On November 11, 2021, SilverSun and Mark Meller executed an amendment to the Meller SilverSun Employment Agreement to extend the term thereof through September 14, 2028. In conjunction with the Distribution, Mr. Meller will resign, the Meller SilverSun Employment Agreement will be terminated, and Mr. Meller will enter into an employment agreement with us which will be identical in all material respects to the Meller SilverSun Employment Agreement. Mr.Meller received a base salary of $936,238 from SilverSun for the fiscal year ended December 31, 2021. Mr. Meller's base annual salary under the Meller SilverSun Employment Agreement is subject to an annual increase of 10% on September 1 of every year thereunder. The Meller SilverSun Employment Agreement also contains a severance provision which Mr. Meller has agreed to waive in connection with its termination. The severance provision being waived provides for a severance payment to Mr. Meller of three hundred percent (300%), less $100,000 of his gross income for services rendered to SilverSun in each of the five prior calendar years should his employment be terminated following a change in control (as defined in the Meller SilverSun Employment Agreement).

Joseph Macaluso, Chief Financial Officer

Joseph Macaluso, who is expected to serve as our Chief Financial Officer following the Distribution, presently serves in a similar role for SilverSun. Mr. Macaluso will resign from his positions with SilverSun in connection with the Distribution and the Mergers and his employment by SilverSun will be terminated. Thereafter, Mr. Macaluso will enter into an employment arrangement with us which will be identical in all material respects to the terms under which Mr. Macaluso is presently employed by SilverSun. In connection with Mr. Macaluso's appointment as an executive officer of SilverSun, Mr. Macaluso entered into an offer letter (the "*Offer Letter*") with SilverSun. Pursuant to the Offer Letter, Mr. Macaluso is receiving a base annual salary from SilverSun at the annual rate of Two Hundred Fifteen Thousand Dollars ($215,000) and Mr. Macaluso also received a one-time cash sign on bonus in the amount of Thirty Thousand Dollars ($30,000). Mr. Macaluso is eligible for a discretionary bonus of up to Twenty percent (20%) of the Annual Rate. Pursuant to the Offer Letter, Mr. Macaluso's employment with SilverSun is at-will and it may be terminated by SilverSun with or without cause.

Grants of Plan-based Awards Table for Fiscal Year 2022

There were no stock option grants made by SilverSun for the year ended December 31, 2022.

Outstanding Plan-based Awards at December 31, 2022

The following table sets forth the outstanding SilverSun stock option grants held by the named executive officers at the end of the 2022 fiscal year. The option exercise price set forth in the table is based on the closing market price on the date of grant.

Name	Number of Securities Underlying Unexercised Options(#) Exercisable	Number of Securities Underlying Unexercised Options(#) Unexercisable	Option Exercise Price ($)	Option Expiration Date
Joseph Macaluso	4,185	4,185	$ 6.53	3/29/2026
Joseph Macaluso	11,630	-0-	$ 5.90	10/14/2026

Director Compensation

The following Director Compensation Table sets forth the compensation of our directors for the fiscal year ending on December 31, 2022 paid to them by SilverSun.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Non-Qualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Stanley Wunderlich	12,000	-	-	-	-	-	12,000
Ken Edwards	20,000	-	-	-	-	-	20,000
John Schachtel	18,000	-	-	-	-	-	18,000

SilverSun only pays its independent directors for service on its board of directors. Mr. Wunderlich is paid $1,000 per month, payable quarterly for his service as a member of the board and as Chairman of the Nominating and Governance Committee. Mr. Edwards was paid $1,667 per month, payable quarterly for his service as a member of the board and as Chairman of the Audit Committee. Mr. Schachtel is paid $1,500 per month, payable quarterly for his service as a member of the board and as Chairman of the Compensation Committee. Each of Messrs. Wunderlich, Edwards and Schactel will resign as directors of SilverSun in connection with the Distribution and the Mergers and are expected to assume similar roles with us following such resignations on the same terms referenced above.

Securities Authorized for Issuance Under Equity Compensation Plans

SilverSun Holdings Equity Plan

In connection with the Distribution, and prior to the Distribution Date, the board of directors of SilverSun Holdings will adopt the SilverSun Holdings. 2023 Equity Incentive Plan, which we refer to as the Equity Incentive Plan. We expect the material terms of conditions of the Equity Incentive Plan to be substantially similar to the terms and conditions of SilverSun's 2019 Equity Incentive Plan. Pursuant to the Equity Incentive Plan, we will be permitted to grant new equity awards to our employees, consultants and directors for services rendered to us. and our subsidiaries in the form of stock options, restricted stock awards, restricted stock units, stock appreciation rights, dividend equivalents, performance awards and stock payments (or any combination thereof) under the Equity Incentive Plan. No awards may be granted under the Equity Incentive Plan prior to the Distribution Date.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

Agreements with SilverSun

In connection with the intended separation of SilverSun into two independent publicly traded companies, we and SilverSun (which will, after the separation of SilverSun Holdings, become Rhodium Enterprises, Inc.) will enter into certain agreements that will effect the separation of SWK's and businesses, including by providing for the attribution between us and SilverSun of SilverSun's assets, employees, liabilities and obligations (including its investments, property and employee benefits and tax-related assets and liabilities), and provide a framework for our relationship following the distribution with SilverSun. These agreements are the Separation Agreement and Tax Matters Agreement discussed elsewhere in this information statement. Following the Mergers and the Separation all of the pre-Merger employees of SilverSun including those of SWK will become employees of SilverSun Holdings either directly or through SWK.

Policies and Procedures Regarding Related Party Transactions

In connection with the spin-off, we expect that our board will adopt a written policy and procedures with respect to related party transactions, which will include specific provisions for the approval of related party transactions. Pursuant to this policy, related party transactions would include a transaction, arrangement or relationship or series of similar transactions, arrangements or relationships, in which we and certain enumerated related parties participate, the amount involved exceeds $120,000 and the related party has a direct or indirect material interest. We expect our audit committee will review: (i) potential conflict of interest situations on an ongoing basis, (ii) any future proposed transaction, or series of transactions, with related parties, and (iii) either approve or disapprove each reviewed transaction or series of related transactions with related parties.

In the event that a related party transaction is identified, such transaction will be reviewed and approved or ratified by our audit committee. If it is impracticable for our audit committee to review such transaction, pursuant to the policy, the transaction will be reviewed by the chair of our audit committee, whereupon the chair of our audit committee will report to the audit committee the approval or rejection of such transaction.

In reviewing and approving related party transactions, pursuant to the policy, the audit committee, or its chair, shall consider all information that the audit committee, or its chair, believes to be relevant and important to a review of the transaction and shall approve only those related party transactions that are determined to be in, or not inconsistent with, our best interests and that of our stockholders, taking into account all available relevant facts and circumstances available to the audit committee or its chair. Pursuant to the policy, these facts and circumstances will typically include, but not be limited to, the benefits of the transaction to us; the impact on a director's independence in the event the related party is a director, an immediate family member of a director or an entity in which a director is a partner, stockholder or executive officer; the availability of other sources for comparable products or services; the terms of the transaction; and the terms of comparable transactions that would be available to unrelated third parties or to employees generally. Pursuant to the policy, we expect that no member of the audit committee shall participate in any review, consideration or approval of any related party transaction with respect to which the member or any of his or her immediate family members is the related party.

Relationship with Chief Executive Officer and Chief Financial Officer

As discussed above under "Executive and Director Compensation", following the Separation and their respective resignations from SilverSun, Mark Meller, SilverSun's Chief Executive Officer , and Joseph Macaluso, SilverSun's Chief Financial Officer, will enter into employment arrangements with us which will be identical, in all material respects, to their current arrangements with SilverSun.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Before the Distribution, all the outstanding shares of SilverSun Holdings' common stock will be owned beneficially and of record by SilverSun. The following table sets forth information with respect to the expected beneficial ownership of our common stock at the time of the Distribution by:

- each of our directors;
- each of our named executive officers;
- all of our directors and executive officers as a group; and
- each of our stockholders whom we believe will beneficially own more than 5% of our outstanding common stock.

Except as noted below, we based the share amounts on each person's beneficial ownership of SilverSun common stock on [●], 2023 giving effect to a distribution ratio of one shares of our common stock for every one share of SilverSun common stock. Immediately following the Distribution, we estimate that 5,256,177 shares of our common stock will be issued and outstanding based on the approximately 5,256,177 shares of SilverSun common stock outstanding as of [●], 2023. The actual number of outstanding shares of our common stock following the Distribution will be determined on the Record Date.

Except as otherwise noted in the footnotes below, each person or entity identified in the tables has sole voting and investment power with respect to the securities beneficially owned.

For purposes of this table, a person or group of persons is deemed to have "beneficial ownership" of any shares of common stock that such person has the right to acquire within 60 days of [●], 2023. For purposes of computing the percentage of outstanding shares of our common stock held by each person or group of persons named above, any shares that such person or persons has the right to acquire within 60 days of [●], 2023 is deemed to be outstanding, but is not deemed to be outstanding for the purpose of computing the percentage ownership of any other person. The inclusion herein of any shares listed as beneficially owned does not constitute an admission of beneficial ownership.

All persons have sole voting and dispositive power over such shares unless otherwise indicated.

Name and Address of Beneficial Owner[(1)]	Number of Shares[(2)]	Percentage of Outstanding Shares[(3)]
Directors and Executive Officers:		
Mark Meller	2,006,534[(4)]	38.17%
Joseph Macaluso	0	0%
Kenneth Edwards	0	0%
Stanley Wunderlich	500	*
John Schachtel	4,264	*
All directors and current executive officers (5 persons)	2,011,298	38.27%
5% Shareholders		
Bard Associates, Inc.	408,549[(5)]	7.77%

* Less than one percent.

(1) The address for each of the persons listed above is 120 Eagle Rock Avenue, East Hanover, NJ 07936.

(2) Does not reflect shares potentially issuable pursuant to acceleration outstanding equity compensation arrangements under the 2019 Plan in connection with consummation of the Mergers in accordance with the terms of the Merger Agreement.
(3) Based on 5,256,177 shares of SilverSun Holdings common stock outstanding as of [●], 2023.
Includes 800,000 shares owned by Sharieve Meller Family Trust and 800,000 shares owned by Mark M. Meller Family Trust.
(4) Sharieve Meller is Mr. Meller's wife. Mr. Meller disclaims beneficial ownership in the shares owned by Sharieve Meller Family Trust.
(5) The ownership information regarding Bard Associates, Inc. .. is based on a Schedule 13G filed with the SEC on February 6,2023

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE DISTRIBUTION

The following is a discussion of the material U.S. federal income tax consequences of the Distribution to U.S. Holders (as defined herein) of SilverSun common stock. This discussion is based on the Code, the Treasury Regulations promulgated thereunder, and judicial and administrative interpretations thereof, all as in effect as of the date of this information statement and all of which may change, possibly with retroactive effect. This discussion assumes that the Separation will be consummated in accordance with the Separation Agreement and as described in this information statement.

For purposes of this discussion, a "*U.S. Holder*" is a beneficial owner of SilverSun common stock that is for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any state therein, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if it: (i) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to the control all substantial decisions; or (ii) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

This discussion addresses only the consequences of the Distribution to U.S. Holders that hold SilverSun common stock as a capital asset. It does not address all aspects of U.S. federal income taxation that may be relevant to a U.S. Holder in light of that stockholder's particular circumstances or to a U.S. Holder subject to special treatment under the Code, such as:

- a financial institution, underwriter, real estate investment trust, regulated investment company, or insurance company;
- a tax-exempt organization;
- a dealer or broker in securities or currencies;
- a stockholder that holds SilverSun common stock as part of a hedge, appreciated financial position, straddle, conversion, or other risk reduction transaction for U.S. federal income tax purposes;
- former citizens or former long-term residents of the United States;
- a stockholder that owns, or is deemed to own, at least 10%, by voting power or value, of SilverSun's equity;
- a stockholder that is subject to the alternative minimum tax;
- a stockholder that holds SilverSun common stock through a partnership or other pass-through entity;
- a stockholder that is required to accelerate the recognition of any item of gross income with respect to SilverSun common stock as a result of such income being recognized on an applicable financial statement;

- a stockholder that holds SilverSun common stock in a tax-deferred account, such as an individual retirement account; or
- a stockholder that acquired SilverSun common stock pursuant to the exercise of employee stock options or otherwise as compensation.

If a partnership, or any entity treated as a partnership for U.S. federal income tax purposes, holds SilverSun common stock, the tax treatment of a partner in such partnership generally will depend on the status of the partner and the activities of the partnership. Such a partner or partnership should consult its tax adviser.

This discussion of material U.S. federal income tax consequences is not a complete analysis or description of all potential U.S. federal income tax consequences of the Distribution. In addition, it does not address any estate, gift, or other non-income tax consequences or any non-U.S., state, or local tax consequences of the Distribution. Accordingly, holders of SilverSun common stock should consult their tax advisers to determine the particular U.S. federal, state, or local or non-U.S. income or other tax consequences of the Distribution.

HOLDERS OF SILVERSUN COMMON STOCK ARE ENCOURAGED TO CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE DISTRIBUTION TO THEIR PARTICULAR SITUATION. THIS DISCUSSION DOES NOT APPLY TO NON-US HOLDERS WHO ARE EXPECTED TO CONSULT WITH THEIR OWN TAX ADVISORS.

The Distribution

Prior to the closing of the Mergers, SilverSun shall use reasonable best efforts to obtain a tax opinion (the "Distribution Tax Opinion") of a law firm with expertise in these matters that is reasonably acceptable to Rhodium that the Distribution "should" qualify as a distribution described in Section 355(a) of the Code. If SilverSun receives such opinion, the parties intend to report the Distribution as a distribution described in Section 355(a) of the Code.

In rendering the Distribution Tax Opinion, tax counsel will rely on customary representations and covenants made by SilverSun, Rhodium and SilverSun Holdings and specified assumptions, including an assumption regarding the completion of the Distribution, the Mergers and certain related transactions in the manner contemplated by the transaction agreements. The determination of whether a distribution qualifies under Section 355(a) of the Code is a factually intensive determination based upon the analysis of a number of considerations — some of which are subject to unsettled legal standards. If any of those representations, covenants or assumptions is inaccurate or there are changes in existing facts or law between the date of this information statement and the Mergers, tax counsel may not be able to provide the Distribution Tax Opinion and, in such case, the parties do not intend to report the Distribution as a distribution qualifying under Section 355(a) of the Code.

The closing of the Distribution and the Mergers is not conditioned upon the receipt of an opinion of counsel regarding the U.S. federal income tax treatment of the Distribution, and none of SilverSun, SilverSun Holdings, Rhodium or their respective affiliates intends to request a ruling from the IRS regarding such treatment. Accordingly, no assurance can be given that the IRS will not challenge the Distribution's qualification as a distribution described in Section 355(a) of the Code or that a court will not sustain such a challenge by the IRS.

Assuming that the Distribution qualify as a tax-free distribution under Section 355 of the Code, for U.S. federal income tax purposes:

Assuming that the Distribution qualifies as a tax-free distribution under Section 355(a) of the Code, for U.S. federal income tax purposes:

- no gain or loss will be recognized by, and no amount will be included in the income of, U.S. Holders of SilverSun common stock solely as a result of the receipt of our common stock in connection with the Distribution;
- the aggregate tax basis of the shares of SilverSun common stock and our common stock in the hands of each U.S. Holder of SilverSun common stock immediately following the consummation of the Distribution (including any fractional shares deemed received, as discussed herein) will be the same as the aggregate tax basis such U.S. Holder has in the shares of SilverSun common stock held immediately before the consummation of the Distribution, allocated between such SilverSun common stock

and our common stock (including any fractional shares deemed received) in proportion to their relative fair market values immediately following the consummation of the Distribution; and

- the holding period of any shares of our common stock received by a U.S. Holder of SilverSun common stock in the Distribution (including any fractional shares deemed received) will include the holding period of the shares of SilverSun common stock.

U.S. Holders of SilverSun common stock that have acquired different blocks of SilverSun common stock at different times or at different prices should consult their tax advisors regarding the allocation of their aggregate adjusted basis among, and their holding period of, our common stock distributed with respect to blocks of SilverSun common stock.

If it is ultimately determined that the Contribution and the Distribution does not qualify as tax-free under Section 355(a) of the Code, each holder of SilverSun common stock that receives shares of our common stock in connection with the Distribution would be treated as receiving a distribution in an amount equal to the fair market value of our common stock received, which generally would be taxed as a dividend to the extent of such holder's ratable share of SilverSun's earnings and profits, including SilverSun's taxable gain, if any, on the Distribution, then treated as a non-taxable return of capital to the extent of the holder's basis in SilverSun common stock and thereafter treated as capital gain from the sale or exchange of SilverSun common stock.

Information Reporting and Backup Withholding

Applicable Treasury Regulations generally require holders who own at least 5% of the total outstanding stock of SilverSun (by vote or value) and who receive our common stock pursuant to the Distribution to attach to their U.S. federal income tax return for the year in which the Distribution occurs a detailed statement setting forth certain information relating to the tax-free nature of the Distribution. SilverSun and/or we will provide the appropriate information to each holder upon request, and each such holder is required to retain permanent records of this information.

DESCRIPTION OF MATERIAL INDEBTEDNESS

We will assume the indebtedness related to us and our subsidiaries in connection with the spin-off. Such indebtedness principally consists of approximately $1.45 million in long-term debt as of December 31, 2022 related to promissory notes issued pursuant to asset purchase agreements and approximately $616,000 as of December 31, 2022 in financial lease obligations.

Our strategy is to grow our business through a combination of intra-company growth of our software applications, technology solutions and managed services, as well as expansion through acquisitions. The long-term debt is the result of this expansion strategy. As a result, we have entered into certain purchase agreements to acquire assets of certain companies to expand our customer base. We finance these purchases by a combination of cash and long-term debt. Long-term debt has terms of between 3 to 5 years with interest rates between 2% and 4%.

We have entered into lease commitments for equipment that meet the requirements for capitalization. We will own the equipment at the expiration of the leases. The equipment has been capitalized and is included in property and equipment in the balance sheet. The weighted average interest rate as of December 31, 2022 was 7.31% with a weighted-average lease term of 3.44 years.

DESCRIPTION OF CAPITAL STOCK

The following summary of the material terms of our securities is not intended to be a complete summary of the rights and preferences of such securities, and is qualified by reference to our Certificate of Incorporation and our Bylaws which are exhibits to the registration statement of which this information statement is a part. We urge to you read each of the Certificate of Incorporation and the Bylaws described herein in their entirety for a complete description of the rights and preferences of our securities.

General

Immediately following the Distribution, our authorized capital stock will consist of 75,000,000 shares of common stock, par value $0.00001 per share and 1,000,000 shares of preferred stock, par value $0.001 per share.

Common Stock

Voting Rights. Holders of our common stock will exclusively possess all voting power and each share of common stock will have one vote on all matters submitted to our stockholders for a vote. Holders of common stock do not have any cumulative voting rights.

Dividend Rights. Holders of common stock will be entitled to receive dividends or other distributions, if any, as may be declared from time to time by our board of directors in its discretion out of funds legally available therefor and share equally on a per share basis in all such dividends and other distributions.

Liquidation Rights. In the event of any liquidation, dissolution or winding up of the Company, either voluntary or involuntary, holders of common stock will be entitled to receive their ratable and proportionate share of our remaining assets.

Other Rights. Holders of common stock will have no conversion, preemptive or other subscription rights and there are no sinking fund or redemption provisions applicable to our common stock.

Preferred Stock

Our board of directors is expressly granted authority to issue shares of preferred stock, in one or more series, and to fix for each such series such voting powers, full or limited, and such designations, preferences and relative, participating, optional or other special rights and such qualifications, limitations or restrictions thereof as shall be stated and expressed in the resolution or resolutions adopted by our board of directors providing for the issue of such series (a "*Preferred Stock Designation*") and as may be permitted by the Delaware General Corporation Law (the "*DGCL*"). The number of authorized shares of preferred stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of all of the then outstanding shares of our capital stock entitled to vote generally in the election of directors, voting together as a single class, without a separate vote of the holders of the preferred stock, or any series thereof, unless a vote of any such holders is required pursuant to any Preferred Stock Designation.

We currently have no shares of preferred stock outstanding.

Holders

As of [●], 2023 SilverSun was the only holder of record of our common stock. Following the Distribution, it is expected that we will have approximately [●] holders of record of our common stock.

Special Meeting of Stockholders

Our bylaws provide that special meetings of our stockholders may be called by the directors or by any officer instructed by the directors to call the meeting.

Authorized but Unissued Shares

Our authorized but unissued common stock and preferred stock are available for future issuances without stockholder approval and could be utilized for a variety of corporate purposes, including future offerings to raise additional capital, acquisitions and employee benefit plans. The existence of authorized but unissued and unreserved common stock and preferred stock could render more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise.

Anti-Takeover Provisions

We are subject to Section 203 of the DGCL, which, subject to certain exceptions, prohibits a Delaware corporation from engaging in any "business combination" (as defined below) with any "interested stockholder" (as defined below) for a period of three years following the date that such stockholder became an interested stockholder, unless: (1) prior to such date, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder; (2) on consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the number of shares outstanding those shares owned (x) by persons who are directors and also officers and (y) by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or (3) on or subsequent to such date, the business combination is approved by the board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66 2/3% of the outstanding voting stock that is not owned by the interested stockholder.

Section 203 of the DGCL defines "business combination" to include: (1) any merger or consolidation involving the corporation and the interested stockholder; (2) any sale, transfer, pledge or other disposition of 10% or more of the assets of the corporation involving the interested stockholder; (3) subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder; (4) any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder; or (5) the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation. In general, Section 203 defines an "interested stockholder" as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by such entity or person.

Indemnification and Limitations of Liability of Directors and Officers

The DGCL authorizes corporations to limit or eliminate the personal liability of directors and officers to corporations and their stockholders for monetary damages for breaches of fiduciary duties by directors and officers, and SilverSun Holdings' Certificate of Amendment and bylaws include such an exculpation provision. SilverSun Holdings' Certificate of Amendment and bylaws include provisions that indemnify, to the fullest extent allowable under the DGCL, the personal liability of directors or officers for monetary damages for actions taken as a director or officer of SilverSun Holdings, or for serving at SilverSun Holdings' request as a director or officer or another position at another corporation or enterprise, as the case may be. SilverSun Holdings' Certificate of Amendment and bylaws provide that SilverSun Holdings must indemnify and advance reasonable expenses to SilverSun Holdings' directors and officers, subject to SilverSun Holdings' receipt of an undertaking from the indemnified party as may be required under the DGCL. SilverSun Holdings' bylaws expressly authorize SilverSun Holdings to carry directors' and officers' insurance to protect SilverSun Holdings, its directors, officers and certain employees for certain liabilities.

The limitation of liability and indemnification provisions in SilverSun Holdings' Certificate of Amendment and bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duty. These provisions may also have the effect of reducing the likelihood of derivative litigation against SilverSun Holdings' directors and officers, even though such an action, if successful, might otherwise benefit SilverSun Holdings and its stockholders. However, these provisions will not limit or eliminate SilverSun Holdings' rights, or those of any stockholder, to seek non-monetary relief, such as an injunction or rescission in the event of a breach of a director's or officer's duty of care. The provisions will not alter the liability of directors under the federal securities laws. In addition, your investment may be adversely affected to the extent that, in a class action or direct suit, SilverSun Holdings pays the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions. There is currently no pending material litigation or proceeding against any SilverSun Holdings' directors, officers or employees for which indemnification is sought.

Sale of Unregistered Securities

Prior to the Distribution, we will issue shares of our common stock to SilverSun pursuant to Section 4(a)(2) of the Securities Act, which shares will be distributed to SilverSun stockholders in the Distribution. We do not intend to register the issuance of the shares under the Securities Act because the issuance will not constitute a public offering.

Transfer Agent and Registrar

After the consummation of the Distribution, the transfer agent and registrar for SilverSun Holdings common stock will be Pacific Stock Transfer, Inc.

WHERE YOU CAN FIND MORE INFORMATION

We have filed the Form 10 with the SEC with respect to the shares of SilverSun Holdings common stock being distributed as contemplated by this information statement. This information statement is a part of, and does not contain all of the information set forth in, the Form 10 and the exhibits and schedules to the Form 10. For further information with respect to us and the SilverSun Holdings common stock, please refer to the Form 10, including its exhibits and schedules. Statements made in this information statement relating to any contract or other document are not necessarily complete, and you should refer to the exhibits to the Form 10 for copies of the actual contract or document. You may review a copy of the Form 10, including its exhibits and schedules, on the Internet website maintained by the SEC at www.sec.report. Information contained on any website referenced in this information statement is not incorporated by reference into this information statement.

As a result of the Distribution, we will become subject to the information and reporting requirements of the Exchange Act and, in accordance with the Exchange Act, we will file periodic reports, proxy statements and other information with the SEC, which will be available on the Internet website maintained by the SEC at www.sec.gov.

We intend to furnish holders of SilverSun Holdings common stock with annual reports containing consolidated financial statements prepared in accordance with U.S. GAAP and audited and reported on, with an opinion expressed, by an independent registered public accounting firm.

You should rely only on the information contained in this information statement or to which we have referred you. We have not authorized any person to provide you with different information or to make any representation not contained in this information statement.

Exhibit 99.2

SILVERSUN TECHNOLOGIES, INC.

INDEX TO FINANCIAL STATEMENTS

AUDITED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of
SilverSun Technologies, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of SilverSun Technologies, Inc. (the "Company") as of December 31, 2022, the related consolidated statements of operations, stockholders' equity, and cash flows for the year ended December 31, 2022, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022, and the results of its operations and its cash flows for the year ended December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Revenue recognition

Description of the Matter

As described in Note 2 to the financial statements, the Company recognizes revenue mainly from the resale of software products, maintenance, and professional consulting services. The Company enters into contracts with customers that may include combinations of products and services, which are generally distinct and recorded as separate performance obligations. Revenue is recognized when control of the distinct performance obligation is transferred. For example, product revenue is recognized at a point in time while maintenance and professional consulting services revenue is recognized over time. Auditing the Company's revenue recognition is a critical audit matter due to the effort required to analyze the high volume of transactions, significance of the total amounts recognized as revenue, and timing of when revenue is recognized.

How We Addressed the Matter in Our Audit

Our audit procedures related to the Company's revenue recognition included, among others, selecting a sample of recorded revenue transactions and examining customer source documents for each selection, including the contract or agreement and invoices and payment support. In addition, we evaluated management's application of the Company's accounting policy, tested the mathematical accuracy of management's calculation of revenue and associated timing of revenue recognized in the financial statements.

/s/ Marcum llp

Marcum llp

We have served as the Company's auditor since 2022.

Marlton, New Jersey
February 28, 2023

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of
SilverSun Technologies, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of SilverSun Technologies, Inc. (the "Company") as of December 31, 2021, the related consolidated statements of operations, stockholders' equity, and cash flows for the year ended December 31, 2021, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all

material respects, the financial position of the Company as of December 31, 2021, and the results of its operations and its cash flows for the year ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Revenue recognition

Description of the Matter

As described in Note 2 to the financial statements, the Company recognizes revenue mainly from the resale of software products, maintenance, and professional consulting services. The Company enters into contracts with customers that may include combinations of products and services, which are generally distinct and recorded as separate performance obligations. Revenue is recognized when control of the distinct performance obligation is transferred. For example, product revenue is recognized at a point in time while maintenance and professional consulting services revenue is recognized over time. Auditing the Company's revenue recognition is a critical audit matter due to the effort required to analyze the high volume of transactions, significance of the total amounts recognized as revenue, and timing of when revenue is recognized.

How We Addressed the Matter in Our Audit

Our audit procedures related to the Company's revenue recognition included, among others, selecting a sample of recorded revenue transactions and examining customer source documents for each selection, including the contract or agreement and invoices and payment support. In addition, we evaluated management's application of the Company's accounting policy, tested the mathematical accuracy of management's calculation of revenue and associated timing of revenue recognized in the financial statements.

/s/ Friedman LLP

Friedman LLP

We have served as the Company's auditor from 2004 to 2022.

Marlton, New Jersey
March 29, 2022

SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31,

	2022	2021
ASSETS		
Current assets:		
Cash and cash equivalents	$ 8,008,633	$ 6,814,117
Accounts receivable, net of allowance of $490,311 and $330,311	2,232,960	1,926,859
Unbilled services	367,165	284,218
Deferred charges	1,516,895	-
Prepaid expenses and other current assets	1,573,615	1,685,728
Total current assets	13,699,268	10,710,922
Property and equipment, net	711,314	636,901
Operating lease right-of-use assets, net	328,562	964,990
Intangible assets, net	4,265,353	3,492,234
Goodwill	1,139,952	1,011,952
Deferred tax assets, net	1,106,065	990,958
Deposits and other assets	187,553	190,805
Total assets	$ 21,438,067	$ 17,998,762
LIABILITIES & STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 3,272,555	$ 2,038,025
Accrued expenses	2,432,703	1,743,148
Accrued interest	23,757	28,784
Income taxes payable	-	69,614
Long term debt – current portion	680,146	293,696
Long term debt – related party - current portion	103,333	108,309
Finance lease obligations – current portion	214,990	166,571
Operating lease liabilities – current portion	268,345	465,813
Deferred revenue	3,757,090	2,475,583
Total current liabilities	10,752,919	7,389,543
Long term debt net of current portion	671,014	463,602
Long term debt - related party - net of current portion	-	103,333
Finance lease obligations net of current portion	401,453	186,284
Operating lease liabilities net of current portion	60,217	499,177
Total liabilities	11,885,603	8,641,939
Commitments and Contingencies (see Note 13)		
Stockholders' equity:		
Preferred Stock, $0.001 par value; authorized 1,000,000 shares		
Series A Preferred Stock, $0.001 par value; authorized 2 shares		
No shares issued and outstanding	-	-

Common stock, $0.00001 par value; authorized 75,000,000 shares 5,256,177 and 5,136,177 issued and outstanding as of December 31, 2022 and 2021, respectively	53	52
Additional paid-in capital	10,429,001	9,951,142
Accumulated deficit	(876,590)	(594,371)
Total stockholders' equity	9,552,464	9,356,823
Total liabilities and stockholders' equity	$ 21,438,067	$ 17,998,762

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

SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Years Ended	
	December 31, 2022	**December 31, 2021**
Revenues:		
Software product, net	$ 11,781,362	$ 7,863,387
Service, net	33,203,914	33,837,993
Total revenues, net	44,985,276	41,701,380
Cost of revenues:		
Product	7,077,804	4,575,386
Service	19,946,736	19,917,936
Total cost of revenues	27,024,540	24,493,322
Gross profit	17,960,736	17,208,058
Operating expenses:		
Selling and marketing expenses	7,745,265	6,719,909
General and administrative expenses	9,471,625	9,402,259
Share-based compensation expenses	180,260	441,310
Depreciation and amortization expenses	948,965	875,566
Total selling, general and administrative expenses	18,346,115	17,439,044
Loss from operations	(385,379)	(230,986)
Other income (expense)		
Interest expense, net	(89,024)	(46,802)
Gain on bargain purchase	-	71,359
Gain on sale of product line	-	250,000
Total other (expense) income, net	(89,024)	274,557
(Loss) income before taxes	(474,403)	43,571
Benefit (provision) for income taxes	192,184	(178,005)

Net loss	$ (282,219)	$ (134,434)
Basic and diluted net loss per common share		
Basic	(0.05)	(0.03)
Diluted	(0.05)	(0.03)
Weighted average shares outstanding:		
Basic	5,167,081	5,026,420
Diluted	5,167,081	5,026,420

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

SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	Series A Preferred Stock		Series B Preferred Stock		Common Stock Class A		Additional Paid in	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Capital	(Deficit)	Equity
Balance at January 1, 2021	-	$ -	-	$ -	4,501,271	$ 46	$ 7,739,883	$ (459,937)	$ 7,279,992
Cash dividend	-	-	-	-	-	-	(3,081,706)	-	(3,081,706)
Proceeds from sale of common stock, net of legal expenses	-	-	-	-	468,300	4	4,180,900	-	4,180,904
Shares issued in exchange for convertible debt	-	-	-	-	166,606	2	670,755	-	670,757
Share-based compensation	-	-	-	-	-	-	441,310	-	441,310
Net loss	-	-	-	-	-	-	-	(134,434)	(134,434)
Balance at December 31, 2021	-	$ -	-	$ -	5,136,177	$ 52	$ 9,951,142	$ (594,371)	$ 9,356,823
Stock compensation issued for outside services	-	-	-	-	120,000	1	297,599	-	297,600
Share-based compensation	-	-	-	-	-	-	180,260	-	180,260
Net loss	-	-	-	-	-	-	-	(282,219)	(282,219)
Balance at December 31, 2022	-	$ -	-	$ -	5,256,177	$ 53	$10,429,001	$ (876,590)	$ 9,552,464

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

SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	2022	2021
Cash flows from operating activities:		
Net loss	$ (282,219)	$ (134,434)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Deferred income taxes	(115,107)	48,126
Depreciation and amortization	386,847	346,202
Amortization of intangibles	732,552	531,102
Amortization of right of use assets	636,428	517,387
Bad debt provision (recovery)	160,000	(44,689)
Share-based compensation	180,260	441,310
Gain on sale of product line	-	(250,000)
Gain on bargain purchase	-	(71,359)
Changes in assets and liabilities:		
Accounts receivable	(466,101)	(301,928)
Unbilled services	(82,947)	(232,146)
Deferred charges	(1,219,295)	-
Prepaid expenses and other current assets	(316,130)	(784,908)
Deposits and other assets	3,252	7,921
Accounts payable	1,234,530	162,910
Accrued expenses	689,555	412,362
Income tax payable	(69,614)	(248,417)
Accrued interest	(5,027)	7,578
Deferred revenues	1,207,836	336,404
Operating lease obligations	(636,428)	(517,387)
Net cash provided by operating activities	2,038,392	226,034
Cash flows from investing activities:		
Purchase of property and equipment	(38,742)	(114,761)
Acquisition of business	-	(645,703)
Acquisition of assets	(150,000)	-
Proceeds from sale of product line	-	250,000
Net cash used in investing activities	(188,742)	(510,464)
Cash flows from financing activities:		
Payment of cash dividend	-	(3,081,706)
Proceeds from issuance of stock, net of expenses	-	4,180,904
Payment of long-term debt	(316,138)	(213,523)
Payment of long-term debt – related party	(108,309)	(162,398)
Payment of long-term convertible debt – related party	-	(46,725)
Payment of finance lease obligations	(230,687)	(173,421)
Net cash (used in) provided by financing activities	(655,134)	503,131
Net increase in cash	1,194,516	218,701
Cash, beginning of year	6,814,117	6,595,416
Cash, end of year	$ 8,008,633	$ 6,814,117
Supplemental Schedule of Cash Flow Information:		
During the year, cash was paid for the following:		
Income taxes	$ 94,141	$ 380,997
Interest	$ 40,193	$ 45,116

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

SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:

For the Year Ended December 31, 2022:

On January 1, 2022, the Company entered into an asset purchase agreement with Dynamic Tech Services, Inc ("DTS") to acquire certain assets of DTS. The purchase price for the Acquired Assets was $1,335,000, $500,000 of which was paid in cash in December 2021 and $835,000 of which was paid through the issuance of a four-year $835,000 promissory note dated January 1, 2022, paying interest at the rate of 3.25% per annum (see Notes 6 and 10).

On January 22, 2022, the Company entered into an agreement to acquire certain assets of NEO3, LLC ("NEO3"). The purchase price for the customer list was $225,000, $150,000 of which was paid in cash and $75,000 of which was paid through the issuance of a three-year $75,000 promissory note dated January 22, 2022, paying interest at the rate of 2% per annum. The Company also assumed $73,672 of prepaid time as part of the consideration for this transaction.

On April 15, 2022, the Company incurred approximately $494,383 in financial lease obligations for purchases of equipment.

For the Year Ended December 31, 2021:

On January 18, 2021, the Company incurred approximately $90,007 in financial lease obligations for purchases of equipment.

In February 2021, ISM converted the outstanding balance of the ISM Note in the amount of $479,112 into 119,004 shares of the Company's common stock. At December 31, 2021 and December 31, 2020, the outstanding balances on the ISM Note were $-0- and $512,487 respectively (see Note 6).

In February 2021, Nellnube converted the outstanding balance of the Nellnube Note in the amount of $191,645 into 47,602 shares of the Company's common stock. At December 31, 2021 and December 31, 2020, the outstanding balances on the Nellnube Note were $-0- and $204,995 respectively (see Note 6).

On April 1, 2021, SWK acquired certain assets of CT-Solution, Inc. ("CTS") pursuant to an asset purchase agreement for a promissory note in the aggregate principal amount of $130,000 (the "CTS Note"). The CTS Note is due in 36 months from the closing date and bears interest at a rate of two percent (2.0%) per annum.

On May 1, 2021, SWK acquired certain assets of PeopleSense, Inc. ("PSI") pursuant to an asset purchase agreement for cash of $145,703, customer deposits related to prepaid time from clients in the amount of $99,938, and the issuance of a promissory note in the aggregate principal amount of $450,000 (the "PSI Note"). The PSI Note is due in 36 months from the closing date and bears interest at a rate of two percent (2.0%) per annum.

The Company entered into an operating lease for equipment with Atmosera, Inc. Accordingly, operating lease right of use assets and operating lease liabilities were recognized in the amount of $90,245.

The Company entered into an operating lease for equipment with Cologix USA, Inc. Accordingly, operating lease right of use assets and operating lease liabilities were recognized in the amount of $18,412.

On June 18, 2021, the Company incurred approximately $134,097 in financial lease obligations for purchases of equipment.

On August 4, 2021, the Company incurred approximately $58,644 in financial lease obligations for purchases of equipment.

On November 11, 2021, the Company incurred approximately $62,555 in financial lease obligations for purchases of equipment.

SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 1 – DESCRIPTION OF BUSINESS

"SilverSun Technologies, Inc. ("SilverSun") through our wholly owned subsidiaries SWK Technologies, Inc. ("SWK"), Secure Cloud Services, Inc. ("SCS") and Critical Cyber Defense Corp. ("CCD") (together with SWK, SCS and SilverSun, the "Company") is a business application, technology and consulting company providing strategies and solutions to meet our clients' information, technology and business management needs. Our services and technologies enable customers to manage, protect and monetize their enterprise assets whether on-premises or in the "Cloud". As a value-added reseller of business application software, we offer solutions for accounting and business management, financial reporting, Enterprise Resource Planning ("ERP"), Human Capital Management ("HCM"), Warehouse Management Systems ("WMS"), Customer Relationship Management ("CRM"), and Business Intelligence ("BI"). Additionally, we have our own development staff building software solutions for time and billing, and various ERP enhancements. Our value-added services focus on consulting and professional services, specialized programming, training, and technical support. We have a dedicated network services practice that provides managed services, cybersecurity, application hosting, disaster recovery business continuity, cloud migration and other services. Our customers are nationwide, with concentrations in the New York/New Jersey metropolitan area, Arizona, Southern California, North Carolina, Washington, Oregon and Illinois."

The Company is publicly traded on the NASDAQ Capital Market under the symbol "SSNT".

The Company's operations may be affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID-19), which in March 2020, was declared a pandemic by the World Health Organization. The ultimate disruption which may be caused by the outbreak is uncertain; however, it may result in a material adverse impact on the Company's financial position, operations, and cash flows. Possible areas that may be affected include, but are not limited to, disruption to the Company's customers and revenue, labor workforce, inability of customers to pay outstanding accounts receivable due and owing to the Company as they limit or shut down their businesses, customers seeking relief or extended payment plans relating to accounts receivable due and owing to the Company, unavailability of products and supplies used in operations, and the decline in value of assets held by the Company, including property and equipment.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the "Company" and its wholly-owned subsidiaries. These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). All significant inter-company transactions and accounts have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents. The Company maintains cash balances at financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC") up to federally insured limits. At times balances may exceed FDIC insured limits. The Company has not experienced any losses in such accounts.

Goodwill

Goodwill is the excess of acquisition cost of an acquired entity over the fair value of the identifiable net assets acquired. Goodwill is not amortized but tested for impairment annually or whenever indicators of impairment exist. These indicators may include a significant change in the business climate, legal factors, operating performance indicators, competition, sale or disposition of a significant portion of the business or other factors. The Company completed its impairment analysis as of December 31, 2022. No impairment losses were identified or recorded for the years ended December 31, 2022 and 2021.

NOTE 2 – **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Capitalization of proprietary developed software

Software development costs are accounted for in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Classification ("ASC") ASC 985-20, *Software — Costs of Software to be Sold, Leased or Marketed*. Costs associated with the planning and designing phase of software development are expensed as incurred. Once technological feasibility has been determined, a portion of the costs incurred in development, including coding, testing and quality assurance, are capitalized until available for general release to clients, and subsequently reported at the lower of unamortized cost or net realizable value. Amortization is calculated on a solution-by-solution basis and is over the estimated economic life of the software. Amortization commences when a solution is available for general release to clients.

Business Combinations

We account for business combinations under the acquisition method of accounting. This method requires the recording of acquired assets and assumed liabilities at their acquisition date fair values. The excess of the purchase price over the fair value of assets acquired and liabilities assumed is recorded as goodwill. Results of operations related to business combinations are included prospectively beginning with the date of acquisition and transaction costs related to business combinations are recorded within general and administrative expenses.

Definite Lived Intangible Assets and Long-lived Assets

Purchased intangible assets are recorded at fair value using an independent valuation at the date of acquisition and are amortized over the useful lives of the asset using the straight-line amortization method.

The Company assesses potential impairment of its intangible assets and other long-lived assets when there is evidence that recent events or changes in circumstances have made recovery of an asset's carrying value unlikely. Factors the Company considers important, which may cause impairment include, among others, significant changes in the manner of use of the acquired asset, negative industry or economic trends, and significant underperformance relative to historical or projected operating results. No impairment losses were identified and recorded for the years ended December 31, 2022 and 2021, respectively.

Revenue Recognition

The Company has elected the significant financing component practical expedient in accordance with ASC 606. In determining the transaction price, the Company does not adjust the promised amount of consideration for the effects of a significant financing component as the Company expects, at contract inception, that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Company determines revenue recognition through the following 5 steps:

- Identify the contract with a customer;

- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligation in the contract; and
- Recognize revenue when or as the entity satisfies a performance obligation

Software product revenue is recognized when the product is delivered to the customer and the Company's performance obligation is fulfilled. Service revenue is recognized when the professional consulting, maintenance or other ancillary services are provided to the customer.

Shipping and handling costs charged to customers are classified as revenue, and the shipping and handling costs incurred are included in cost of revenues.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

	For the Year Ended December 31	
	2022	**2021**
Components of revenue:		
Professional Consulting	$ 13,124,812	$ 13,262,032
Maintenance Revenue	4,993,114	6,483,484
Software Revenue	11,781,362	7,863,387
Ancillary Service Revenue	15,085,988	14,092,477
	$ 44,985,276	$ 41,701,380

Unbilled Services

The Company recognizes revenue on its professional services as those services are performed. Unbilled services (contract assets) represent the revenue recognized but not yet invoiced.

Deferred Revenues

Deferred revenues consist of maintenance on proprietary products (contract liabilities), customer telephone support services (contract liabilities) and deposits for future consulting services which will be earned as services are performed over the contractual or stated period, which generally ranges from three to twelve months. As of December 31, 2022, there was $460,709 in deferred maintenance, $472,266 in deferred support services, and $2,824,115 in deposits for future consulting services. As of December 31, 2021, there was $291,468 in deferred maintenance, $398,382 in deferred support services, and $1,785,733 in deposits for future consulting services.

Commissions

Sales commissions relating to service revenues are considered incremental and recoverable costs of obtaining a project with our customer. These commissions are calculated based on estimated revenue to be generated over the life of the project. These costs are deferred and

expensed as the service revenue is earned. Commission expense is included in selling and marketing expenses in the accompanying consolidated statements of operations.

Fair Value of Financial Instruments

The Company estimates that the fair value of all financial instruments at December 31, 2022 and December 31, 2021, as defined in ASC 825 “Financial Instruments”, does not differ materially, except for the items discussed below, from the aggregate carrying values of its financial instruments recorded in the accompanying consolidated balance sheets. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. Considerable judgment is required in interpreting market data to develop the estimates of fair value.

The carrying amounts reported in the consolidated balance sheets as of December 31, 2022 and December 31, 2021 for cash, accounts receivable, and accounts payable approximate the fair value because of the immediate or short-term maturity of these financial instruments. Each reporting period we evaluate market conditions including available interest rates, credit spreads relative to our credit rating and liquidity in estimating the fair value of our debt. After considering such market conditions, we estimate that the fair value of debt approximates its carrying value.

Deferred Charges

The Company defers expenses until such time that the expense is consumed and charged to expense at that time. Deferred charges represent expenses related to the merger (see Note 15) and will be charged against the proceeds when the merger is consummated.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

The Company accounts for its leases in accordance with ASC 842, *Leases*. The Company leases office space and equipment. The Company concludes on whether an arrangement is a lease at inception. This determination as to whether an arrangement contains a lease is based on an assessment as to whether a contract conveys the right to the Company to control the use of identified property, plant or equipment for period of time in exchange for consideration. Leases with an initial term of 12 months or less are not recorded on the balance sheet. The Company recognizes these lease expenses on a straight-line basis over the lease term.

The Company has assessed its contracts and concluded that its leases consist of finance and operating leases. Operating leases are included in operating lease right-of-use (“ROU”) assets, current portion of operating lease liabilities, and operating lease liabilities in the Company’s consolidated balance sheets.

ROU assets represent the Company’s right to use an underlying asset for the lease term and lease liabilities represent the Company’s obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the Company’s leases do not provide an implicit rate, the Company determines an incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The incremental borrowing rate represents a significant judgment that is based on an analysis of the Company’s credit rating, country risk, treasury and corporate bond yields, as well as comparison to the Company’s borrowing rate on its most recent loan. The Company uses the implicit rate when readily determinable. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Company has lease agreements with lease and non-lease components, which are generally accounted for separately.

The Company finances purchases of hardware and computer equipment through finance lease agreements. Finance lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date.

Concentrations

The Company maintains its cash with various institutions, which exceed federally insured limits throughout the year. At December 31, 2022, the Company had cash on deposit of approximately $7,050,862 in excess of the federally insured limits of $250,000.

No one customer represented more than 10% of the total accounts receivable and unbilled services for the years ended December 31, 2022 and 2021.

For the years ended December 31, 2022 and 2021, the top ten customers accounted for 7% ($3,147,258) and 9% ($3,644,319), respectively, of total revenues. The Company does not rely on any one specific customer for any significant portion of its revenue base.

For the years ended December 31, 2022 and 2021, purchases from one supplier through a "channel partner" agreement were approximately 15% and 13%, respectively. This channel partner agreement is for a one-year term and automatically renews for an additional one-year term on the anniversary of the agreements effective date.

For the year ended December 31, 2022, one supplier represented approximately 28% of total accounts payable. For the year ended December 31, 2021 one supplier represented approximately 24% of accounts payable.

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of trade accounts receivable and cash. As of December 31, 2022, the Company believes it has no significant risk related to its concentration of accounts receivable.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

Accounts receivable consist primarily of invoices for maintenance and professional services. Full payment for software ordered by customers is primarily due in advance of ordering from the software supplier. Payments for maintenance and support plan renewals are due before the beginning of the maintenance period. Terms under our professional service agreements are generally 50% due in advance and the balance on completion of the services.

The Company maintains an allowance for bad debt estimated by considering several factors, including the length of time the amounts are past due, the Company's previous loss history and the customer's current ability to pay its obligations. Accounts are written off against the allowance when deemed uncollectable.

Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation. Depreciation is computed using the straight-line method based upon the estimated useful lives of the assets, generally three to seven years. Maintenance and repairs that do not materially add to the value of the equipment nor appreciably prolong its life are charged to expense as incurred.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and the resulting gain or loss is included in the consolidated statements of operations.

Income Taxes

The Company accounts for income taxes using the asset and liability method described in ASC 740, *Income Taxes*. Deferred tax assets arise from a variety of sources, the most significant being: a) tax losses that can be carried forward to be utilized against profits in future years; b) expenses recognized for financial reporting purposes but disallowed in the tax return until the associated cash flow occurs; and

c) valuation changes of assets which need to be tax effected for book purposes but are deductible only when the valuation change is realized.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes, as well as net operating loss carryforwards. Based on ASU 2015-17, *Classification of Deferred Taxes*, all deferred tax assets or liabilities are classified as long-term. Valuation allowances are established against deferred tax assets if it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates or laws is recognized in operations in the period that includes the enactment date.

The Company accounts for uncertainties in income taxes under ASC 740-10-50 which prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC 740-10 requires that the Company determine whether the benefits of its tax positions are more-likely-than-not of being sustained upon audit based on the technical merits of the tax position. The Company recognizes the impact of an uncertain income tax position taken on its income tax return at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant taxing authority.

The Company has federal net operating loss ("NOL") carryforwards which are subject to limitations under Section 382 of the Internal Revenue Code.

The Company files income tax returns in the U.S. federal and state jurisdictions. Tax years 2019 to 2022 remain open to examination for both the U.S. federal and state jurisdictions.

Despite the Company's belief that its tax return positions are consistent with applicable tax laws, one or more positions may be challenged by taxing authorities. Settlement of any challenge can result in no change, a complete disallowance, or some partial adjustment reached through negotiations or litigation. Interest and penalties related to income tax matters, if applicable, will be recognized as income tax expense. There were no liabilities for uncertain tax positions at December 31, 2022 and 2021.

During the years ended December 31, 2022 and 2021 the Company did not incur any expense related to interest or penalties for income tax matters, and no such amounts were accrued as of December 31, 2022 and 2021.

NOTE 2 – **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Fair Value Measurement

FASB ASC 820, *Fair Value Measurements*, defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and prescribes disclosures about fair value measurements.

The accounting standards define fair value and establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use on unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is as follows:

Level 1:	Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable prices that are based on inputs not quoted on active markets but corroborated by market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

The Company's current financial assets and liabilities approximate fair value due to their short-term nature and include cash, accounts receivable, accounts payable, and accrued liabilities. The carrying value of longer-term leases and debt obligations approximate fair value as their stated interest rates approximate the rates currently available. The Company's goodwill and intangibles are measured at fair-value on a non-recurring basis using Level 3 inputs, as discussed in Notes 5 and 10.

Stock-Based Compensation

Compensation expense related to share-based transactions, including employee stock options, is measured and recognized in the financial statements based on a determination of the fair value. The grant date fair value is determined using the Black-Scholes-Merton ("Black-Scholes") pricing model. For employee stock options, the Company recognizes expense over the requisite service period on a straight-line basis (generally the vesting period of the equity grant). The Company's option pricing model requires the input of highly subjective assumptions, including the expected stock price volatility and expected term. Any changes in these highly subjective assumptions significantly impact stock-based compensation expense.

Recently Adopted Authoritative Pronouncements

In August 2020, the FASB issued ASU 2020-06*, Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40)*. The update simplifies the accounting for convertible debt instruments and convertible preferred stock by reducing the number of accounting models and limiting the number of embedded conversion features separately recognized from the primary contract. The guidance also includes targeted improvements to the disclosures for convertible instruments and earnings per share. This was adopted on January 1, 2022 and did not have a significant impact on our consolidated financial position and consolidated results of operations.

In October 2021, the FASB issued ASU No. 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*. This ASU requires contract assets and contract liabilities (e.g. deferred revenue) acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with ASC 606, "Revenue from Contracts with Customers". Generally, this new guidance will result in the acquirer recognizing contract assets and contract liabilities at the same amounts recorded by the acquiree. Historically, such amounts were recognized by the acquirer at fair value in purchase accounting. The guidance is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Early adoption is permitted, including in interim periods, for any financial statements that have not yet been issued. This was adopted on January 1, 2022 and did not have a significant impact on our consolidated financial position and consolidated results of operations.

NOTE 2 – **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Recent Authoritative Pronouncements

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses - Measurement of Credit Losses on Financial Instruments*, which changes the way companies evaluate credit losses for most financial assets and certain other instruments. For receivables, and other short-term financial instruments, companies will be required to use a new forward-looking "expected loss" model to evaluate impairment, potentially resulting in earlier recognition of allowances for losses. The new standard also requires enhanced disclosures, including the requirement to disclose the information used to track credit quality by year of origination. ASU No. 2016-13 will be effective for the Company in the first quarter 2023. Early adoption of the new standard is permitted; however, the Company has

not elected to early adopt the standard. We are currently evaluating the effect that the new standard will have on our consolidated financial statements, if any.

No other recently issued accounting pronouncements had or are expected to have a material impact on the Company's consolidated financial statements.

NOTE 3 – NET LOSS PER COMMON SHARE

The Company's basic loss per common share is based on net loss for the relevant period, divided by the weighted average number of common shares outstanding during the period. Diluted loss per common share is based on net loss, divided by the weighted average number of common shares outstanding during the period, including common share equivalents, such as outstanding options and warrants to the extent they are dilutive. For the years ended December 31, 2022 and 2021 since the Company had net losses, the effect of common stock equivalents is anti-dilutive, and, as such, common stock equivalents have been excluded from the calculation.

	Year Ended December 31, 2022	Year Ended December 31, 2021
Basic net loss per share computation:		
Net loss	$ (282,219)	$ (134,434)
Weighted-average common shares outstanding	5,167,081	5,026,420
Basic net loss per share	$ (0.05)	$ (0.03)
Diluted net loss per share computation:		
Net loss per above	$ (282,219)	$ (134,434)
Weighted-average common shares outstanding	5,167,081	5,026,420
Incremental shares for convertible promissory note, warrants and stock options	-	-
Total adjusted weighted-average shares	5,167,081	5,026,420
Diluted net loss per share	$ (0.05)	$ (0.03)

The following table summarizes securities that, if exercised, would have an anti-dilutive effect on earnings per share.

	Year Ended December 31, 2022	Year Ended December 31, 2021
Stock options	158,420	165,620
Warrants	-	4,988
Total potential dilutive securities not included in loss per share	158,420	170,608

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment is summarized as follows:

	December 31, 2022	December 31, 2021
Leasehold improvements	$ 165,701	$ 165,701
Equipment, furniture, and fixtures	3,821,575	3,360,315
	3,987,276	3,526,016

Less: accumulated depreciation and amortization	(3,275,962)	(2,889,115)
Property and equipment, net	$ 711,314	$ 636,901

Depreciation and amortization expense related to these assets for the years ended December 31, 2022 and 2021 was $386,847 and $346,202.

Property and equipment under finance leases (included in Note 7) are summarized as follows:

	December 31, 2022	December 31, 2021
Equipment, furniture, and fixtures	$ 1,256,092	$ 833,574
Less: accumulated amortization	(716,743)	(495,468)
Property and equipment, net	$ 539,349	$ 338,106

NOTE 5 – **INTANGIBLE ASSETS**

Intangible assets consist of proprietary developed software, intellectual property, customer lists and acquired contracts carried at cost less accumulated amortization and customer lists acquired at fair value less accumulated amortization. Amortization is computed using the straight-line method over the estimated useful lives.

On January 1, 2022 ("Effective Date"), the Company entered into an asset purchase agreement with Dynamic Tech Services, Inc ("DTS") to acquire certain assets of DTS. The purchase price for the Acquired Assets was $1,335,000, $500,000 of which was paid in cash and $835,000 of which was paid through the issuance of a four-year $835,000 promissory note dated January 1, 2022, paying interest at the rate of 3.25% per annum (see Note 10).

On January 19, 2022, SWK acquired the customer list of NEO3, LLC ("NEO3") pursuant to an Asset Purchase Agreement for the customer list for $150,000 cash and the issuance of a promissory note in the aggregate principal amount of $75,000 (the "NEO3 Note"). The NEO3 Note is due in 36 months from the closing date and bears interest at a rate of two percent (2.0%) per annum. Monthly payments including interest are $2,148. The purchase price has been recorded as an intangible asset with an estimated life of seven years.

The components of intangible assets are as follows:

	December 31, 2022	December 31, 2021	Estimated Useful Lives
Proprietary developed software	$ 390,082	$ 390,082	5 –7
Intellectual property, customer list, and acquired contracts	7,743,283	6,237,612	5 –15
Total intangible assets	$ 8,133,365	$ 6,627,694	
Less: accumulated amortization	(3,868,012)	(3,135,460)	
	$ 4,265,353	$ 3,492,234	

NOTE 5 – **INTANGIBLE ASSETS (Continued)**

Amortization expense related to the above intangible assets was $732,552 and $531,102, respectively, the years ended December 31, 2022 and 2021. There was no impairment of intangible assets for the years ended December 31, 2022 and 2021, respectively.

The Company expects future amortization expense to be the following:

	Amortization
2023	$ 647,844
2024	647,844
2025	644,367
2026	633,165
2027	619,516
thereafter	1,072,617
Total	$ 4,265,353

The following table provides a summary of the changes in goodwill for the years ended December 31, 2022 and 2021:

	December 31, 2022	December 31, 2021
Goodwill, at beginning of year	$ 1,011,952	$ 1,011,952
Goodwill additions	128,000	-
Goodwill deductions	-	-
Goodwill, at end of year	$ 1,139,952	$ 1,011,952

NOTE 6 – LONG-TERM AND RELATED PARTY DEBT

On May 31, 2018, SWK acquired certain assets of Info Sys Management, Inc. ("ISM") pursuant to an asset purchase agreement for cash of $300,000 and a promissory note issued in the aggregate principal amount of $1,000,000 (the "ISM Note"). The ISM Note is due five years from the closing date and bears interest at a rate of two percent (2%) per annum. Monthly payments including interest are $17,528. The ISM Note has an optional conversion feature whereby the holder may, at its sole and exclusive option, elect to convert, at any time and from time to time, until payment in full of the ISM Note, all of the outstanding principal amount of the ISM Note, plus accrued interest, into shares (the "Conversion Shares") of the Company's Common Stock, ("Common Stock") at per share price equal to $4.03, a price equal to the average closing price of its Common Stock for the five (5) trading days immediately preceding the issuance date of the ISM Note (the "Fixed Conversion Price"). In February 2021, ISM converted the outstanding balance of the ISM Note in the amount of $479,112 into 119,004 shares of the Company's common stock. At December 31, 2022 and December 31, 2021, the outstanding balances on the ISM Note were $-0- and $-0-, respectively.

On May 31, 2018, Secure Cloud Services acquired certain assets of Nellnube, Inc. ("Nellnube") pursuant to an Asset Purchase Agreement for a promissory note issued in the aggregate principal amount of $400,000 (the "Nellnube Note"). The Nellnube Note is due five years from the closing date and bears interest at a rate of two percent (2%) per annum. Monthly payments including interest are $7,011. The Nellnube Note has an optional conversion feature whereby the holder may, at its sole and exclusive option, elect to convert, at any time and from time to time, all of the outstanding principal amount of the Nellnube Note, plus accrued interest, into shares (the "Conversion Shares") of the Company's Common Stock, ("Common Stock") at per share price equal to $4.03 (the "Fixed Conversion Price"). In February 2021, Nellnube converted the outstanding balance of the Nellnube Note loan in the amount of $191,645 into 47,602 shares of the Company's common stock. At December 31, 2022 and December 31, 2021, the outstanding balances on the Nellnube Note were $-0- and $-0-, respectively.

On January 1, 2019, SWK acquired certain assets of Partners in Technology, Inc. ("PIT") pursuant to an Asset Purchase Agreement for cash of $60,000 and the issuance of a promissory note in the aggregate principal amount of $174,000 (the "PIT Note"). The PIT Note is due in 36 months from the closing date and bears interest at a rate of two percent (2.0%) per annum. Monthly payments including interest are $4,984. At December 31, 2022 and December 31, 2021, the outstanding balances of the loan were $-0- and $4,975, respectively.

NOTE 6 – **LONG-TERM AND RELATED PARTY DEBT (Continued)**

On July 31, 2020, the Company acquired certain assets of Prairie Technology Solutions Group, LLC ("Prairie Tech") pursuant to an Asset Purchase Agreement. In consideration for the acquired assets, the Company paid $185,000 in cash and issued three promissory notes to Prairie Tech ("Prairie Tech Note 1", "Prairie Tech Note 2" and "Prairie Tech Note 3"), each in the principal aggregate amount of $103,333 (collectively the "Prairie Tech Notes"). The Prairie Tech Notes bear interest at a rate of 4% per annum. Prairie Tech Note 1 has a term of one (1) year and is subject to downward adjustment based on whether certain revenue milestones are achieved. In July 2021, the Company waived its rights to any downward adjustments on these notes, and agreed to pay the full face amount, plus interest, on those notes on the date of maturity. Prairie Tech Note 2 has a term of two (2) years and is also subject to downward adjustment based on whether certain revenue milestones are achieved. Prairie Tech Note 3 has a term of three (3) years and is not subject to a downward adjustment. On July 31, 2021, the Company paid Note 1 and accrued interest in the amount of $107,543. On August 4, 2022, the Company paid Note 2 and accrued interest in the amount of $111,924. At December 31, 2022 and December 31, 2021, the outstanding balances on the PT Notes were $103,333 and $206,667, respectively.

On October 1, 2020, SWK acquired certain assets of Computer Management Services, LLC, ("CMS") pursuant to an Asset Purchase Agreement for cash of $410, clients' deposits related to technical support in the amount of $50,115, prepaid time from clients in the amount of $67,073, and the issuance of a promissory note in the aggregate principal amount of $170,000 (the "CMS Note") for a total of $287,598. The CMS Note is due in 36 months from the closing date and bears interest at a rate of two percent (2.0%) per annum. Monthly payments including interest are $4,869. At December 31, 2022 and December 31, 2021, the outstanding balances on the CMS Note were $48,249 and $105,097, respectively.

On December 1, 2020, SWK acquired certain assets of Business Software Solutions ("BSS") pursuant to an Asset Purchase Agreement for a promissory note in the aggregate principal amount of $230,000 (the "BSS Note"). The BSS Note is due in 60 months from the closing date and bears interest at a rate of two percent (2.0%) per annum. Monthly payments including interest are $4,031. At December 31, 2022 and December 31, 2021, the outstanding balances on the BSS Note were $140,748 and $185,820, respectively.

On April 1, 2021, SWK acquired certain assets of CT-Solution, Inc. ("CTS") pursuant to an Asset Purchase Agreement for a promissory note in the aggregate principal amount of $130,000 (the "CTS Note"). The CTS Note is due in 36 months from the closing date and bears interest at a rate of two percent (2.0%) per annum. Monthly payments including interest are $3,724. At December 31,2022 and December 31, 2021, the outstanding balances on the CTS Note were $58,741 and $101,781, respectively.

On May 1, 2021, SWK acquired certain assets of PeopleSense, Inc. ("PSI") pursuant to an Asset Purchase Agreement for cash of $145,703, customer deposits related to prepaid time from clients in the amount of $99,938, and the issuance of a promissory note in the aggregate principal amount of $450,000 (the "PSI Note"). The PSI Note is due in 36 months from the closing date and bears interest at a rate of two percent (2.0%) per annum. Monthly payments including interest are $12,889. At December 31, 2022 and December 31, 2021, the outstanding balances on the PSI Note were $215,863 and $364,600, respectively.

On January 1, 2022, SWK acquired certain assets of Dynamic Tech Services, Inc. ("DTSI") pursuant to an Asset Purchase Agreement for $500,000 cash and the issuance of a promissory note in the aggregate principal amount of $835,000 (the "DTSI Note"). The DTSI Note bears interest at a rate of three and one-quarter percent (3.25%) per annum. The principal amount of the Note is subject to a downward adjustment in the event the Company loses any subscription renewal revenue during the one-year period immediately following the Effective Date from any persons that were customers of DTS immediately prior to the Effective Date (the "DTS Customers"). Any such downward adjustment will be determined by calculating the percentage of loss of Acumatica subscription renewals during the one-year period immediately following the Effective Date from DTS Customers. In the event that subscription renewal revenue received from DTS Customers during the one-year period immediately following the Effective Date is less than 95% of the subscription renewal revenue received by DTS from DTS Customers during the one-year period immediately preceding the Effective Date, the principal amount of the Note will be reduced. The measuring period for any downward adjustment will be as of the one-year anniversary of the Effective Date. Notwithstanding the foregoing, under no circumstances will the principal amount of the Note be reduced by reason of such downward adjustment by more than $150,000 (*i.e.*, to a principal amount below $685,000).

NOTE 6 – LONG-TERM AND RELATED PARTY DEBT (Continued)

The Note will be amortized as follows: The first payment of principal and interest due under the Note, which will be an annual payment, is due and payable on January 1, 2023, after the revised principal amount of the Buyer Note is determined and thereafter, payments will be made quarterly in twelve equal installments. At December 31, 2022, the outstanding balance on the DTSI Note was $835,000 (see Note 10).

On January 19, 2022, SWK acquired the customer list of NEO3, LLC ("NEO3") pursuant to an Asset Purchase Agreement for the customer list for $150,000 cash and the issuance of a promissory note in the aggregate principal amount of $75,000 (the "NEO3 Note"). The NEO3 Note is due in 36 months from the closing date and bears interest at a rate of two percent (2.0%) per annum. Monthly payments including interest are $2,148. At December 31, 2022 the outstanding balance on the NEO3 Note was $52,559.

At December 31, 2022 and December 31, 2021, certain long-term debt is considered a related party liability as holders, including Prairie Tech and PIT, are current employees of the Company. As of December 31, 2022 and December 31, 2021, the outstanding balances of this debt were $103,333 and $211,642, respectively.

Total long-term debt balances at December 31, 2022 and 2021 were $1,454,493 and $968,940, respectively, of which $783,479 and $402,005 was classified as current portion at December 31, 2022 and 2021, respectively.

At December 31, 2022, future payments of promissory notes are as follows over each of the next four fiscal years:

2023	$ 783,479
2024	360,093
2025	258,738
2026	52,183
Total	$ 1,454,493

NOTE 7 – FINANCE LEASE OBLIGATIONS

The Company has entered into lease commitments for equipment that meet the requirements for capitalization. The equipment has been capitalized and is included in property and equipment in the accompanying consolidated balance sheets. The related obligations are based upon the present value of the future minimum lease payments with the following:

	December 31, 2022	December 31, 2021
Weighted average remaining lease terms	3.44	2.10
Weighted average interest rates	7.31%	7.9%

At December 31, 2022, future payments under finance leases are as follows:

2023	$ 252,977
2024	177,214
2025	115,608
2026	115,608
2027	48,170
Total minimum lease payments	709,577
Less amounts representing interest	(93,134)
Present value of net minimum lease payments	616,443
Less current portion	(214,990)
Long-term capital lease obligation	$ 401,453

NOTE 8 – OPERATING LEASE LIABILITIES

The Company leases space in four different locations and also has an equipment lease rental with monthly payments ranging from $3,022 to $10,279 which expire at various dates through April 2024.

The Company's leases generally do not provide an implicit rate, and therefore the Company uses its incremental borrowing rate as the discount rate when measuring operating lease liabilities. The incremental borrowing rate represents an estimate of the interest rate the Company would incur at lease commencement to borrow an amount equal to the lease payments on a collateralized basis over the term of a lease.

The Company's weighted average remaining lease term and weighted average discount rate for operating leases as of December 31, 2022 and 2021 are as follows:

	December 31, 2022	December 31, 2021
Weighted average remaining lease term	1.19	2.46
Weighted average discount rate	4.77%	4.77%

The following table reconciles the undiscounted future minimum lease payments (displayed by year and in the aggregate) under noncancelable operating leases with terms of more than one year to the total lease liabilities recognized on the consolidated balance sheet as of December 31, 2022:

2023	$ 277,881
2024	60,735
Total undiscounted future minimum lease payments	338,616
Less: Difference between undiscounted lease payments and discounted lease liabilities	(10,054)
Total operating lease liabilities	$ 328,562
Less current portion	(268,345)
Long-term operating lease liabilities	$ 60,217

Total rent expense under operating leases for the year ended December 31, 2022 was $387,228 as compared to $616,849 for the year ended December 31, 2021. Rent expense paid with cash was $395,003 for the year ended December 31, 2022, as compared to $628,657 for the year ended December 31, 2021.

NOTE 9 – EQUITY

Common Stock At-The-Market Sales Program

On October 1, 2020, the Company entered into an At Market Issuance Sales Agreement (the "2020 At Market Agreement") with a H.C. Wainwright &Co. (the "Sales Agent") under which the Company may issue and sell shares of its common stock having an aggregate offering price of up to $3,489,499 from time to time through the Sales Agent. Sales of the Company's common stock through the Sales Agent, if any, will be made by any method that is deemed an "at the market" offering as defined by the U.S. Securities and Exchange Commission. The Company will pay to the Sales Agent a commission rate equal to 3.0% of the gross proceeds from the sale of any shares of common stock sold through the Sales Agent under the 2020 At Market Agreement.

Shares of common stock sold under the 2020 At Market Agreement were made pursuant to the Company's Registration Statement on Form S-3 (File No. 333-249238), filed with the Securities and Exchange Commission (the "SEC") on October 2, 2020, as amended, and declared effective on October 23, 2020 (the "2020 Registration Statement"), and the prospectus included in the 2020 Registration Statement. In February 2021, 393,300 shares of Common Stock were issued and sold generating $3,382,352, excluding legal expenses. No shares remain eligible for sale under the 2020 At Market Agreement.

NOTE 9 – EQUITY (Continued)

In April 2021, the Company entered into an At Market Issuance Sales Agreement (the "2021 At Market Agreement") with the Sales Agent under which the Company may issue and sell shares of its common stock having an aggregate offering price of up to $3,308,842 from time to time through the Sales Agent. Sales of the Company's common stock through the Sales Agent, if any, will be made by any method that is deemed an "at the market" offering as defined by the SEC. The Company will pay to the Sales Agent a commission rate equal to 3.0% of the gross proceeds from the sale of any shares of common stock sold through the Sales Agent under the 2021 At Market Agreement.

Shares of common stock sold under the 2021 At Market Agreement are made pursuant to the Company's Registration Statement on Form S-3 (File No. 333-249238), filed with the Securities and Exchange Commission (the "SEC") on October 2, 2020, as amended, and declared effective on October 23, 2020 (the "2020 Registration Statement"), the prospectus included in the 2020 Registration Statement and the related prospectus supplement dated February 26, 2021. In June 2021, 65,452 shares of Common Stock were issued and sold generating $722,116, excluding legal expenses. In July 2021, an additional 9,548 shares of Common Stock were issued and sold generating $76,436, net of legal expenses.

For the year ended December 31, 2022, the Company issued no shares under the 2021 At Market Agreement. For the year ended December 31, 2021, the company issued and sold a total of 468,300 shares generating $4,180,904, net of legal expenses.

Stock Repurchase Program

On October 10, 2019, the Company's Board of Directors authorized a new stock repurchase program, under which the Company may repurchase up to $2 million of its outstanding common stock. Under this new stock repurchase program, the Company may repurchase shares in accordance with all applicable securities laws and regulations, including Rule 10b-18 of the Securities Exchange Act of 1934, as amended. The extent to which the Company repurchases its shares, and the timing of such repurchases, will depend upon a variety of factors, including market conditions, regulatory requirements and other corporate considerations, as determined by the Company's management. The repurchase program may be extended, suspended or discontinued at any time. The Company expects to finance the program from existing cash resources. On November 5, 2021, the Board of Directors voted to increase the authorized amount of the buyback from $2 million to $5 million. As of December 31, 2022, no repurchases have been made.

Issuance of Common Stock

On September 29, 2022, the Company approved 120,000 shares of common stock in exchange for services. The market value of these shares was $297,600.

Dividends

On June 21, 2021, the Company announced the payment of a $0.60 special cash dividend per share of Common Stock to shareholders of record July 9, 2021. The dividend was paid on July 16, 2021 in the amount of $3,081,706.

Conversion of Convertible Debt

In February 2021, ISM converted the outstanding balance of the loan in the amount of $479,112 into 119,004 shares of the Company's common stock (see Note 6).

In February 2021, Nellnube converted the outstanding balance of the loan in the amount of $191,645 into 47,602 shares of the Company's common stock (see Note 6).

NOTE 9 – EQUITY (Continued)

Stock Options

The Company adopted the 2019 Equity and Incentive Plan (the "2019 Plan") to order provide long-term incentives for employees and non-employees to contribute to the growth of the Company and attain specific performance goals.

The fair value of each option awarded is estimated on the date of grant using the Black-Scholes option valuation model that uses the assumptions noted in the following table. Expected volatilities are based on historical volatility of Common Stock. The expected life of the options granted represents the period from date of grant to expiration (5 years). The risk-free interest rate is based on the U.S. Treasury yield in effect at the time of grant. There were no stock options granted for the year ended December 31, 2022. On March 29, 2021, 99,990 stock options were granted with an exercise price of $6.53 per option and have a five-year term with a two-year vesting period at 50% per annum. The fair value of stock options granted was $4.888 per option on the date of grant using the Black Scholes option-pricing model with the assumptions in the below table. On October 14, 2021, 71,630 shares were granted to directors and officers with an exercise price of $5.90 per option and have a five-year term and are vested at the date of grant. The fair value of stock options granted was $4.14 per option on the date of grant using the Black Scholes option-pricing model with the assumptions in the below table.

Date of Grant	Dividend Yield	Risk-free Interest Rate	Volatility	Life
March 21, 2021	0.00%	0.89%	101.36%	5 years
October 14, 2021	0.00%	1.05%	91.51%	5 years

A summary of the status of the Company's stock option plans for the fiscal years ended December 31, 2022 and 2021 and changes during the years are presented below (in number of options):

	Number of Options	Average Exercise Price	Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding options at January 1, 2021	-	$ -	-	$ -0-
Options granted	171,620	6,268		
Options canceled/forfeited	(6,000)	$ 6,530		
Outstanding options at December 31, 2021	165,620	$ 6.256	4.48 years	$ -0-
Options granted	-	-		
Options canceled/forfeited	(7,200)	$ 6.530		
Outstanding options at December 31, 2022	158,420	$ 6.245	3.49 years	$ -0-
Vested Options:				
December 31, 2022:	115,025	$ 6.138	3.49 years	$ -0-
December 31, 2021:	71,630	$ 5.900	4.79 years	$ -0-

Total stock compensation recognized for the year ended December 31, 2022 and 2021 was $180,260 and $441,310, respectively

As of December 31, 2022 and 2021, the unamortized compensation expense for stock options was $41,437 and $228,726, respectively. The remaining amount will be recognized over the next 0.25 years.

As of December 31, 2022, there were 1,056,670 shares available for issuance under the Plan.

Warrants

As of December 31, 2021, the Company had outstanding warrants outstanding to purchase 4,988 shares of the Company's common stock at an exercise price of $4.01 per share. These warrants expired in March 2022.

SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 10 – BUSINESS COMBINATIONS

On April 1, 2021, SWK acquired certain assets of CT-Solution, Inc. ("CTS") pursuant to an asset purchase agreement for a promissory note in the aggregate principal amount of $130,000 (the "CTS Note"). The CTS Note is due in 36 months from the closing date and bears interest at a rate of two percent (2.0%) per annum. Monthly payments including interest are $3,724. The purchase price has been allocated to customer list with an estimated life of seven years.

On May 1, 2021, SWK acquired certain assets of PeopleSense, Inc. ("PSI") pursuant to an asset purchase agreement for cash of $145,703, customer deposits related to prepaid time from clients in the amount of $99,938, and the issuance of a promissory note in the aggregate principal amount of $450,000 (the "PSI Note"). The PSI Note is due in 36 months from the closing date and bears interest at a rate of two percent (2.0%) per annum. The allocation of the purchase price to customer list with an estimated life of seven years which is deductible for tax purposes, has been based on an independent valuation. The valuation showed an increase of $71,359 above the purchase price, which was recorded as a gain on bargain purchase in the consolidated statement of operations as the independent valuation exceeded the purchase price.

On January 1, 2022 ("Effective Date"), the Company entered into an asset purchase agreement with Dynamic Tech Services, Inc (DTS") to acquire certain assets of DTS. The purchase price for the Acquired Assets was $1,335,000, $500,000 of which was paid in cash and $835,000 of which was paid through the issuance of a four-year $835,000 promissory note dated January 1, 2022, paying interest at the rate of 3.25% per annum. The principal amount of the Note is subject to a downward adjustment in the event the Company loses any subscription renewal revenue during the one-year period immediately following the Effective Date from any persons that were customers of DTS immediately prior to the Effective Date (the "DTS Customers"). Any such downward adjustment will be determined by calculating the percentage of loss of Acumatica subscription renewals during the one-year period immediately following the Effective Date from DTS Customers. In the event that subscription renewal revenue received from DTS Customers during the one-year period immediately following the Effective Date is less than 95% of the subscription renewal revenue received by DTS from DTS Customers during the one-year period immediately preceding the Effective Date, the principal amount of the Note will be reduced. The measuring period for any downward adjustment will be as of the one-year anniversary of the Effective Date. Notwithstanding the foregoing, under no circumstances will the principal amount of the Note be reduced by reason of such downward adjustment by more than $150,000 (*i.e.*, to a principal amount below $685,000). The Note will be amortized as follows: The first payment of principal and interest due under the Note, which will be an annual payment, is due and payable on January 1, 2023, after the revised principal amount of the Buyer Note is determined and thereafter, payments will be made quarterly in twelve equal installments.

The Company expects these acquisitions to create synergies by combining operations and expanding geographic market share and product offerings.

The following summarizes the purchase price allocation for all prior year and current year's acquisitions:

	2021 Purchase CTS	2021 Purchase PSI	2022 Purchase DTS
Cash consideration	$ -	$ 145,703	$ 500,000
Note payable	130,000	450,000	835,000
Total purchase price	$ 130,000	$ 595,703	$ 1,335,000

Customer list	$ 130,000	$ 695,641	$ 1,207,000
Goodwill	-	-	128,000
Total assets acquired	130,000	695,641	1,335,000
Deferred revenue	-	(99,938)	-
Net assets acquired	$ 130,000	$ 595,703	$ 1,335,000

NOTE 10 – BUSINESS COMBINATIONS (Continued)

The following unaudited pro forma information does not purport to present what the Company's actual results would have been had the acquisitions of CT-Solution, Inc. ("CTS"), acquired April 1, 2021, PeopleSense, Inc. ("PSI), acquired May 1, 2021, and DTS, acquired January 1, 2022 occurred on January 1, 2021, nor is the financial information indicative of the results of future operations. The following table represents the unaudited consolidated pro forma results of operations for the year ended December 31, 2021 as if the acquisitions occurred on January 1, 2021. For the year ended December 31 2021, operating expenses have been increased for the amortization expense of expected definite lived intangible assets and interest on the notes payable.

Pro Forma	**Year Ended December 31, 2021**
Net revenues	$ 43,888,590
Cost of revenues	25,730,512
Operating expenses, amortization and interest	18,054,700
Other income	(321,359)
Income before taxes	424,737
Net income	$ 140,006
Basic and diluted income per common share	$ 0.03

The Company's consolidated financial statements for the year ended December 31, 2022 include the actual results of CTS, PSI and DTS, and as such, pro forma results are not required.

For the year ended December 31, 2021, there is $4,644 of estimated amortization expense and $606 of estimated interest expense included in the pro-forma results for CTS, $33,126 of estimated amortization expense and $2,797 of estimated interest expense included in the pro-forma results for PSI, and $190,714 of estimated amortization expense and $27,138 of estimated interest expense included in the pro-forma results for DTS.

For the year ended December 31, 2022, the CTI, PSI and DTS operations had a net income before taxes of $420,370 which represented twelve months of operations for CTI, PSI and DTS that were included in the Company's Consolidated Statement of Operations for the year ended December 31, 2022. This consisted of approximately $2,626,038 in revenues, $1,481,276 in cost of revenues and $724,392 in expenses.

NOTE 11 – INCOME TAXES

The recognized deferred tax asset is based upon the expected utilization of its benefit from future taxable income. The Company has federal net operating loss ("NOL") carryforwards of approximately $5,400,000 as of December 31, 2022, which is subject to limitations under Section 382 of the Internal Revenue Code. These carryforward losses are available to offset future taxable income and begin to expire in the year 2025 to 2033.

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NOTE 11 – INCOME TAXES (Continued)

The foregoing amounts are management's estimates, and the actual results could differ from those estimates. Future profitability in this competitive industry depends on continually obtaining and fulfilling new profitable sales agreements and modifying products. The inability to obtain new profitable contracts could reduce estimates of future profitability, which could affect the Company's ability to realize the deferred tax assets. Significant components of the Company's deferred tax assets and liabilities are summarized as follows:

	December 31, 2022	December 31, 2021
Deferred tax assets:		
Net operating loss carry forwards	$ 1,238,000	$ 1,314,000
Long lived assets	206,000	101,000
Share based payments	5,000	5,000
Accrued expenses	102,000	77,000
Allowance for doubtful accounts	122,000	95,000
Other	35,000	16,000
Deferred tax asset	1,708,000	1,608,000
Deferred tax liabilities:		
Long lived assets	(185,000)	(197,000)
Deferred tax liabilities	(185,000)	(197,000)
Net deferred tax asset	1,523,000	1,411,000
Less: Valuation allowance	(417,000)	(420,000)
Net deferred tax asset	$ 1,106,000	$ 991,000

For the year ended December 31, 2022, the Company recorded a tax benefit in the amount of $192,184 based on the estimated tax rate. The Federal effective rate is higher than the statutory rate primarily due to Incentive Stock Options (ISO), which are not tax deductible.

For the year ended December 31, 2021, the Company's Federal and State provision requirements were calculated based on the estimated tax rate. The Federal effective rate is higher than the statutory rate primarily due to Incentive Stock Options (ISO), gain on bargain purchase, 50% of meals, and 100% entertainment expense which are not tax deductible. The total tax provision for the year ended December 31, 2021 was $178,005.

A reconciliation of the statutory income tax rate to the effective rate is as follows for the period December 31, 2022 and 2021:

	December 31, 2022	December 31, 2021
Federal income tax rate	21%	21%
State income tax, net of federal benefit	(3%)	61%
Permanent items	(8%)	218%
Gain on bargain purchase	-	(34%)
Return to provision for prior year	30%	135%
Change in valuation allowance	1%	6%
Effective income tax rate	41%	407%

NOTE 11 – **INCOME TAXES (Continued)**

Income tax provision from continuing operations:

	Year Ended	
	December 31, 2022	December 31, 2021
Current:		
Federal	$ (105,826)	$ 92,334
State and local	22,410	37,545
Total current tax (benefit) provision	(83,416)	129,879
Deferred:		
Federal	(78,677)	51,207
State and local	(30,091)	(3,081)
Total deferred tax (benefit) provision	(108,768)	48,126
Total (benefit) provision	$ (192,184)	178,005

NOTE 12 – **RELATED PARTY TRANSACTIONS**

At December 31, 2022 and December 31, 2021, certain long-term debt is considered a related party liability as holders, including Prairie Tech and PIT, are current employees of the Company. As of December 31, 2022 and December 31, 2021, the outstanding balances of this debt were $103,333 and $211,642, respectively.

NOTE 13 – **COMMITMENTS AND CONTINGENCIES**

Contingencies

Employment agreements

The Company's Chief Executive Officer and President has had an Employment Agreement with the Company since September 15, 2003. On February 4, 2016 (the "Effective Date"), the Company entered into an amended and restated employment agreement (the "Meller Employment Agreement") with Mark Meller, pursuant to which Mr. Meller will continue to serve as the Company's President and Chief Executive Officer. The Meller Employment Agreement was entered into by the Company and Mr. Meller primarily to extend the term of Mr. Meller's employment. The term of the Meller Employment Agreement is for an additional 7 years through September of 2023 (the "Term") and shall automatically renew for additional periods of one year unless otherwise terminated in accordance with the employment agreement. As of the renewal date, the Company agreed to pay Mr. Meller and annual salary of $565,000 with a ten percent (10%) increase every year. The Meller Employment Agreement provides for a severance payment to Mr. Meller of three hundred percent (300%), less $100,000 of his gross income for services rendered to the Company in each of the five prior calendar years should his employment be terminated following a change in control (as defined in the Meller Employment Agreement). On November 5, 2021, the Company's Board of Directors approved a five-year extension through September of 2028 of the employment agreement with Mark Meller, the Company's Chief Executive Officer and President under the same terms and conditions.

NOTE 14 – **SALE OF PRODUCT LINE**

On November 10, 2021, SWK entered into an Asset Purchase Agreement with Net@Work, Inc. ("NAW") pursuant to which NAW acquired from SWK certain assets related to the component of SWK's business devoted to selling and supporting the Sage X3 software application published by Sage Software, Inc. for small and middle market companies in North America.

NOTE 14 – SALE OF PRODUCT LINE (Continued)

In consideration for the assets, NAW paid SWK $250,000 in cash and entered into a Revenue Share Agreement ("RSA") with SWK. Pursuant to the RSA, NAW agreed to pay to SWK, for limited periods of time ranging from 12 to 60 months, transitional compensation measured by reference to gross revenues or gross profits (as applicable) generated by NAW from its sales of products or services after the Effective Date to customers of the Business. In consideration for such transitional compensation, SWK agreed to assist NAW for a period of time after the Effective Date with such transitional services as may be reasonably requested by NAW and reasonably acceptable to SWK or otherwise required for the operation of the Business, including (a) implementing a smooth and orderly transfer of the Business and the Acquired Assets from SWK to NAW, (b) making introductions to customers of the Business as and when requested by NAW, (c) familiarizing NAW with the files of each of the customers as may be reasonably required, and (d) acclimating NAW to the Business. The specific products and services giving rise to transitional compensation payments under the RSA include (i) annual maintenance renewals by customers, (ii) software, cross-sell software and migration software sales to customers, (iii) consulting services performed for customers, (iv) annual managed services contracts sold to customers, (v) hosting contracts sold to customers, (vi) e-commerce projects sold to customers, and (vii) new customer referrals.

NOTE 15 – MERGER

On September 29, 2022, the Company entered into a definitive agreement and plan of merger (the "Merger Agreement") with Rhodium Enterprises, Inc. ("Rhodium"), an industrial-scale digital asset technology company utilizing proprietary technologies to mine bitcoin.

Under the terms of the Merger Agreement, which has been unanimously approved by the Boards of Directors of both SilverSun and Rhodium, upon the consummation of the business combination, the Company will receive $10 million in cash and will retain 3.2% equity in SilverSun upon consummation of the merger. Each holder of an outstanding share of SilverSun common stock will receive:

- A cash dividend of at least $1.50 per share, which equates to approximately $8.5 million in the aggregate;
- A stock dividend of one share of SilverSun Technologies Holdings, Inc. ("HoldCo"), a recently formed subsidiary of SilverSun. HoldCo's sole assets are its 100% ownership of SWK and SCS (together the "Subsidiaries"), which Subsidiaries accounted for the large majority of SilverSun's revenue in 2022. It is expected that the capital structure of HoldCo will roughly approximate the current capital structure of SilverSun;
- Following the consummation of the business combination, the business of the Subsidiaries will continue to be operated consistent with past practices. The current management and Board of Directors of SilverSun, including Mark Meller, the Chief Executive Officer of both SilverSun and SWK, will continue in their current roles at both HoldCo and the Subsidiaries. HoldCo will apply for public listing and the shares distributed in the stock dividend will be registered pursuant to a Form 10 that will be filed by HoldCo with the SEC (subject to regulatory and exchange regulations and approvals); and
- The shares of SilverSun's common stock to be retained by the current SilverSun stockholders following the consummation of the business combination will collectively represent approximately 3.2% of SilverSun's pro forma common equity ownership.

The proposed Mergers are expected to close in March or April of 2023, subject to the receipt of any applicable regulatory approvals, the approval of SilverSun's and Rhodium's respective stockholders, and other customary closing conditions.

Prior to the Mergers, SilverSun will hold a special meeting of its shareholders as of a pre-Merger record date to be determined (the "Special Meeting"). At the Special Meeting, the SilverSun stockholders will be asked to vote on the proposals set forth in the Form

S-4 Registration Statement of SilverSun (the "Form S-4") filed on October 19, 2022, as amended on January 9, 2023 and February 14, 2023 and as may be further amended in the future. These proposals include, but are not limited to, approval of (i) the Mergers; (ii) the Amended and Restated Certificate of Incorporation (and the matters covered thereby including the Reverse Stock Split); (iii) the Separation and Distribution Agreement; (iv) the SilverSun Technologies, Inc. 2023 Omnibus Incentive Plan; (v) the share issuances related to the Mergers requiring Nasdaq approval; and (vi) the post-Merger board nominees. These proposals are set forth in greater detail in the Form S-4. The Mergers are conditioned upon the approval of the Merger Proposal, subject to terms of the Merger Agreement. If the Merger Proposal is not approved, the other proposals (except the adjournment proposal, as described in the S-4) will not be presented to the shareholders for a vote. Similarly, approval of the Merger proposal is subject to the approval of the Amended and Restated Certificate of Incorporation proposal, the Separation and Distribution

The Merger Agreement may be terminated, whether before or after obtaining the requisite vote of SilverSun shareholders, by mutual written consent of SilverSun and Rhodium.

NOTE 15 – MERGER (Continued)

The Merger Agreement may be terminated, and the transactions abandoned, by either SilverSun or Rhodium at any time before the effective time of the , by written notice from one to the other if (i) the Closing has not occurred on or before March 31, 2023 or such later date mutually agreed to by SilverSun and Rhodium (the "Termination Date"), except that the right to terminate the Merger Agreement for this reason is not available to any party who is then in material breach of the Merger Agreement; (ii) the requisite vote of SilverSun shareholders has not been obtained by reason of the failure to obtain the required vote at the SilverSun Shareholders' Meeting (or any adjournment or postponement of such meeting) duly convened for such purpose, except that the right to terminate the Merger Agreement for this reason shall not be available to SilverSun where the failure to obtain the requisite vote has been caused by the action or failure to act of any of the SilverSun Entities or such action or failure to act constitutes a material breach by any of the SilverSun Entities of the Merger Agreement; or (iii) any law or order is enacted, issued, promulgated or entered by a governmental authority of competent jurisdiction (including Nasdaq) that permanently enjoins, or otherwise prohibits the consummation of the transactions, and (in the case of any order) such order has become final and non-appealable.

The Merger Agreement may be terminated, and the transactions abandoned, by SilverSun at any time before the First Effective Time, if (i) Rhodium breaches any of its representations, warranties, covenants or agreements contained in the Merger Agreement, which breach (a) would give rise to the failure to satisfy the general closing conditions or the closing conditions to the obligations of SilverSun at the Closing and (b) such breach cannot be cured by the Termination Date, or, if curable, has not been cured by Rhodium within the earlier of (A) 30 days after Rhodium's receipt of written notice of such breach from SilverSun and (B) three business days prior to the Termination Date, subject to certain conditions; or (ii) all of the general closing conditions and the closing conditions to the obligations of Rhodium at the Closing have been satisfied (other than any condition the failure of which to be satisfied has been principally caused by the breach of the Merger Agreement by Rhodium or any of its affiliates and conditions that, by their nature, are to be satisfied at Closing and which are, at the time of termination, capable of being satisfied) and Rhodium has failed to fulfill its obligations and agreements contained in the Merger Agreement to consummate the Closing within three business days following written notice of such satisfaction from SilverSun and SilverSun is ready, willing and able to consummate the Closing.

If the Merger Agreement is validly terminated pursuant to the termination section of the Merger Agreement, except as provided below, it shall become void and of no further force and effect, with no liability (except as provided below) on the part of any party (or any stockholder, affiliate or representative of such party), except that, if such termination results from (a) fraud or (b) the willful and material (i) failure of any party to perform its covenants, obligations or agreements contained in the Merger Agreement or (ii) breach by any party of its representations or warranties contained in the Merger Agreement, then such party shall be liable for any damages incurred or suffered by the other parties as a result of such failure or breach.

SilverSun shall pay, or cause to be paid, to Rhodium (or its designee(s)) by wire transfer of immediately available funds an amount equal to $5,000,000, if the Merger Agreement is terminated by Rhodium pursuant to the unilateral termination provisions in favor Rhodium described above.

Rhodium shall pay, or cause to be paid, to SilverSun (or its designee(s)) by wire transfer of immediately available funds an amount equal to $5,000,000, if the Merger Agreement is terminated by SilverSun pursuant to the unilateral termination provisions in favor of SilverSun described above.

SilverSun Technologies Holdings, Inc. filed its Form 10 with the SEC on December 23, 2022. The Form 10 was withdrawn on February 21, 2023 because the financial statements contained therein were stale. SilverSun Technologies Holdings, Inc. intends to refile a Form 10 containing updated financial statements on or about early March 2023 and expects to be able to request accelerated effectiveness of the Form 10 at its discretion.

On February 14, 2023, the Company filed Amendment 2 to Form S-4 Registration Statement with the SEC.

See business section of the Form 10-K for additional information.