

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

INFORMATION ANALYSIS INC

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

Form 8-K

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

Date of Report (Date of earliest event reported): August 26, 2021

INFORMATION ANALYSIS INCORPORATED

(Exact name of registrant as specified in its charter)

VA
(State or other jurisdiction
of incorporation)

000-22405
(Commission
File Number)

54-1167364
(IRS Employer
Identification No.)

11240 Waples Mill Rd, Ste 201
Fairfax, VA 22030
(Address of principal executive offices, including zip code)

703-383-3000
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

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

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	N/A	N/A

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Section 1 Registrant's Business and Operations

Item 1.01 Entry into a Material Definitive Agreement.

On August 26, 2021, Information Analysis Incorporated (the "Company") entered into an Executive Employment Agreement with G. James Benoit, Jr., who was named as the Chief Executive Officer of the Company. Mr. Benoit will receive a base salary of \$60,000, with eligibility to receive an annual performance bonus up to 100% of his base salary based on measurement standards to be determined by the Board's compensation committee. He will be granted options to purchase 30,000 shares of Company's common stock under its 2016 Stock Incentive Plan and will be entitled to receive not less than 1,000,000 options upon the adoption of a new stock incentive plan.

Section 3 Securities and Trading Markets

Item 3.02 Unregistered Sale of Equity Securities

On August 26, 2021, the Company sold 1,400,000 shares of its common stock at a price of \$2.00 per share. The Company relied upon Rule 506(b) of Regulation D in issuing these shares. No commissions were payable in connection with this offering. For each share purchased, purchasers were issued a warrant granting the right to purchase an additional share of common stock at a price of \$3.00 per share, with the warrants expiring on August 31, 2026. 1,400,000 shares of common stock issuable upon exercise of warrants in connection with the offering have been reserved for issuance.

Section 5 Corporate Governance and Management

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b) Resignation of Certain Officers

On August 26, 2021, Stanley A. Reese resigned from his position as Chief Executive Officer of the Company. He will retain his position as President of the Company and retain his membership on the board of directors of the Company. (the "Board").

(c) Appointment of Certain Officers

(d) Election of Directors

On August 19, 2021, the Board unanimously elected G. James "Jamie" Benoit, Jr., age 49, as a member of the Board effective as of the execution of his employment agreement, to hold office beginning upon successful completion of qualification procedures, which occurred on August 26, 2021, and to serve until the next annual meeting of the shareholders of the Company. In addition, Mr. Benoit was appointed as the Company's Chief Executive Officer. The committees of the Board to which he will be named has not yet been determined. There are no family relationships between Mr. Benoit and any director or officer of the Company.

Mr. Benoit has spent his career devoted to the intelligence and national security missions of the United States. From 2009 to 2019, Jamie served as the CEO of FedData and Domain5, a pair of technology companies supplying secure hardware, engineering, analytics, network engineering and computer network operations support services to the National Intelligence Community and the Department of Defense. On Jamie's watch, FedData grew from start-up to nearly \$500 million in revenue and over \$30 million in earnings.

In 2015, Mr. Benoit led FedData through the acquisition of a distressed asset and successfully turned the asset around. He sold FedData in 2018, earning the stockholders and private equity partners an IRR greater than 80%. As CEO, Mr. Benoit secured over \$300 million in asset-based credit facilities, \$40 million in revolving facilities and over \$75 million in senior unsecured debt. Mr. Benoit most recently led the FedData through the successful capture of a 5-year, more than \$500 million, contract supporting the intelligence community. Mr. Benoit retired as CEO of FedData in December 2019.

Prior to becoming FedData's CEO 10 years ago, Mr. Benoit's career spanned distinguished service as an officer in the United States Army, important work in civilian government, and work in the private sector. A licensed attorney, he spent several years at prominent law firms where he worked on a range of matters including corporate formation, mergers and acquisitions, securities, leveraged buyouts, banking and finance.

Mr. Benoit is a graduate of St. Mary's College of Maryland, the University of Baltimore and the Georgetown University Law Center. A lifelong resident of Annapolis, he lives with his wife and three children.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On August 19, 2021, the Board voted to amend the first sentence under Article III, Section 2 of the Company's Bylaws to read, "The number of directors which shall constitute the whole Board of Directors shall not be less than three nor more than nine." The number of directors was previously limited to a maximum of seven. The effective date of the amendment is August 26, 2021, commensurate with Mr. Benoit's qualification and acceptance to serve on the Board.

Item 9.01 Financial Statement and Exhibits

- (d) See the Exhibit Index below, which is incorporated by reference herein.
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EXHIBIT INDEX

Exhibit Number	Description
3.2	Amended Article III, Section 2 of the Company's Bylaws.
4.1	Form of Warrant issued in connection with the offering of August 26, 2021
10.1	Executive employment agreement for G. James Benoit, Jr.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

		INFORMATION ANALYSIS INCORPORATED
Date: August 30, 2021	By:	/s/ Matthew T. Sands
		Matthew T. Sands
		Chief Financial Officer

EXHIBIT 3.2

Amended Article III, Section 2 of the Company's Bylaws.

ARTICLE III

Board of Directors

Section 2. Number, Qualification, and Term of Office. The number of directors which shall constitute the whole Board of Directors shall not be less than three nor more than nine. Within the limits above specified, the number of directors which shall constitute the whole Board of Directors shall be determined by resolution of the Board of Directors or by the shareholders at any annual or special meeting or otherwise pursuant to action of the shareholders. Directors need not be shareholders. The directors shall be elected at the annual meeting of the shareholders, except as provided in Section 4 and 5 of this Article III, and each director elected shall hold office until the annual meeting next after his election and until his successor is elected and qualified, or until his death or retirement or until he shall resign or shall be removed in the manner hereinafter provided. Such election shall be by written ballot.

EXHIBIT 4.1

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

INFORMATION ANALYSIS INCORPORATED

WARRANT FOR THE PURCHASE OF SHARES OF COMMON STOCK

Date: August __, 2021

Number of Shares: _____

For Value Received, **Information Analysis Incorporated**, a Virginia corporation (the "**Company**"), with its principal office at 12015 Lee Jackson Memorial Highway, Suite 210, Fairfax, VA 22033, hereby certifies that _____ (the "**Holder**") or his assigns, in partial consideration for entering into that certain Subscription Agreement and Investment Letter, Attached as Exhibit A, dated as of August __, 2021, by and between the Company and the Holder in which the Holder is purchasing shares of the Company's Common Stock (the "**Investment**"), the Holder is entitled, subject to the provisions of this Warrant, to purchase from the Company the number of fully paid and nonassessable shares of Common Stock of the Company set forth above, subject to adjustment as hereinafter provided.

In connection with the Investment, Holder, at its option and in may purchase such number of shares of Common Stock at a purchase price per share (as appropriately adjusted pursuant to Section 7 hereof) of **\$3.00** (the "**Exercise Price**"). The term "**Common Stock**" shall mean the aforementioned Common Stock of the Company, together with any other equity securities that may be issued by the Company in addition thereto or in substitution therefor as provided herein.

The number of shares of Common Stock to be received upon the exercise of this Warrant and the price to be paid for a share of Common Stock are subject to adjustment from time to time as hereinafter set forth. The shares of Common Stock deliverable upon such exercise, as adjusted from time to time, are hereinafter sometimes referred to as "**Warrant Stock**."

- EXERCISE OF WARRANT.** This Warrant may be exercised in whole or in part on any business day prior to the Expiration Date (as hereinafter defined) by presentation and surrender hereof to the Company at its principal office at the address set forth in the initial paragraph hereof (or at such other address as the Company may hereafter notify Holder in writing) with the Purchase Form annexed hereto duly executed and accompanied by proper payment of the Exercise Price in lawful money of the United States of America in the form of a check, subject to collection, for the number of shares of Warrant Stock specified in the Purchase Form. If this Warrant should be exercised in part only, the Company shall, upon surrender of this Warrant, execute and deliver a new Warrant evidencing the rights of Holder thereof to purchase the balance of the Warrant Stock purchasable hereunder. Upon receipt by the Company of this Warrant and such Purchase Form, together with proper payment of the Exercise Price, at the principal office of the Company, Holder shall be deemed to be the holder of record of the Warrant Stock, notwithstanding that the stock transfer books of the Company shall then be closed or that certificates representing such Warrant Stock shall not then be actually delivered to Holder.

- NET EXERCISE.** Notwithstanding any provisions herein to the contrary, if the fair market value of one share of the Common Stock is greater than the Exercise Price (at the date of calculation as set forth below), in lieu of exercising this Warrant for cash, Holder may elect to receive shares equal to the value (as determined below) of this
2. Warrant (or the portion thereof being canceled) by surrender of this Warrant at the principal office of the Company together with the properly endorsed Form of Subscription and notice of such election in which event the Company shall issue to Holder a number of shares of Warrant Stock computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where X the number of shares of Warrant Stock to be issued to Holder
=

Y the number of shares of Warrant Stock purchasable under the Warrant or, if only a portion of the
= Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)

A the fair market value of one share of the Warrant Stock (at the date of such calculation)
=

B Exercise Price (as adjusted to the date of such calculation)
=

For purposes of this Section 2, the fair market value of Warrant Stock on the date of calculation shall mean with respect to each share of Warrant Stock:

- ;
- a) if the Company's Common Stock is traded on a securities exchange or the NASDAQ Stock Market or actively traded over-the-counter:
- 1) if the Company's Common Stock is traded on a securities exchange, the fair market value shall be deemed to be the average of the closing prices over a thirty (30) day period ending three days before the date of calculation;
 - 2) if the Company's Common Stock is actively traded over-the-counter, the fair market value shall be deemed to be the average of the closing bid or sales price (whichever is applicable) over the thirty (30) day period ending three days before the date of calculation; or
-

- 3) if neither (1) nor (2) is applicable, the fair market value of Warrant Stock shall be at the highest price per share which the Company could obtain on the date of calculation from a willing buyer (not a current employee or director) for shares of Warrant Stock sold by the Company, from authorized but unissued shares, as determined in good faith by the Board of Directors, taking into consideration, without limitation, the most recent sales of the Company's capital stock.
 - 4) to the extent this Warrant is not previously exercised, it shall be automatically exercised in accordance with this Section 2 prior to any termination in accordance with Section 8.
 3. **RESERVATION OF SHARES.** The Company hereby agrees that at all times there shall be reserved for issuance and delivery upon exercise of this Warrant all shares of its Common Stock or other shares of capital stock of the Company from time to time issuable upon exercise of this Warrant. All such shares shall be duly authorized and, when issued upon such exercise in accordance with the terms of this Warrant, shall be validly issued, fully paid and nonassessable.
 4. **FRACTIONAL INTEREST.** The Company will not issue a fractional share of Common Stock upon exercise of a Warrant. Instead, the Company will deliver its check for the current market value of the fractional share. The current market value of a fraction of a share is determined as follows: multiply the current fair market value (as determined as set forth in Section 2) of a full share by the fraction of a share and round the result to the nearest cent.
 5. **TRANSFERS; ASSIGNMENT OR LOSS OF WARRANT.**
 - a) Subject to the terms and conditions contained in Section 10 hereof, this Warrant and all rights hereunder are transferable in whole or in part by Holder and any successor transferee; provided that prior to such transfer Holder shall give thirty (30) days prior written notice of any such transfer to the Company. The transfer shall be recorded on the books of the Company upon receipt by the Company of the Transfer Notice annexed hereto at its principal offices and the payment to the Company of all transfer taxes and other governmental charges imposed on such transfer.
 - b) Holder shall not, without obtaining the prior written consent of the Company, which consent shall not be unreasonably withheld, assign its interest in this Warrant in whole or in part to any person or persons. Subject to the provisions of Section 11, upon surrender of this Warrant to the Company or at the office of its stock transfer agent or warrant agent, with the Assignment Form annexed hereto duly executed and funds sufficient to pay any transfer tax, the Company shall, without charge, execute and deliver a new Warrant or Warrants in the name of the assignee or assignees named in such instrument of assignment (any such assignee will then be a "Holder" for purposes of this Warrant) and, if Holder's entire interest is not being assigned, in the name of Holder, and this Warrant shall promptly be canceled.
 - c) Upon receipt of evidence satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant, and (in the case of loss, theft or destruction) of indemnification satisfactory to the Company, and upon surrender and cancellation of this Warrant, if mutilated, the Company shall execute and deliver a new Warrant of like tenor and date. In the event that this Warrant is lost, stolen, destroyed or mutilated, Holder shall pay all reasonable attorneys' fees and expenses incurred by the Company in connection with the replacement of this Warrant and the issuance of a new Warrant.
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6. **RIGHTS OF HOLDER.** Holder shall not, by virtue hereof, be entitled to any rights of a stockholder in the Company, either at law or equity, and the rights of Holder are limited to those expressed in this Warrant. Nothing contained in this Warrant shall be construed as conferring upon Holder hereof the right to vote or to consent or to receive notice as a stockholder of the Company on any matters or with respect to any rights whatsoever as a stockholder of the Company. No dividends or interest shall be payable or accrued in respect of this Warrant or the interest represented hereby or the Warrant Stock purchasable hereunder until, and only to the extent that, this Warrant shall have been exercised in accordance with its terms.
7. **ADJUSTMENT OF EXERCISE PRICE AND NUMBER OF SHARES.** The number and kind of securities purchasable upon the exercise of the Warrant and the Exercise Price shall be subject to adjustment from time to time upon the occurrence of certain events, as follows:
- a) *Stock Splits and Dividends.* If outstanding shares of the Common Stock shall be subdivided into a greater number of shares or a dividend in Common Stock shall be paid in respect of Common Stock, the Exercise Price in effect immediately prior to such subdivision or at the record date of such dividend shall simultaneously with the effectiveness of such subdivision or immediately after the record date of such dividend be proportionately reduced. If outstanding shares of Common Stock shall be combined into a smaller number of shares, the Exercise Price in effect immediately prior to such combination shall, simultaneously with the effectiveness of such combination, be proportionately increased. When any adjustment is required to be made in the Exercise Price, the number of shares of Warrant Stock purchasable upon the exercise of this Warrant shall be changed to the number determined by dividing (i) an amount equal to the number of shares issuable upon the exercise of this Warrant immediately prior to such adjustment, multiplied by the Exercise Price in effect immediately prior to such adjustment, by (ii) the Exercise Price in effect immediately after such adjustment.
 - b) *Reclassification, Etc.* In case there occurs any reclassification or change of the outstanding securities of the Company or of any reorganization of the Company (or any other corporation the stock or securities of which are at the time receivable upon the exercise of this Warrant) or any similar corporate reorganization on or after the date hereof, then and in each such case Holder, upon the exercise hereof at any time after the consummation of such reclassification, change, or reorganization shall be entitled to receive, in lieu of the stock or other securities and property receivable upon the exercise hereof prior to such consummation, the stock or other securities or property to which such Holder would have been entitled upon such consummation if such Holder had exercised this Warrant immediately prior thereto, all subject to further adjustment pursuant to the provisions of this Section 7.
 - c) *Adjustment Certificate.* When any adjustment is required to be made in the Warrant Stock or the Exercise Price pursuant to this Section 7, the Company shall promptly mail to Holder a certificate setting forth (i) a brief statement of the facts requiring such adjustment, (ii) the Exercise Price after such adjustment and (iii) the kind and amount of stock or other securities or property into which this Warrant shall be exercisable after such adjustment.
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8. **TERMINATION.** This warrant (and the right to purchase securities upon exercise hereof) shall terminate upon the earliest to occur of the following (the “**Expiration Date**”): (a) August 31, 2026 or (b) a Sale of the Company (as defined below).
9. **SALE OF THE COMPANY.** The Company will notify the Holder of any proposed Sale of the Company at least fifteen (15) days prior to the expected closing of the Sale of the Company. As used herein, “**Sale of the Company**” means (i) any sale, transfer or other disposition to another company of all or substantially all of the Company’s assets, (ii) the sale of shares of the Company resulting in more than 50% of the voting power of the Company or of the surviving entity being vested in persons other than the persons who own 50% or more of the voting power of the Company immediately prior to the effectiveness of such transaction, or (iii) a merger or consolidation of the Company resulting in more than 50% of the voting power of the Company or of the surviving entity being vested in persons other than the persons who own 50% or more of the voting power of the Company immediately prior to the effectiveness of such transaction.
10. **TRANSFER TO COMPLY WITH THE SECURITIES ACT OF 1933.** This Warrant may not be exercised and neither this Warrant nor any Securities (as defined below), nor any interest in either, may be offered, sold, assigned, pledged, hypothecated, encumbered or in any other manner transferred or disposed of, in whole or in part, except in compliance with applicable United States federal and state securities or blue sky laws and the terms and conditions hereof. Each Warrant shall bear a legend in substantially the same form as the legend set forth on the first page of this Warrant. Each certificate for the Securities issued upon exercise of this Warrant, unless at the time of exercise such Securities are acquired pursuant to a registration statement that has been declared effective under the Securities Act of 1933, as amended (the “**Securities Act**”), and applicable blue sky laws, shall bear a legend substantially in the following form:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

Any certificate for any Securities issued at any time in exchange or substitution for any certificate for any Securities bearing such legend (except a new certificate for any Securities issued after the acquisition of such Securities pursuant to a registration statement that has been declared effective under the Securities Act) shall also bear such legend unless, in the opinion of counsel for the Company, the Securities represented thereby need no longer be subject to the restriction contained herein. The provisions of this Section 10 shall be binding upon all subsequent holders of certificates for Securities bearing the above legend and all subsequent holders of this Warrant, if any.

11. **REPRESENTATIONS AND COVENANTS OF HOLDER.** This Warrant has been entered into by the Company in reliance upon the following representations and covenants of Holder, which by its execution hereof Holder hereby confirms:

- a) *Investment Purpose.* The right to acquire the Common Stock (the “**Securities**”), and any Securities issued upon exercise of Holder’s rights contained herein, will be acquired for investment and not as compensation or with a view to the sale or distribution of any part thereof, and Holder has no present intention of selling or engaging in any public distribution of the same except pursuant to a registration or exemption.
- b) *Private Issue.* Holder understands (i) that the Securities issuable upon exercise of Holder’s rights contained herein are not registered under the Securities Act or qualified under applicable state securities laws on the ground that the issuance contemplated by this Warrant will be exempt from the registration and qualification requirements thereof, and (ii) that the Company’s reliance on such exemption is predicated on the representations set forth in this Section 11.
- c) *Disposition of Holder’s Rights.* In no event will Holder make a disposition of any of its rights to acquire the Securities, or of any Securities issued upon exercise of such rights, unless and until (i) it shall have notified the Company of the proposed disposition and (ii) if requested by the Company, it shall have furnished the Company with an opinion of counsel (which counsel may either be inside or outside counsel to Holder) reasonably satisfactory to the Company and its counsel to the effect that (A) appropriate action necessary for compliance with the Securities Act has been taken or (B) an exemption from the registration requirements of the Securities Act is available. Notwithstanding the foregoing, the restrictions imposed upon the transferability of any of its rights to acquire the Securities, or of any Securities issued on the exercise of such rights do not apply to transfers from the beneficial owner of any of the aforementioned securities to its nominee or from such nominee to its beneficial owner, and shall terminate as to such security when (1) such security shall have been effectively registered under the Securities Act and sold by the holder thereof in accordance with such registration, (2) such security shall have been sold without registration in compliance with Rule 144 under the Securities Act or (3) a letter shall have been issued to Holder at its request by the staff of the Securities and Exchange Commission or a ruling shall have been issued to Holder at its request by such Commission stating that no action shall be recommended by such staff or taken by such Commission, as the case may be, if such security is transferred without registration under the Securities Act in accordance with the conditions set forth in such letter or ruling, and such letter or ruling specifies that no subsequent restrictions on transfer are required. Whenever the restrictions imposed hereunder shall terminate, as hereinabove provided, Holder or a holder of the Securities then outstanding as to which such restrictions have terminated shall be entitled to receive from the Company, without expense to such holder, one or more new certificates for the Warrant or for such Securities not bearing any restrictive legend.
- d) *Financial Risk.* Holder has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment and has the ability to bear the economic risks of its investment.

- e) *Risk of No Registration.* Holder understands that if the Company does not register with the Securities and Exchange Commission pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), or file reports pursuant to Section 15(d) of the Exchange Act, or if a registration statement covering the Securities under the Securities Act is not in effect when it desires to sell (i) the rights to purchase the Securities pursuant to this Warrant or (ii) the Securities issued upon exercise of the right to purchase, it may be required to hold such securities for an indefinite period. Holder also understands that any sale of its rights of Holder to purchase the Securities, or of any of the Securities, which might be made by it in reliance upon Rule 144 under the Securities Act may be made only in accordance with the terms and conditions of that Rule.
- f) *Accredited Investor.* Holder is an “accredited investor” within the meaning of the Securities and Exchange Rule 501 of Regulation D, as presently in effect.

12. MARKET-STANDOFF AGREEMENT

- a) *Market-Standoff Period; Agreement.* In connection with the initial public offering of the Company’s securities and upon request of the Company or the underwriters managing such offering of the Company’s securities, Holder agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the Company’s initial public offering; provided, that the Company’s officers and directors and the holders of substantially all of its outstanding shares of capital stock are subject to substantially similar restrictions.
- b) *Stop-Transfer Instructions.* In order to enforce the foregoing covenants, the Company may impose stop-transfer instructions with respect to the securities of Holder (and the securities of every other person subject to the restrictions in Section 12(a)).
- c) *Transferees Bound.* The Holder agrees that prior to the Company’s initial public offering it will not transfer securities of the Company unless each transferee agrees in writing to be bound by all of the provisions of this Section 12.

13. **DELIVERY OF STOCK CERTIFICATES.** Upon receipt by the Company of the Exercise Agreement, surrender of this Warrant, and payment of the Aggregate Exercise Price (in accordance with Section 4 hereof), or upon an adjustment pursuant to Section the Company shall, as promptly as practicable, and in any event within three (3) Business Days thereafter, execute (or cause to be executed) and deliver (or cause to be delivered) to the Holder a certificate or certificates representing the Warrant Stock issuable upon such exercise, in such denomination or denominations as the exercising Holder shall reasonably request. This Warrant shall be deemed to have been exercised and such certificate or certificates of Warrant Stock shall be deemed to have been issued, and the Holder or any other person so designated to be named therein shall be deemed to have become a holder of record of such Warrant Stock for all purposes, as of the Exercise Date

14. **PURCHASE RIGHTS.** In addition to any adjustments pursuant to this Warrant, if at any time the Company grants, issues or sells any shares of Common Stock, Options, Convertible Securities, or rights to purchase stock, warrants, securities, or other property pro rata to the record holders of Common Stock (the "Purchase Rights"), then the Holder shall be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder would have acquired if the Holder had held the number of Warrant Stock acquirable upon complete exercise of this Warrant immediately before the date on which a record is taken for the grant, issuance, or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for the grant, issue, or sale of such Purchase Rights.
15. **SATURDAYS, SUNDAYS AND HOLIDAYS.** If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall be a Saturday or a Sunday or shall be a legal holiday in the State of Delaware, then such action may be taken or such right may be exercised on the next succeeding day not a Saturday, Sunday or legal holiday in the State of California.
16. **ISSUE TAX.** The issuance of certificates for Common Stock upon the exercise of the Warrant shall be made without charge to the holder of the Warrant for any issue tax (other than any applicable income taxes) in respect thereof; provided, however, that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of any certificates in a name other than that of the then Holder of the Warrant being exercised.
17. **MODIFICATION AND WAIVER.** Neither this Warrant nor any term hereof may be changed, waived, discharged or terminated other than by an instrument in writing signed by the Company and by Holder.
18. **NOTICES.** Unless otherwise specified herein, any notice, request or other document required or permitted to be given or delivered to Holder or the Company shall be given in writing and shall be deemed effectively given (i) upon personal delivery to the party to be notified, (ii) three (3) days after deposit in the United States mail if sent by registered or certified mail, postage prepaid, or (iii) one (1) day after deposit with an overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to Holder at its address as shown on the books of the Company, or to the Company at the address indicated therefor in the first paragraph of this Warrant.
19. **DESCRIPTIVE HEADINGS AND GOVERNING LAW.** The description headings of the several sections and paragraphs of this Warrant are inserted for convenience only and do not constitute a part of this Warrant. This Warrant shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of Delaware, without regard to its conflicts of laws principles.
20. **ATTORNEYS' FEES.** In any litigation, arbitration or court proceeding between the Company and Holder relating hereto, the prevailing party shall be entitled to attorneys' fees and expenses and all costs of proceedings incurred in enforcing this Warrant.
21. **SURVIVAL.** The representations, warranties, covenants and conditions of the respective parties contained herein or made pursuant to this Warrant shall survive the execution and delivery of this Warrant.
22. **SEVERABILITY.** In the event any one or more of the provisions of this Warrant shall for any reason be held invalid, illegal or unenforceable, the remaining provisions of this Warrant shall be unimpaired, and the invalid, illegal or unenforceable provision shall be replaced by a mutually acceptable valid, legal and enforceable provision, which comes closest to the intention of the parties underlying the invalid, illegal or unenforceable provision.

IN WITNESS WHEREOF, the Company has duly caused this Warrant to be signed by its duly authorized officer and to be dated as of the date first above written.

Company:

Information Analysis Incorporated

By: _____

Name:

Title:

EXHIBIT 10.1

EXECUTIVE EMPLOYMENT AGREEMENT

This EXECUTIVE EMPLOYMENT AGREEMENT (this “Agreement”) is made and entered into as of this 24th day of August 2021, by and between Information Analysis Incorporated, a Virginia corporation (the “Company”), and G. James Benoit, Jr. (“Executive”).

WHEREAS, the Company desires to employ Executive, and Executive desires to be employed by the Company and accordingly the parties hereto have determined it to be in their mutual best interests to enter into this Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

1. Term. This Agreement will become effective upon the date hereof and continue in effect until terminated in accordance with the terms and conditions set forth in Section 4 below (the “Term”).

2. Duties and Extent of Services.

(a) Duties. Executive shall be employed as Chief Executive Officer of the Company, with (i) such duties and responsibilities as are normally incident to such title; and (ii) such other duties as determined by the Board of Directors of the Company (the “Board”).

(b) Extent of Services. During the Term, Executive shall devote Executive’s full business time and reasonable best efforts exclusively to the advancement of the business and interests of the Company and its Affiliates and to the discharge of Executive’s duties and responsibilities hereunder.

(c) Outside Activities. Other than those activities which Executive was engaged in prior to the date of this Agreement and which has been disclosed to the Board, Executive shall not engage in any other business activity during the Term, except as may be expressly approved in advance by the Company in writing; provided, however, that Executive may, without advance consent, (i) participate in charitable activities, (ii) participate in passive personal investment activities, (iii) serve on corporate, civic or charitable boards or committees, and (iv) deliver lectures and fulfill speaking engagements; provided, however, that in each case such activities do not, individually or in the aggregate, interfere with the performance of Executive’s duties under this Agreement, are not in material conflict with the business interests of the Company.

(d) Location. The position is based at the Company’s primary headquarters and place of business, which is currently Fairfax, Virginia. Executive shall be permitted to work from an office in Annapolis, Maryland and to telecommute from time to time provided working from such office or such telecommuting does not interfere with the performance of Executive’s duties under this Agreement.

3. Compensation and Benefits. As compensation for all services performed by Executive hereunder during the Term, and subject to performance of Executive's duties and responsibilities to the Company and its Affiliates, pursuant to this Agreement or otherwise:

(a) Base Salary. During the Term, the Company shall pay Executive a base salary at the rate of \$60,000 per year ("Base Salary") payable in accordance with the Company's general payroll practices in effect from time to time. During the Term, the Base Salary will be reviewed by the Board from time to time, and may from time to time be increased as determined by the Board in its sole discretion. Effective as of the date of any adjustment to the Base Salary, the Base Salary as so adjusted will be considered the new Base Salary for all purposes of this Agreement. The Base Salary may only be decreased at any time by the Board in connection with, and in proportion to, a general salary reduction applicable to other senior executives of the Company unless otherwise agreed to by Executive.

(b) Incentive Compensation. In addition to the Base Salary, Executive will be eligible to participate in incentive compensation plans or programs that may be established by the Board from time to time for the Company's senior executives.

(i) Performance Bonus. Executive shall be eligible to receive an annual performance bonus ("Bonus"). The Executive will have a target bonus of one hundred percent (100%) of Base Salary based on achievement of objectives established each year. Objectives will be divided into three categories: financial performance, operating performance, and discretionary or individual performance. The objectives and weighting will be determined by the Compensation Committee in consultation with Executive and approved by the Board. The Board will establish performance metrics each year and assess performance against these objectives. Executive's Bonus payable pursuant to this paragraph shall be contingent upon Executive being employed by the Company prior to the payment of such Bonus, except as otherwise specified in this Agreement. Any Bonus awarded to Executive hereunder with respect to a completed fiscal year to which the Bonus relates will be paid no later than the date that is thirty (30) days following the issuance of the Company's audited financial statements applicable for such fiscal year or, if a covenant violation exists with the Company's lenders which would preclude such payment, when such violation is cured. If Executive's employment hereunder is terminated during a fiscal year by the Company without Cause or by Executive with Good Reason then Executive shall be entitled to the Pro-Rated Bonus (as defined below) in accordance with Section 6(b). For purposes of this Agreement, "Pro-Rated Bonus" shall mean an amount equal to (i) the total Bonus that Executive would have been entitled to receive, if any, in the fiscal year in which Executive's employment hereunder is terminated, multiplied by (ii) the percentage of the fiscal year that has elapsed as of the date of Executive's termination of employment.

(ii) Equity Compensation. The Company will issue a grant Executive 30, 000 options (the "First Option Grant") in the Company's 2016 Stock Incentive Plan and not less than 1,000,000 options (the "Second Option Grant") in the next stock option plan approved by the Board of Directors of the Company.

(c) Holidays; Paid Leave. Executive will be entitled to be paid for holidays according to Company policy in effect from time to time. Additionally, Executive will be entitled vacation and sick leave according to Company Policy in effect from time to time. Vacation will be taken at such times and dates as will not interfere with Executive's duties and responsibilities to the Company.

(d) Benefit Plans. Executive will be offered the opportunity to participate in such pension, retirement, savings and health and welfare benefit plans, and any other employee benefit plans for which Executive is eligible as may be established from time to time by the Company for other Company employees and executives (collectively, the “Benefit Plans.”) The Company may modify or terminate such benefits from time to time as it deems appropriate. Nothing paid to the Executive under any plan or arrangement presently in effect or made available in the future shall be deemed to be in lieu of the Base Salary, Bonus, incentive compensation (pursuant to Section 3(b)(i)), if any, or equity compensation (pursuant to Section 3(b)(ii)) payable to Executive pursuant to this Agreement.

(e) Business Expenses. The Company shall pay or reimburse Executive for reasonable, customary and necessary out-of-pocket business expenses incurred or paid by Executive in the performance of Executive’s duties and responsibilities hereunder, subject to such reasonable substantiation, documentation and other policies adopted by the Company from time to time. The Company will permit Executive to furnish an office in Annapolis, MD with the IT, telecommunications, teleconferencing equipment necessary for Executive to discharge his duties.

(f) Indemnification. In connection with this Agreement, at the request of Executive, the Company shall execute and deliver to the Executive an Indemnification Agreement, in a form mutually satisfactory to the Company and Executive which shall govern the Company’s indemnification obligations related to Executive’s actions in his capacity as an employee, officer and/or director of the Company.

4. Termination of Employment. Executive’s employment hereunder shall terminate under the following circumstances:

(a) Termination Upon Death or Disability. Executive’s employment shall terminate automatically upon Executive’s death. The Company will have the right to terminate this Agreement if Executive becomes Disabled subject to this provision. For purposes of this Agreement, “Disabled” shall mean physical or mental disability of the Executive resulting in the Executive’s inability to perform substantially all of the essential functions of his job duties and responsibilities with the Company subject to the requirements of applicable disability discrimination laws for (i) a period of four (4) consecutive months, or (ii) for shorter periods aggregating one hundred eighty (180) days during any twelve-month period, as determined by the Board in good faith.

(b) By the Company for Cause. The Company may terminate Executive’s employment hereunder for Cause. The following shall constitute “Cause” for termination:

(i) if Executive has committed a felony, or Executive pleads guilty or *nolo contendere* to, any serious crime or offense (whether or not involving the Company or any of its Affiliates) either (A) causing substantial and material harm to the Company or any of its Affiliates (whether or not for personal gain), or (B) constituting a crime of moral turpitude that is punishable by imprisonment in a state or federal correction facility;

(ii) one or more acts of fraud or willful dishonesty by Executive resulting or intending to result in personal gain or enrichment at the expense of the Company or its Affiliates;

(iii) conduct by Executive in connection with Executive's employment duties that is fraudulent or unlawful;

(iv) failure by Executive to comply with the lawful direction of the Board, to the extent such direction is not inconsistent with the terms of this Agreement, which Executive fails to cure within thirty (30) days after receipt of written notice of such breach (if it is of the type that can be cured); provided that the Company will not be required to deliver Executive more than one such notice and opportunity to cure in any six (6)-month period with respect to the same type of breach;

(v) any material breach by Executive of Executive's obligations under this Agreement or any other agreement with the Company or any of its Affiliates, which Executive fails to cure within thirty (30) days after receipt of written notice of such breach (if it is of the type that can be cured); provided that the Company will not be required to deliver Executive more than one such notice and opportunity to cure in any six (6)-month period with respect to the same type of breach).

(c) By Executive with Good Reason. Executive may terminate his employment hereunder with Good Reason by providing written notice to the Company. For purposes of this Agreement, "Good Reason" means the existence or occurrence of one or more of the following conditions or events:

(i) the Company's material breach of this Agreement and the failure to cure within thirty (30) days after receipt of written notice of such breach (if it is of the type that can be cured); provided that the Executive will not be required to deliver to the Company more than one such notice and opportunity to cure in any six (6)-month period with respect to the same type of breach;

(ii) any material diminution by the Company in Executive's duties or authority as of the date hereof (in each case, other than in the case of a merger, consolidation, corporation reorganization or other business combination involving the Company, in which Executive generally has the same relative authority with respect to the businesses of the Company following such transaction);

(iii) material diminution of Executive's then-existing compensation package (i.e., Base Salary, bonus opportunity and all other benefits taken together) unless such decrease is in connection with, and in proportion to, a general reduction applicable to other senior executives of the Company; or

(iv) a requirement that Executive relocate his principal workplace to a location not within a fifty (50) mile radius of the Company's office location in Annapolis, Maryland, without Executive's consent.

A termination of employment will not be considered a termination with Good Reason unless (x) the Executive, within thirty (30) days following the occurrence of the condition giving rise to “Good Reason,” notifies the Company in writing of his intent to terminate with Good Reason; (y) the Company fails to cure such condition within thirty (30) days after being so notified; and (z) the Executive actually terminates no later than thirty (30) days after the end of such thirty (30)-day cure period.

(d) By Company without Cause. The Company may terminate Executive’s employment hereunder other than for Cause at any time. Where feasible, the Company will endeavor to provide Executive with reasonable notice (e.g., ninety (90) days) if it chooses to terminate the employment relationship without Cause. During any such notice period, Executive shall supply any such transition services as the Board or its authorized agents may direct. Notwithstanding the above, nothing in this Agreement obligates that Company to provide notice or reason for termination to Executive.

(e) By Executive without Good Reason. Executive may terminate Executive’s employment hereunder at any time. As a professional courtesy, the Company requests that Executive provide it with at least ninety (90) days’ prior written notice of Executive’s intent to terminate Executive’s employment with the Company pursuant to this Section 4(e). During any such notice period, Executive agrees to supply any such transition services as the Board or its authorized agents may reasonably request. The Board or its authorized agents, at their sole discretion, may direct Executive not to report to his office and/or not to perform any services for the Company during such ninety (90) day period.

5. Effect of Termination.

The provisions of this Section 5 shall apply to any termination of Executive’s employment under this Agreement, whether pursuant to Section 4 or otherwise.

(a) Obligation of the Company for Death, Disability, Cause or Without Good Reason Termination. Upon Executive’s death, or upon the giving of written notice of termination of Executive’s employment hereunder because Executive is Disabled or for Cause, or by Executive without Good Reason, the Company shall have no further obligation or liability to Executive under this Agreement, other than for: (i) any Base Salary earned but not paid through the date of termination, (ii) any additional payments, awards, or benefits, if any, which Executive is eligible to receive under the terms of any Benefit Plan, (iii) any business expenses incurred by Executive but unreimbursed on the date of termination, provided that such expenses and required substantiation and documentation are submitted within sixty (60) days following termination, and (iv) subject to the timing rules of Section 3(b)(i) above, the Bonus awarded for the fiscal year preceding that in which termination occurs as well as any other bonus compensation awarded for the fiscal year preceding that in which termination occurs, but unpaid on the date of termination (all of the foregoing, payable subject to the timing limitations described herein, “Final Compensation”). Final Compensation shall be paid to Executive in a lump sum within the timeframe prescribed by applicable law; provided that business expenses of Executive will be reimbursed within thirty (30) days of the date of submission, provided such business expenses meet the requirements of Section 3(e), and the bonuses described in Section 6(a)(iv) (which remain subject to the timing rules of Section 3(b)(i) above).

(b) Obligation of the Company for Termination Other Than for Death, Disability, or Cause, or by Executive with Good Reason. In the event of termination by the Company without Cause or by Executive with Good Reason, in addition to any Final Compensation, Executive shall be entitled to receive (i) the Pro-Rated Bonus, (ii) severance payments at the same rate as the Base Salary for a period of twelve (12) months following the date of termination of Executive's employment (the "Severance Period"), and (iii) Executive's continued participation in all Benefit Plans during the Severance Period, pursuant to the same terms upon which Executive participated in the Benefit Plans during his employment, subject to the applicable plan documents (the "Severance Benefits"); provided, however, that although Executive is not required to mitigate damages by seeking other employment during the Severance Period, the amount of any payments to be made to Executive during the Severance Period shall be reduced by any compensation or benefits earned by or provided to Executive as the result of any employment or provision of consulting or other services by Executive prior to the expiration of the Severance Period.

(c) Release. Payments of the Severance Benefits are conditioned upon Executive's compliance in all material respects with the terms of this Agreement, including, without limitation, continued compliance with the Proprietary Information and Invention Agreement attached hereto as Exhibit B, and Executive's execution, delivery to the Company and non-revocation of a general release related solely to employment in favor of the Company and its Affiliates in substantially the form attached hereto as Exhibit C (the "Release"); provided, however, that the Company may revise the form of Release to comply with all applicable laws. If Executive fails to comply with this Agreement in any material respects, or fails to execute the Release or revokes the Release during the seven (7)-day period following execution of the Release, then Executive will not be entitled to any Severance Benefits, and will receive only Final Compensation.

(d) Provision by the Company of Final Compensation, reimbursement of business expenses and Severance Benefits, if any, that are due Executive in each case under the applicable termination provision of Section 6 shall constitute the entire obligation of the Company to Executive under this Agreement.

(e) This Agreement does not alter any right of Executive to continue coverage under a Company-sponsored group health plan in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985, after Executive no longer qualifies for Company-funded participation in the Company's Benefit Plans.

(f) Provisions of this Agreement shall survive any termination of Executive's employment if so provided herein or if necessary or desirable fully to accomplish the purposes of other surviving provisions, including without limitation the obligations of Executive under Sections 7 or 8 hereof and under the Proprietary Information and Invention Agreement attached hereto as Exhibit B, and the obligations of the Company under Section 6 hereof. Executive recognizes that no compensation is earned after termination of employment under this Agreement.

6. Confidentiality Limitations, Non-competition and Non-Solicitation. Executive shall execute and deliver the Proprietary Information and Invention Agreement which is attached hereto as Exhibit B and expressly incorporated into this Agreement.

(a) Confidential Information. During the course of the Executive's employment with the Company and its Affiliates, the Executive has learned and will continue to learn of Confidential Information, and has developed and will continue to develop Confidential Information on behalf of the Company and its Affiliates. The Executive agrees that she will not use or disclose to any Person (except as required by applicable law or for the proper performance of her regular duties and responsibilities for the Company) any Confidential Information obtained by the Executive incident to her employment or any other association with the Company or any of its Affiliates. The Executive agrees that this restriction will continue to apply after her employment terminates, regardless of the reason for such termination. For the avoidance of doubt, (i) nothing contained in this Agreement limits, restricts, or in any other way affects the Executive's communicating with any governmental agency or entity, or communicating with any official or staff person of a governmental agency or entity, concerning matters relevant to such governmental agency or entity, and (ii) the Executive will not be held criminally or civilly liable under any federal or state trade secret law for disclosing a trade secret (y) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or (z) in a complaint or other document filed under seal in a lawsuit or other proceeding; provided, however, that notwithstanding this immunity from liability, the Executive may be held liable if she unlawfully accesses trade secrets by unauthorized means.

(b) Assignment of Rights to Intellectual Property. The Executive shall promptly and fully disclose all Intellectual Property to the Company. The Executive hereby assigns and agrees to assign to the Company (or as otherwise directed by the Company) her full right, title, and interest in and to all Intellectual Property. The Executive agrees to execute any and all applications for domestic and foreign patents, copyrights, or other proprietary rights and to do such other acts (including without limitation the execution and delivery of instruments of further assurance or confirmation) requested by the Company to assign the Intellectual Property to the Company (or as otherwise directed by the Company) and to permit the Company to enforce any patents, copyrights or other proprietary rights to the Intellectual Property. The Executive will not charge the Company or any of its Affiliates for time spent in complying with these obligations. All copyrightable works that the Executive creates during her employment shall be considered "work made for hire" and shall, upon creation, be owned exclusively by the Company.

(c) Non-Solicitation of Customers.

(i) Definitions. For purposes of this Agreement, the following definitions apply:

"Customer" means any Non-Governmental Person that has purchased Products or Services from the Company or any of its Affiliates.

“Government” means any government, including any branch, agency, office or division of the government of the United States of America or of any state (including the District of Columbia), territory, province or other governmental jurisdiction or unit, whether foreign, domestic, or multi-national.

“Non-Governmental” means any Person that is neither the Government nor (A) representing the Government, or (B) acting on the Government’s behalf.

“Products or Services” means those products and related professional services of the nature and type sold and performed by the Company or any of its Affiliates so long as such products or services are substantially similar to those offered, sold and performed by the Company, at any time during the Executive’s employment. Without limiting the foregoing, Products or Services will include any products or services provided by the Company or any of its Affiliates, so long as such products or services are substantially similar to those offered, sold and performed by the Company at any time during the Executive’s employment under any contract with a Customer (including any extensions or re-competes of any such contracts) or to be sold or performed under any proposal with a Prospective Customer which is in the Company’s bidding process at any time during the Executive’s employment.

“Prospective Customer” means (A) during the Executive’s employment, (i) any Person for whom the Company or any of its Affiliates is actively proposing to provide Products or Services to the Executive’s knowledge and (B) with respect to the portion of the Restricted Period that follows termination of the Executive’s employment provided that the Company may, at the time of the Executive’s termination, provide a list of Persons for whom the Company or any of its Affiliates has actively proposed to provide Products or Services to the Executive’s knowledge within the twelve (12) month period immediately preceding such termination, to the extent that such Persons are material to the Business.

“Restricted Commercial Competitor” means any person, firm, corporation or entity that offers Products or Services.

“Restricted Customer” means any organization contracting with the Company or any of its Affiliates while the Executive is employed by the Company.

(ii) While the Executive is employed by the Company and during the one (1) year period immediately following termination of her employment, regardless of the reason therefor (in the aggregate, the “Restricted Period”), the Executive will not, directly or indirectly sell or attempt to sell any Products or Services to any Customer, or solicit, market to, sell to, advise for, consult for, or perform or attempt to perform any services for any Customer with respect to any Products or Services.

(iii) During the Restricted Period, the Executive will not, directly or indirectly, encourage, induce, or urge any Customer, Prospective Customer or Government, or any Person representing or acting on behalf of any Customer or Government to cease doing business, diminish its business, or terminate or diminish its prospective relationship with the Company or any of its Affiliates.

(iv) During the Restricted Period, the Executive will not, directly or indirectly, solicit, market to, sell to, advise for, consult for, accept employment with, or sell or attempt to sell any products or services or perform or attempt to perform any services for any Restricted Commercial Competitors.

(d) Non-Solicitation of Employees and Independent Contractors. During the Restricted Period, the Executive will not, directly or indirectly, (a) hire, engage, or solicit for hiring or engagement, any employee of the Company or any of its Affiliates or seek to persuade any such employee to discontinue employment or (b) solicit or encourage any independent contractor providing services to the Company or any of its Affiliates to terminate or diminish his, her, or its relationship with any of them. For the purposes of this Section 6, an “employee” or an “independent contractor” of the Company or any of its Affiliates is any Person who was such at any time during the six (6) month period immediately preceding the activity restricted by this Section 6. Notwithstanding the foregoing, the Executive’s direct or indirect engagement in any general solicitation (e.g., blanket mailing or published advertisement) that is not directed at any such employees or independent contractors will not, solely by reason thereof, constitute a violation of this Section 6.

7. Non-Disparagement. Executive shall not engage in any conduct that involves the making or publishing of written or oral statements or remarks including, without limitation, the repetition or distribution of derogatory rumors, allegations, negative reports or comments, which are disparaging, deleterious or damaging to the integrity, reputation or good will of the Company or any of its Affiliates, or any of their officers, directors, employees, consultants and agents. This Section 8 is not applicable to truthful testimony obtained through subpoena or to any truthful information provided pursuant to investigation by any governmental body.

8. Withholding. All payments made by the Company under this Agreement shall be reduced by any tax or other amounts required to be withheld by the Company under applicable law.

9. Assignment. The Company may assign this Agreement and all of its rights and obligations hereunder to an Affiliate without prior consent by Executive. The services to be rendered by Executive to the Company under this Agreement are personal in nature and, therefore, Executive may not assign or delegate Executive’s rights, duties or obligations under this Agreement, and any attempt to do so will be null and void.

10. Severability. If any portion or provision of this Agreement shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

11. Section 409A Compliance. Each payment under this Agreement, including each payment in a series of installment payments, is intended to be a separate payment for purposes of Treas. Reg. §1.409A-2(b), and is intended to be: (i) exempt from Section 409A of the Internal Revenue Code of 1986, as amended, the regulations and other binding guidance promulgated thereunder (“Section 409A”), including, but not limited to, by compliance with the short-term deferral exemption as specified in Treas. Reg. § 1.409A-1(b)(4) and the involuntary separation pay exception within the meaning of Treas. Reg. §1.409A-1(b)(9)(iii), or (ii) in compliance with Section 409A, including, but not limited to, being paid pursuant to a fixed schedule or specified date pursuant to Treas. Reg. § 1.409A-3(a) and the provisions of this Agreement will be administered, interpreted and construed accordingly. If, nonetheless, this Agreement either fails to satisfy the requirements of Section 409A or is not exempt from the application of Section 409A, then the parties hereby agree to amend or to clarify this Agreement in a timely manner so that this Agreement either satisfies the requirements of Section 409A or is exempt from the application of Section 409A, provided, however, that no such amendment or clarification shall reduce the economic benefit that Executive was to derive from this Agreement prior to such amendment or clarification.

12. Amendment, Waiver. Neither Executive nor the Company may modify, amend, or waive the terms of this Agreement other than by a written instrument signed by Executive and the Company. Either party’s waiver of the other party’s compliance with any specific provision of this Agreement is not a waiver of any other provision of this Agreement or of any subsequent breach by such party of a provision of this Agreement. No delay on the part of any party in exercising any right, power or privilege hereunder will operate as a waiver thereof.

13. Notices. Any and all notices, requests, demands and other communications provided for by this Agreement shall be in writing and shall be effective when delivered in person, consigned to a reputable national courier service or deposited in the United States mail, postage prepaid, registered or certified, and addressed to Executive at Executive’s last known address on the books of the Company or, in the case of the Company, at its principal place of business, attention of the Chairman of the Board (or equivalent), or to such other address as either party may specify by notice to the other actually received.

14. Entire Agreement. This Agreement, including the recitals and exhibits hereto, constitutes the entire agreement between the parties with respect to Executive’s employment and supersedes and terminates all prior communications, agreements and understandings, written or oral, with respect to the terms and conditions of Executive’s employment with the Company. Executive certifies and acknowledges that Executive has carefully read all of the provisions of this Agreement, and that Executive voluntarily and knowingly enters into said Agreement. Nothing in this Agreement shall supersede or otherwise negate any post-employment confidentiality, nondisclosure, nonsolicitation, noninterference or noncompetition obligations imposed by any other agreement between Executive and the Company or any of its Affiliates.

15. Headings, Board Actions. The headings and captions in this Agreement are for convenience only and in no way define or describe the scope or content of any provision of this Agreement. All actions to be taken by the Board pursuant to this Agreement shall mean such board excluding, for such purposes, Executive, if applicable.

16. Counterparts and Electronic Signature. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Further, this Agreement may be executed by transfer of an originally signed document by facsimile, e-mail or other electronic means, any of which will be as fully binding as an original document.

17. Advice of Counsel and Construction. The parties acknowledge that all parties to this Agreement have been represented by counsel or had the opportunity to be represented by counsel of their choice. Accordingly, the rule of construction of contract language against the drafting party is hereby waived by all parties. Additionally, neither the drafting history nor the negotiating history of this Agreement may be used or referred to in connection with the construction or interpretation of this Agreement.

18. Governing Law and Jurisdiction. This Agreement shall be construed and enforced under and be governed in all respects by the laws of the Commonwealth of Virginia, without regard to the conflict of laws principles thereof. The parties hereby consent and submit to the exclusive jurisdiction of all state and federal courts sitting in the Commonwealth of Virginia, the venue of Fairfax County and the venue of the U.S. District Court for the Eastern District of Virginia, and all actions and proceedings arising out of or relating to this Agreement shall be heard and determined in a state or federal court in the Commonwealth of Virginia.

IN WITNESS WHEREOF, this Agreement has been executed by the Company, by its duly authorized representative, and by Executive, as of the date first above written.

COMPANY:

Information Analysis Incorporated.

By: _____
Name:
Title:

EXECUTIVE:

G. James Benoit, Jr.

**Document And Entity
Information**

Aug. 26, 2021

Document Information [Line Items]

<u>Entity, Registrant Name</u>	INFORMATION ANALYSIS INCORPORATED
<u>Document, Type</u>	8-K
<u>Document, Period End Date</u>	Aug. 26, 2021
<u>Entity, Incorporation, State or Country Code</u>	VA
<u>Entity, File Number</u>	000-22405
<u>Entity, Tax Identification Number</u>	54-1167364
<u>Entity, Address, Address Line One</u>	11240 Waples Mill Rd, Ste 201
<u>Entity, Address, City or Town</u>	Fairfax
<u>Entity, Address, State or Province</u>	VA
<u>Entity, Address, Postal Zip Code</u>	22030
<u>City Area Code</u>	703
<u>Local Phone Number</u>	383-3000
<u>Written Communications</u>	false
<u>Soliciting Material</u>	false
<u>Pre-commencement Tender Offer</u>	false
<u>Pre-commencement Issuer Tender Offer</u>	false
<u>Entity, Emerging Growth Company</u>	false
<u>Current Fiscal Year End Date</u>	--12-31
<u>Amendment Flag</u>	false
<u>Entity, Central Index Key</u>	0000803578


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