

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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FILER

**CFN Enterprises Inc.**

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Mailing Address  
*600 E. 8TH STREET  
WHITEFISH MT 59937*

Business Address  
*600 E. 8TH STREET  
WHITEFISH MT 59937  
8334202636*

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 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 31, 2021 (**August 25, 2021**)

**CFN ENTERPRISES INC.**

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**

(State or Other Jurisdiction of Incorporation)

**000-52635**

(Commission File Number)

**20-3858769**

(IRS Employer Identification No.)

600 E. 8th Street

**Whitefish, Montana**

(Address of Principal Executive Offices)

**59937**

(Zip Code)

**833-420-2636**

(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: None

Indicate by check mark whether the registrant is an emerging growth company as defined in 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.

### **Item 2.01. Completion of Acquisition or Disposition of Assets**

As previously disclosed in its Quarterly Report on Form 10-Q filed with the SEC on August 23, 2021, on August 23, 2021, CFN Enterprises Inc. (the “Company”) entered into Securities Purchase Agreements with CNP Operating, LLC, a Colorado limited liability company (“CNP Operating”), and the owners of all of the equity interests of CNP Operating (the “Owners”), whereby the Company will acquire 100% of CNP Operating from the Owners in exchange for an aggregate of 354 million shares of Company common stock (the “Acquisition Shares”). CNP Operating is a manufacturer and supplier of rare cannabinoids. On August 25, 2021, the Company, the Owners and CNP Operating closed the acquisition.

### **Item 3.02. Unregistered Sales of Equity Securities**

To the extent required by Item 3.02 of Form 8-K, the disclosure set forth in Item 2.01 of this Current Report on Form 8-K is incorporated by reference in this Item 3.02. The Acquisition Shares were issued pursuant to an exemption under Section 4(a)(2) of the Securities Act of 1933, as amended. The Owners are subject to a 12-month restriction on transfers or dispositions of the Acquisition Shares, and a subsequent 12-month limitation on transfers or dispositions of the Acquisition Shares.

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

On August 25, 2021, the Company entered into new employment agreements with Brian Ross, the Company’s current Chairman of the Board, President and Chief Executive Officer, to continue in such roles, Mario Marsillo Jr., the Company’s current Director of Corporate Development, appointing him as Chief Investment Officer, Vince Kandis, appointing him as President of CNP Operating, Spiro Kandis, appointing him as Chief Product Officer of CNP Operating, and John Rand, appointing him as Executive Vice President of Finance (the “Employment Agreements”), each effective until December 31, 2026. Under the Employment Agreements, Brian Ross, Vince Kandis and Spiro Kandis will each be paid an annual base salary of \$300,000, Mario Marsillo will be paid an annual base salary of \$265,000, and John Rand will be paid an annual base salary of \$160,000, and each is entitled to an annual raise of three percent and additional annual raises and bonuses at the discretion of the Company’s Board of Directors, such bonuses not to exceed 100%, or in the case of Mr. Rand, 30%, of each officer’s annual base salary. Each officer is also entitled to other benefits including reimbursement for reasonable business expenses and payment towards health insurance premiums. Each Employment Agreement contains customary confidentiality and assignment of work product provisions and may be terminated by the Company without cause upon 30-days prior written notice. If the Company elects to terminate an Employment Agreement without cause during the term, such officer shall be entitled to a severance payment of the greater of the remaining payments under the Employment Agreement or an annual base salary of one year. If terminated by the officer or for cause, the officer is entitled to amounts accrued through the date of termination.

Vince Kandis, 62, was President of CNP Operating prior to the acquisition by the Company. Before its merging with CNP Operating in 2019, Mr. Kandis was the President of Sidnak Solutions, a fully integrated CBD company, from January 2017. Until November 2019, Mr. Kandis was a veteran senior executive of Spectrum Distribution & Marketing, having over 30 years of experience in direct response marketing. Mr. Kandis and Spectrum are best known for the inspiration behind Hydroderm, Vyotech Sports Nutrition, the Hollywood Diet, Celebrity diet and many more. Mr. Kandis studied business marketing at Brigham Young University.

Spiro Kandis, 55, was Chief Product Officer of CNP Operating prior to the acquisition by the Company. Before its merging with CNP Operating in 2019, Mr. Kandis was the CEO of Sidnak Solutions, a fully integrated CBD company, from January 2017. Until November 2019, Mr. Kandis was the primary spokesperson for Experimental Applied Sciences (EAS), the largest sports nutrition company in the world at the time. Mr. Kandis has been involved in sports nutrition and direct response marketing for over 30 years and is best known for his involvement and creation of Hydroderm, Vyotech Sports Nutrition Vitalatrim and many more. Mr. Kandis studied sports medicine at Colorado State University.

John C. “Clay” Rand, 50, was Chief Financial Officer of CNP Operating prior to the acquisition by the Company. Mr. Rand joined CNP Operating in January 2020 after six years as Chief Financial Officer for Maggie’s Farm, a Colorado based cannabis company. Prior to Maggie’s Farm, Mr. Rand had over 20 years of experience in public accounting, specializing in tax consulting, finance and business operations. Mr. Rand’s array of skills includes cash flow forecasting, accounting, inventory control, multi-unit operations supervision, executive management and human resources. Mr. Rand holds a bachelor’s degree in Business Administration and Masters of Professional Accountancy from the University of Southern Mississippi.

### **Item 5.01. Changes in Control of Registrant**

To the extent required by Item 5.01 of Form 8-K, the disclosure set forth in Item 2.01 of this Current Report on Form 8-K is incorporated by reference in this Item 5.01.

**Item 9.01. Financial statements and Exhibits**

The required financial statements will be filed within 71 days of this Current Report on Form 8-K.

(d) Exhibits.

**Exhibit**

**Number Description**

2.1	<a href="#">Form of Securities Purchase Agreement, dated August 23, 2021</a>
2.2	<a href="#">Form of Securities Purchase Agreement, dated August 23, 2021</a>
10.1	<a href="#">Employment Agreement between CFN Enterprises Inc. and Brian Ross, dated August 25, 2021</a>
10.2	<a href="#">Employment Agreement between CFN Enterprises Inc. and Mario Marsillo Jr., dated August 25, 2021</a>
10.3	<a href="#">Employment Agreement between CFN Enterprises Inc. and Vince Kandis, dated August 25, 2021</a>
10.4	<a href="#">Employment Agreement between CFN Enterprises Inc. and Spiro Kandis, dated August 25, 2021</a>
10.5	<a href="#">Employment Agreement between CFN Enterprises Inc. and John Rand, dated August 25, 2021</a>

## 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.

CFN ENTERPRISES INC.

By: /s/ Brian Ross

Name: Brian Ross

Title: President and Chief Executive Officer

Date: August 31, 2021

**SECURITIES PURCHASE AGREEMENT**

**dated as of August 23, 2021**

**among**

**CFN ENTERPRISES INC.,**

**CNP OPERATING, LLC**

**AND**

**THE OTHER PARTIES SET FORTH IN EXHIBIT A HERETO**

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## SECURITIES PURCHASE AGREEMENT

SECURITIES PURCHASE AGREEMENT, dated as of August 23, 2021 (the “**Agreement**”), among **CFN ENTERPRISES INC.**, a Delaware corporation (the “**Buyer**”), **CNP OPERATING, LLC**, a Colorado limited liability company (the “**Company**”), and the other party or parties set forth in **Exhibit A** hereto (each a “**Seller**” and, if more than one, the “**Sellers**”).

### BACKGROUND

Each Seller is the record and beneficial owner of the equity interests (“**Securities**”) in the Company set forth opposite each such Seller’s name on **Exhibit A**. The Sellers collectively own 54.1% of the issued and outstanding Securities in the Company. The Sellers desire to sell all the Securities to the Buyer, and the Buyer desires to purchase all the Securities from Sellers, upon the terms and subject to the conditions set forth in this Agreement (such sale and purchase of the Interests, the “**Acquisition**”). To the knowledge of Sellers, the balance of the issued and outstanding Securities in the Company are owned by the record and beneficial owners (the “**Passive Members**”) set forth on **Exhibit B**. Buyer is entering into a separate securities purchase agreement on the date hereof with the Passive Members. Together, the Sellers and the Passive Members collectively own 100% of the issued and outstanding Securities in the Company.

### AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and the respective representations and warranties, covenants and agreements contained herein, the parties hereto agree as follows:

#### ARTICLE I DEFINITIONS

##### 1.1 Recitals/Certain Definitions.

(a) The recitals set forth above are incorporated by reference as if fully set forth herein. When used in this Agreement, the following terms will have the meanings assigned to them in this Section 1.1(a) and other defined terms will have the meanings given to them elsewhere in this Agreement:

“**Accounts Receivable**” means accounts receivable trade receivables, and other similar receivables, and any security, claim, remedy, or other right related to any of the foregoing, in each case relating to or arising out of the business of the Company.

“**Action**” means any claim, action, suit, inquiry, hearing, proceeding or other investigation.

“**Affiliate**” means, with respect to a Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, such Person. For purposes of this definition, “control” (including the terms “controlled by” and “under common control with”) means possession of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of

stock, membership interests or other equity interests, as trustee or executor, by Contract or otherwise.

**“Aggregate Principal Amount”** has the meaning set forth in Section 2.01(c).

**“Ancillary Agreements”** means those certain Lock-Up/Leak-Out Agreements among the Company, the Buyer and the Sellers dated as of the date hereof.

**“Benefit Plan”** means any “employee benefit plan” as defined in ERISA Section 3(3), including any (i) nonqualified deferred compensation or retirement plan or arrangement which is an Employee Pension Benefit Plan (as defined in ERISA Section 3(2)), (ii) qualified defined contribution retirement plan or arrangement which is an Employee Pension Benefit Plan, (iii) qualified defined benefit retirement plan or arrangement which is an Employee Pension Benefit Plan (including any Multiemployer Plan (as defined in ERISA Section 3(37))), (iv) Employee Welfare Benefit Plan (as defined in ERISA Section 3(1)) or material fringe benefit plan or program, or (v) stock purchase, stock option, severance pay, change-in-control, vacation pay, company award, salary continuation, sick leave, excess benefit, bonus or other incentive compensation, life insurance, or other employee benefit plan, contract, program, policy or other arrangement, whether or not subject to ERISA, under which any present or former employee of the Company has any present or future right to benefits sponsored or maintained by the Company or any ERISA Affiliate.

**“Business Day”** means a day other than a Saturday, Sunday or other day on which banks located in New York, New York are authorized or required by Law to close.

**“Code”** means the Internal Revenue Code of 1986, as amended.

**“Contract”** means any written agreement, contract, commitment, arrangement or understanding.

**“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended.

**“ERISA Affiliate”** means any Person who is, or at any time was, a member of a “controlled group of corporations” within the meaning of Section 414(b) or (c) of the Code and, for the purpose of Section 302 of ERISA and/or Section 412, 4971, 4977, 4980D, 4980E and/or each “applicable section” under Section 414(f)(2) of the Code, within the meaning of Section 412(n)(6) of the Code that includes, or at any time included, the Company or any Affiliate thereof, or any predecessor of any of the foregoing.

**“GAAP”** means United States generally accepted accounting principles as in effect on the date hereof.

**“Governmental Entity”** means any entity or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to United States federal, state or local government or foreign, international, multinational or other government, including any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority thereof.

**“Indebtedness”** means (a) all obligations of the Company or any of its subsidiaries for borrowed money; (b) all obligations of the Company or any of its subsidiaries evidenced by bonds, debentures, notes or similar instruments; (c) all obligations of others for borrowed money secured by (or for which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Encumbrance on property owned or acquired by any Company, whether or not the obligation secured thereby has been assumed; (d) all guarantees by the Company or any of its subsidiaries of obligations of others for borrowed money; and (e) all obligations, contingent or otherwise, of the Company or any of its subsidiaries as an account party in respect of letters of credit and letters of guaranty.

**“Intellectual Property”** means all intellectual property and other similar proprietary rights in any jurisdiction worldwide, whether registered or unregistered, including such rights in and to: (i) patents (including all reissues, divisions, provisionals, continuations and continuations-in-part, re-examinations, renewals and extensions thereof), patent applications, patent disclosures or other patent rights; (ii) copyrights, design, design registration, and all registrations, applications for registration, and renewals for any of the foregoing, and any “moral” rights; (iii) trademarks, service marks, trade names, business names, logos, trade dress, certification marks and other indicia of commercial source or origin together with all goodwill associated with the foregoing, and all registrations, applications and renewals for any of the foregoing; (iv) trade secrets and business, technical and know-how information, databases, data collections and other confidential and proprietary information and all rights therein; (v) software, including data files, source code, object code, application programming interfaces, architecture, files, records, schematics, computerized databases and other software-related specifications and documentation; and (vi) Internet domain name registrations.

**“Inventory”** means all inventories of raw materials, supplies, work-in-process, finished goods, and other materials used in or held for use in the business of the Company or any of its subsidiaries.

**“IRS”** means the Internal Revenue Service.

**“Knowledge of the Sellers”** means the actual knowledge of each Seller.

**“Law”** means any statute, law, ordinance, rule or regulation of any Governmental Entity.

**“Liability”** means all Indebtedness, obligations and other liabilities and contingencies of a Person, whether absolute, accrued, contingent, fixed or otherwise, or whether due or to become due.

**“Lien”** means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest, hypothecation or other encumbrance in respect of such property or asset.

**“Material Adverse Effect”** means any material adverse effect on the assets, properties, condition (financial or otherwise), operations of the Company and any of its Subsidiaries, taken as a whole, provided, however, that none of the following, either alone or taken together with other changes, events, results, occurrences, developments or effects, will constitute, or be taken into account in determining whether there has been or will be, a Material Adverse

Effect: (a) changes, events, occurrences or developments in, or effects or results arising from or relating to, general business or economic conditions affecting the industry in which the Company and its Subsidiaries operate, (b) changes, events, occurrences or developments in, or effects or results arising from or relating to, national or international political or social conditions, including the engagement by the United States in hostilities or the escalation thereof, whether or not pursuant to the declaration of a national emergency or war, or the occurrence or the escalation of any military, cyber or terrorist attack upon the United States, or any of its territories, possessions, or diplomatic or consular offices or upon any military installation, asset, equipment or personnel of the United States, (c) changes, events, occurrences or developments in, or effects or results arising from or relating to, financial, banking, or securities markets (including (w) any disruption of any of the foregoing markets, (x) any change in currency exchange rates, (y) any decline or rise in the price of any security, commodity, contract or index and (z) any increased cost, or decreased availability, of capital or pricing or terms related to any financing for the Acquisition), (d) changes in, or effects arising from or relating to, any earthquake, hurricane, tsunami, tornado, flood, mudslide or other natural disaster, pandemic (including COVID-19), weather condition, explosion or fire or other force majeure event or act of God, (e) changes, events, developments, occurrences, results or effects arising from or relating to changes in Laws or other binding directives or determinations issued or made by, or agreements with or consents of, any Governmental Entity, (f) any change in, or effect arising from or related to changes in, GAAP or other accounting requirements or principles or the interpretation thereof, (g) any actual or potential sequester, stoppage, shutdown, default or similar event or occurrence by or involving any Governmental Entity, (h) actions required to be taken under applicable Laws or contracts to which the Company or any of its Subsidiaries are party, (i) changes, events, developments, occurrences, results or effects arising from or relating to (A) the taking of any action expressly permitted or required by this Agreement or taken at the express written request of Buyer or its Affiliates, (B) the failure to take any action if such action is prohibited by this Agreement, or (C) the announcement, execution or consummation of this Agreement or the transactions contemplated hereby or the identity, nature or ownership of Buyer, including the impact thereof on the relationships, contractual or otherwise, of the Company or any of its Subsidiaries with employees, customers, distributors, lessors, suppliers or other commercial partners, (j) any failure, in and of itself, to achieve any budgets, projections, forecasts, estimates, plans, predictions, performance metrics or operating statistics or the inputs into such items (whether or not shared with Buyer or its Affiliates) (but, for the avoidance of doubt, not the underlying causes of any such failure to the extent such underlying cause is not otherwise excluded from the definition of Material Adverse Effect), (k) the effect of any action taken by Buyer or its Affiliates with respect to the transactions contemplated by this Agreement or the financing thereof or (l) the matters expressly set forth on the Disclosure Schedule and any changes or developments in, or effects or results arising from or relating to, matters expressly set forth on the Disclosure Schedule, except in the case of the foregoing clauses (a), (b), (c), (d), (e) and (f), to the extent such facts, events, changes, effects, results, occurrences, circumstances or developments have a materially disproportionate impact on the Company and its Subsidiaries, taken as a whole, as compared to other participants engaged in the industries and geographies in which they operate.

“**Order**” means any award, injunction, judgment, decree, order, ruling, subpoena or verdict or other decision issued, promulgated or entered by or with any Governmental Entity of competent jurisdiction.

“**Permit**” means any authorization, approval, consent, certificate, license, clearance, permit or franchise of or from any Governmental Entity of competent jurisdiction or pursuant to any Law.

“**Permitted Liens**” means (i) Liens for current Taxes that are not yet due and payable or that may hereafter be paid without material penalty or that are being contested in good faith, (ii) statutory Liens of landlords and workers, carriers and mechanics or other like Liens incurred in the ordinary course of business not yet overdue or that are being contested in good faith, (iii) Liens, easements, servitudes, covenants, conditions, restrictions, encroachments and other similar non-monetary matters affecting title to any assets of the Company or any of its Subsidiaries and other title defects which do not materially interfere with the present or proposed use of the properties by the Company or its Subsidiaries or assets they affect taken as a whole, (iv) zoning, building codes, and other land use Laws regulating the use or occupancy of leased real property or the activities conducted thereon that are imposed by any Governmental Entity having jurisdiction over such leased real property and which are not violated in any material respect by the current use and operation of such leased real property or the operation of the business of the Company (v) Liens that will be released prior to or as of the Closing, (vi) Liens arising under this Agreement, (vii) Liens created by or through the Buyer, or (viii) Liens that, individually or in the aggregate, do not materially interfere with the ability of the Company to conduct its business as currently conducted and do not materially adversely affect the value of, or the ability to sell, such personal properties and assets.

“**Person**” means an individual, a corporation, a partnership, a limited liability company, a trust, an unincorporated association, a Governmental Entity or any agency, instrumentality or political subdivision of a Governmental Entity, or any other entity or body.

“**Pro Rata Basis**” means, for each Seller, the ratio of (a) the Aggregate Purchase Price Per Seller to (b) the Aggregate Total Purchase Price, as set forth in **Exhibit A** hereto.

“**Representatives**” means, with respect to any Person, the respective directors, officers, employees, counsel, accountants and other representatives of such Person.

“**Securities Act**” means the Securities Act of 1933, as amended.

“**Subsidiary**” means, with respect to any Person, any corporation, partnership, joint venture or other legal entity of which such Person (either alone or through or together with any other Subsidiary), owns, directly or indirectly, more than 50% of the stock or other equity interests, the holders of which are generally entitled to vote for the election of the board of directors or other governing body of a non-corporate Person. If the Company has no Subsidiaries, all references herein to Subsidiaries shall be disregarded.

“**Taxes**” means all federal, state, local and foreign income, profits, franchise, gross receipts, environmental, customs duty, capital stock, severance, stamp, payroll, sales, transfer, employment, unemployment, disability, use, property, withholding, excise, production, value added, occupancy and other taxes, duties or assessments of any nature whatsoever, in each case, imposed by any Taxing Authority.



“**Taxing Authority**” means any Governmental Entity having or purporting to exercise jurisdiction with respect to any Tax.

“**Tax Returns**” means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof, filed or required to be filed with any Taxing Authority.

“**Transaction Proposal**” means any written bona fide proposal made by a third party relating to (i) any direct or indirect acquisition or purchase of all or substantially all of the assets of the Company or any of its Subsidiaries, (ii) any direct or indirect acquisition or purchase of a majority of the combined voting power of the Securities or any equity securities of any of their Subsidiaries, or (iii) any merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving the Company in which the other party thereto or its stockholders will own 51% or more of the combined voting power of the parent entity resulting from any such transaction.

“\$” means United States dollars.

(b) For purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires: (i) the meaning assigned to each term defined herein will be equally applicable to both the singular and the plural forms of such term and vice versa, and words denoting any gender will include all genders as the context requires; (ii) where a word or phrase is defined herein, each of its other grammatical forms will have a corresponding meaning; (iii) the terms “hereof”, “herein”, “hereunder”, “hereby” and “herewith” and words of similar import will, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement; (iv) when a reference is made in this Agreement to an Article, Section, paragraph, Exhibit or Schedule without reference to a document, such reference is to an Article, Section, paragraph, Exhibit or Schedule to this Agreement; (v) a reference to a subsection without further reference to a Section is a reference to such subsection as contained in the same Section in which the reference appears, and this rule will also apply to paragraphs and other subdivisions; (vi) the word “include”, “includes” or “including” when used in this Agreement will be deemed to include the words “without limitation”, unless otherwise specified; (vii) a reference to any party to this Agreement or any other agreement or document will include such party’s predecessors, successors and permitted assigns; (viii) a reference to any Law means such Law as amended, modified, codified, replaced or reenacted as of the date hereof, and all rules and regulations promulgated thereunder as of the date hereof; and (ix) the term “as of the Closing” or “as of the Closing Date” when used to calculate financial amounts in this Agreement will be as of 11:59 p.m. local time on the Closing Date.

## ARTICLE II PURCHASE AND SALE OF THE SECURITIES

### 2.1 Purchase and Sale of the Securities.

(a) Upon the terms and subject to the conditions set forth in this Agreement, at the Closing, each Seller will contribute, sell, transfer and deliver to the Buyer, and the Buyer will purchase and receive from each Seller all the Securities set forth opposite such Seller’s name on

**Exhibit A** for an aggregate purchase price of 191,514,000 shares of common stock (the “**Purchase Price Shares**”) of CFN Enterprises Inc. (collectively, the “**Purchase Price**”), payable as described below and allocated among the Sellers as set forth on **Exhibit A**.

(b) At the Closing, the Buyer will deliver to Sellers the Purchase Price Shares to be divided among the Sellers on a Pro Rata Basis.

2.2 Closing. The consummation of the Acquisition and the other transactions contemplated hereby (the “**Closing**”) will take place by the reciprocal delivery of closing documents by electronic mail, regular mail, fax or any other means mutually agreed upon by the parties on the day on which the last of the conditions to closing contained in Article VII of this Agreement (other than any conditions that by their nature are to be satisfied at the Closing) are satisfied or waived in accordance with this Agreement or such other date as the Buyer and the Sellers may mutually determine (the date on which the Closing actually occurs is referred to as the “**Closing Date**”).

2.3 Transactions to be Effected at the Closing.

(a) At the Closing, the Buyer will issue to each Seller the Purchase Price Shares in the applicable amounts reflected on **Exhibit A**, and (ii) deliver to the Sellers all other documents, instruments or certificates required to be delivered by the Buyer at or prior to the Closing pursuant to Section 7.2 of this Agreement.

(b) At the Closing, each Seller will (i) deliver to the Buyer a certificate or certificates representing the Securities, if certificated, duly endorsed or accompanied by stock powers, duly endorsed in blank and (ii) deliver to the Buyer all other documents, instruments or certificates required to be delivered by the Sellers at or prior to the Closing pursuant to Section 7.1 of this Agreement.

(c) At the Closing, the Sellers shall deliver to the Buyer a final Schedule of Sellers in the form attached hereto as **Exhibit A**, which shall amend and restate in its entirety **Exhibit A** attached hereto.

ARTICLE III  
REPRESENTATIONS AND WARRANTIES OF THE SELLERS

Each of the Sellers, severally, but not jointly, represents and warrants to the Buyer that each statement contained in this Article III is true and correct as of the date hereof.

3.1 Authority and Enforceability. Each Seller has the requisite power and authority, and, in the case of any Seller that is an individual, the requisite legal capacity, to execute and deliver this Agreement and the Ancillary Agreements, to perform its obligations hereunder and thereunder and to consummate the Acquisition and the other transactions contemplated hereby and thereby. The execution, delivery and performance by each Seller of this Agreement and the Ancillary Agreements and the consummation by each Seller of the Acquisition and the other transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of each Seller and no other action is necessary on the part of such Seller to authorize this Agreement or any Ancillary Agreement or to consummate the Acquisition or the other transactions



contemplated hereby or thereby. This Agreement has been, and the Ancillary Agreements upon execution will be, duly executed and delivered by the Seller and, assuming the due authorization, execution and delivery by each other party hereto, constitutes a legal, valid and binding obligation of the Seller, enforceable against each Seller in accordance with its terms, except as limited by (a) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar Laws relating to creditors' rights generally and (b) general principles of equity, whether such enforceability is considered in a proceeding in equity or at Law.

### 3.2 Noncontravention.

(a) Neither the execution and the delivery of this Agreement or any Ancillary Agreement, nor the consummation of the Acquisition or the other transactions contemplated by this Agreement or any Ancillary Agreement, will, with or without the giving of notice or the lapse of time or both, (i) to the actual knowledge of each Seller, violate any Law applicable to such Seller or (ii) violate any Contract related to the Company to which such Seller is a party, except in the case of clauses (i) and (ii) to the extent that any such violation would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the assets, properties, condition (financial or otherwise), or operations of such Seller.

(b) The execution and delivery of this Agreement and any Ancillary Agreement by each Seller does not, and the performance of this Agreement by each Seller will not, require any consent, approval, authorization or Permit of, or filing with or notification to, any Governmental Entity, except where the failure to take such action would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the assets, properties, condition (financial or otherwise), or operations of each Seller.

### 3.3 The Securities.

(a) Each Seller holds of record and owns beneficially the issued and outstanding Securities of the Company set forth opposite such Seller's name on **Exhibit A**, free and clear of all Liens (except for Permitted Liens and any restriction on transfer arising under applicable securities Laws). The Securities set forth opposite each Seller's name on **Exhibit A** correctly sets forth all Securities owned of record or beneficially by such Seller in the Company.

(b) No Seller is a party to any Contract obligating such Seller to vote or dispose of any Securities, or other equity or voting interests in, the Company.

(c) Each Seller has the full right to sell, convey, transfer, assign and deliver the Securities, without the need to obtain the consent or approval of any third party and the Buyer will have, good and valid record and title to the Securities, free and clear of all Liens (except in each case for any restriction on transfer arising under applicable securities Laws).

3.4 Brokers' Fees. The Sellers do not have any Liability to pay any fees or commissions to any broker, finder or agent with respect to this Agreement, the Acquisition or the transactions contemplated by this Agreement.

3.5 Understandings or Arrangements. Each Seller is acquiring the Purchase Price Shares as principal for its own account and has no direct or indirect arrangement or understandings



with any other persons to distribute or regarding the distribution of such Purchase Price Shares (this representation and warranty not limiting such Seller's right to sell the Purchase Price Shares pursuant to a registration statement or otherwise in compliance with applicable federal and state securities laws). Each Seller is acquiring the Purchase Price Shares hereunder in the ordinary course of its business. Specifically, each Seller understands that the Purchase Price Shares are "restricted securities" and have not been registered under the Securities Act or any other applicable state securities law and is acquiring the Purchase Price Shares as principal for its own account, not as nominee or agent, and not with a view to or for distributing or reselling the Purchase Price Shares or any part thereof in violation of the Securities Act or any applicable state securities law, has no present intention of distributing any of the Purchase Price Shares in violation of the Securities Act or any applicable state securities law and has no direct or indirect arrangement or understandings with any other persons to distribute or regarding the distribution of the Purchase Price Shares in violation of the Securities Act or any applicable state securities law (this representation and warranty not limiting each Seller's right to sell the Purchase Price Shares pursuant to a registration statement, if applicable, or otherwise in compliance with applicable federal and state securities laws).

3.6 Seller Status. As of the date hereof, each Seller was, and as of the Closing Date, each Seller will be either: (i) an "accredited investor" as defined in Rule 501(a) under the Securities Act or (ii) a "qualified institutional buyer" as defined in Rule 144A(a) under the Securities Act.

3.7 Experience of Each Seller. Each Seller, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Purchase Price Shares, and has so evaluated the merits and risks of such investment. Each Seller is able to bear the economic risk of an investment in the Purchase Price Shares and, at the present time, is able to afford a complete loss of such investment.

3.8 Access to Information. Each Seller acknowledges that it has had the opportunity to review the Agreement and the Ancillary Agreements (including all exhibits and schedules thereto) and the Securities and Exchange Commission reports filed by CFN Enterprises Inc. and has been afforded, (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Buyer concerning the terms and conditions of the offering of the Purchase Price Shares and the merits and risks of investing in the Purchase Price Shares; (ii) access to information about the Buyer and its financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (iii) the opportunity to obtain such additional information that the Buyer possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment.

3.9 Legend. Each Seller agrees to the imprinting, so long as is required under the Securities Act, of a legend on any of the Purchase Price Shares in the following form:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") AND ARE "RESTRICTED SECURITIES" AS DEFINED IN RULE 144 PROMULGATED UNDER THE ACT. THE SECURITIES MAY NOT BE OFFERED, SOLD, PLEDGED,



OR OTHERWISE DISTRIBUTED OR TRANSFERRED EXCEPT (i) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR (ii) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE ACT, AND, IN THE CASE OF A TRANSACTION EXEMPT FROM REGISTRATION, UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE ACT.

#### ARTICLE IV REPRESENTATIONS AND WARRANTIES CONCERNING THE COMPANY

Each of the Sellers, severally, but not jointly, represents and warrants to the Buyer that each statement contained in this Article IV is true and correct as of the date hereof, except as set forth in the schedule that will accompany this Agreement and be delivered in accordance with Section 6.10 (the “**Disclosure Schedule**”) corresponding to the applicable sections of this Article IV. Each section of the Disclosure Schedule will be deemed to incorporate by reference all information disclosed in any other section of the Disclosure Schedule. Any representation or warranty concerning the Company shall be deemed to be a representation concerning the Company and their Subsidiaries, if any, as a whole unless the context specifically requires otherwise.

##### 4.1 Organization; Standing and Power; Authority and Enforceability.

(a) The Company and each of its Subsidiaries is a corporation, limited liability company or other legal entity duly organized, validly existing and in good standing (with respect to jurisdictions that recognize the concept of good standing) under the Laws of its jurisdiction of organization, and has the requisite corporate, limited liability company or other organizational, as applicable, power and authority to own, lease and operate its assets and to carry on its business as now conducted. The Company and its Subsidiaries is duly qualified or licensed to do business as a foreign corporation, limited liability company or other legal entity and is in good standing (with respect to jurisdictions that recognize the concept of good standing) in each jurisdiction where the character of the assets and properties owned, leased or operated by it or the nature of its business makes such qualification or license necessary, except where the failure to be so qualified or licensed or to be in good standing, would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) The Company has the requisite power and authority to execute and deliver this Agreement and the Ancillary Agreements, to perform their respective obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by the Company of this Agreement and the Ancillary Agreements and the consummation by the Company of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Company, and no other action is necessary on the part of the Company to authorize this Agreement or to consummate the Acquisition or the other transactions contemplated hereby. This Agreement has been, and the Ancillary Agreements upon execution will be, duly executed and delivered by the Company and, assuming the due authorization, execution and delivery by each other party hereto, constitute a legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as limited by (i) bankruptcy, insolvency, reorganization,





moratorium, fraudulent conveyance or other similar Laws relating to creditors' rights generally and (ii) general principles of equity, whether such enforceability is considered in a proceeding in equity or at Law.

4.2 Subsidiaries. Section 4.2 of the Disclosure Schedule sets forth for each Subsidiary of the Company (i) its name and jurisdiction of incorporation or formation, (ii) the number of shares of authorized capital stock of each class of its capital stock, (iii) the number of issued and outstanding shares of each class of its capital stock, the names of the holders thereof, and the number of shares held by each such holder, and (iv) the number of shares of its capital stock held in treasury. All of the issued and outstanding shares of capital stock of each Subsidiary have been duly authorized and are validly issued, fully paid, and nonassessable. One of the Company and its Subsidiaries holds of record and owns beneficially all of the outstanding shares of each Subsidiary, free and clear of any restrictions on transfer (other than restrictions under the federal and state securities Laws), Taxes, Liens (other than Permitted Liens), options, warrants, purchase rights, contracts, commitments, equities, claims, and demands. There are no outstanding or authorized options, warrants, preemptive rights, purchase rights, subscription rights, conversion rights, exchange rights, or other contracts or commitments that could require any of the Company or Subsidiaries to sell, transfer, or otherwise dispose of any capital stock of any Subsidiary or that could require any Subsidiary to issue, sell, or otherwise cause to become outstanding any of its own capital stock. There are no outstanding stock appreciation, phantom stock, profit participation, or similar rights with respect to any Subsidiary. There are no voting trusts, proxies, or other agreements or understandings with respect to the voting of any capital stock of any Subsidiary. Except as set forth in Section 4.2 of the Disclosure Schedule, none of the Company nor any of their Subsidiaries controls directly or indirectly or has any direct or indirect equity participation in any corporation, partnership, trust, or other business association which is not a Subsidiary of the Company.

4.3 Capitalization.

(a) Section 4.3 of the Disclosure Schedule sets forth the authorized, issued and outstanding Securities of the Company.

(b) The Company has no plans or agreements pursuant to which they have granted or committed to grant any option or right to acquire stock or membership interests or any other award payable in or based upon the stock or membership interests of the Company. There are no outstanding options, warrants or other securities or subscription, preemptive or other rights convertible into or exchangeable or exercisable for any stock or membership interests or other equity or voting interests of the Company and there are no "phantom interest" rights, interest appreciation rights or other similar rights with respect to the Company. There are no Contracts of any kind to which the Company is a party or by which the Company is bound, obligating the Company to issue, deliver, grant or sell, or cause to be issued, delivered, granted or sold, additional stock or membership interests, or other equity or voting interests in, or options, warrants or other securities or subscription, preemptive or other rights convertible into, or exchangeable or exercisable for, stock or membership interests, or other equity or voting interests in, the Company, or any "phantom interests" right, interest appreciation right or other similar right with respect to the Company, or obligating the Company to enter into any such Contract.

(c) There are no securities or other instruments or obligations of the Company, the value of which is in any way based upon or derived from any equity or voting interests of the Company or having the right to vote (or convertible into, or exchangeable or exercisable for, securities having the right to vote) on any matters on which any of the Company's members may vote.

(d) There are no Contracts, contingent or otherwise, obligating the Company to repurchase, redeem or otherwise acquire any stock or membership interests of, or other equity or voting interests in, the Company. There are no voting trusts, registration rights agreements or stockholder or member agreements to which the Company is a party with respect to the voting of stock or membership interests in the Company or with respect to the granting of registration rights for any of the stock or membership interests in the Company. There are no rights plans affecting the Company.

(e) Except as set forth in Section 4.3 of the Disclosure Schedule, the Company has no outstanding Indebtedness.

#### 4.4 Noncontravention.

(a) Neither the execution and delivery of this Agreement nor the consummation of the Acquisition and the other transactions contemplated by this Agreement will (i) violate any provision of the articles of incorporation or bylaws (or comparable organization documents, as applicable) of the Company, (ii) assuming compliance with the filing and notice requirements set forth in Section 4.4(b)(i), violate any Law applicable to the Company on the date hereof or (iii) violate any Contract to which the Company is a party, except in the case of clauses (ii) and (iii) to the extent that any such violation would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) The execution and delivery of this Agreement by the Company does not, and the performance of this Agreement by the Company will not, require any consent, approval, authorization or Permit of, or filing with or notification to, any Governmental Entity, except for (i) the filings set forth in Section 4.4 of the Disclosure Schedule or (ii) where the failure to take such action would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.5 Financial Statements. Section 4.5 of the Disclosure Schedule contains true and complete copies of (i) the audited balance sheets of the Company and its Subsidiaries as of December 31, 2020 and December 31, 2019 and the related unaudited statements of income, stockholders' equity and cash flows for the two years ended December 31, 2020 and December 31, 2019 (the "**Annual Financial Statements**") and (ii) the unaudited balance sheets of the Company and its Subsidiaries as of a month end that is no greater than sixty (60) days prior to the date on which the Disclosure Schedule is delivered to the Buyer in accordance with Section 6.10 of this Agreement (the "**Interim Date**") and the related statements of income, stockholders' equity and cash flows for the period ended on the Interim Date (the "**Interim Financial Statements**") and, together with the Annual Financial Statements, the "**Financial Statements**"). Except as set forth in Section 4.5 of the Disclosure Schedule, the Financial Statements fairly present, in all material respects, the financial condition and results of operations of the Company and its



Subsidiaries as of the indicated dates and for the indicated periods (subject to normal year-end adjustments and the absence of notes).

4.6 Taxes. Except as set forth in Section 4.6 of the Disclosure Schedule:

(a) All material Tax Returns required to have been filed by the Company have been filed, and each such Tax Return reflects the liability for Taxes in all material respects. All Taxes shown on such Tax Returns as due have been paid or accrued.

(b) There is no audit pending against the Company in respect of any Taxes. There are no Liens on any of the assets of the Company that arose in connection with any failure (or alleged failure) to pay any Tax, other than Liens for Taxes not yet due and payable.

(c) The Company has withheld and paid or accrued for all material Taxes required to have been withheld and paid or accrued for in connection with amounts paid or owing to any third party.

(d) The Company has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency.

(e) The Company is not a party to any Tax allocation or sharing agreement.

4.7 Compliance with Laws and Orders; Permits.

(a) The Company is in compliance with all Laws and Orders to which the businesses of the Company is subject, except where such failure to comply would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) The Company owns, holds, possesses or lawfully uses in the operation of its business all Permits that are necessary for them to conduct their businesses as now conducted, except where such failure to own, hold, possess or lawfully use such Permit would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.8 No Undisclosed Liabilities. The Company does not have any Liabilities, except for (a) Liabilities set forth in the Interim Financial Statements and (b) Liabilities which have arisen since the date of the Interim Financial Statements in the ordinary course of business, (c) Liabilities arising in connection with the Acquisition or the transactions contemplated thereby, (d) Liabilities to be included in the computation of Indebtedness as of the Closing, (e) Liabilities disclosed on another section of the Disclosure Schedules, (f) Liabilities incidental to the existence of the Company and its Subsidiaries, and (g) other Liabilities which would not, individually or in the aggregate, be material to the Company and its Subsidiaries taken as a whole. This representation will not be deemed breached as a result of a change in applicable Law or the Code after the Closing.

4.9 Tangible Personal Assets.

(a) Except as set forth in Section 4.9 of the Disclosure Schedule, the Company has good title to, or a valid interest in, all of its tangible personal assets, free and clear of all Liens, except for Permitted Liens.



(b) The Company's tangible personal assets are in operating condition and working order and repair, when taken as a whole, subject to ordinary wear and tear and repairs from time to time in the ordinary course of business and are suitable for the purposes for which they are currently being used.

4.10 Real Property. The Company does not own any real property. Section 4.10 of the Disclosure Schedule contains a list of all leases and subleases (collectively, the "**Real Property Leases**") under which the Company is either lessor or lessee. The Sellers have made available to the Buyer true and complete copies of each Real Property Lease. All Real Property Leases are valid and binding Contracts of the Company and are in full force and effect (except for those that have terminated or will terminate by their own terms), and neither the Company nor, to the Knowledge of the Sellers, any other party thereto is in violation or breach of or default (or with notice or lapse of time, or both, would be in violation or breach of or default) under the terms of any Real Property Lease, in each case, except where such default would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.11 Intellectual Property.

(a) Section 4.11 of the Disclosure Schedule sets forth a list that includes all material Intellectual Property owned by the Company that is registered or subject to an application for registration (the "**Company-Owned Intellectual Property**") (including the jurisdictions where such Company-Owned Intellectual Property is registered or where applications have been filed, and all registration or application numbers, as appropriate).

(b) All necessary registration, maintenance and renewal fees have been paid and all necessary documents have been filed with the United States Patent and Trademark Office or foreign patent and trademark office in the relevant foreign jurisdiction for the purposes of maintaining the registered Company-Owned Intellectual Property.

(c) Except as set forth in Section 4.11 of the Disclosure Schedule, (i) the Company is the exclusive owners of the Company-Owned Intellectual Property free and clear of all Liens (other than Permitted Liens); (ii), no proceedings have been instituted, are pending or, to the Knowledge of the Sellers, are threatened that challenge the rights of the Company in or the validity or enforceability of the Company-Owned Intellectual Property; (iii) to the Knowledge of the Sellers, neither the use of the Company-Owned Intellectual Property as currently used by the Company in the conduct of the Company' business, nor the conduct of the business as presently conducted by the Company infringes, dilutes, misappropriates or otherwise violates in any material respect the Intellectual Property rights of any Person; and (iv) as of the date of this Agreement, the Company has not made any claim of a violation, infringement, misuse or misappropriation by any Person, of their rights to, or in connection with, the Company-Owned Intellectual Property.

(d) Except as set forth in Schedule 4.11 of the Disclosure Schedule, the Company has not permitted or granted a license to any Person to use any Company-Owned Intellectual Property.

(e) Section 4.11 of the Disclosure Schedule sets forth a complete and accurate list of all licenses, other than "off the shelf" commercially available software programs, pursuant





to which the Company has been granted a license to use Intellectual Property that is material to and used in the conduct of the business by the Company.

(f) To the Knowledge of the Sellers, the Company is not in default in the performance, observance or fulfillment of any obligation, covenant or condition contained in any Contract pursuant to which any third party is authorized to use any Company-Owned Intellectual Property or pursuant to which the Company is licensed to use Intellectual Property owned by a third party, except where such default would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.12 Absence of Certain Changes or Events. Except as set forth in Section 4.12 of the Disclosure Schedule, since the date of the Interim Financial Statements, no event has occurred that has had, individually or in the aggregate, a Material Adverse Effect. Without limiting the generality of the foregoing, except as set forth in Section 4.12 of the Disclosure Schedule, since that date:

(a) the Company has not sold, leased, transferred, or assigned any of its assets, tangible or intangible, other than in the ordinary course of business;

(b) the Company has not entered into any agreement, contract, lease, or license (or series of related agreements, contracts, leases, and licenses) either involving more than \$10,000 or outside the ordinary course of business;

(c) no party (including the Company) has accelerated, terminated, modified, or cancelled any agreement, contract, lease, or license (or series of related agreements, contracts, leases, and licenses) involving more than \$10,000 to which the Company is a party or by which it is bound;

(d) the Company has not imposed any Liens upon any of its assets, tangible or intangible;

(e) the Company has not made any capital expenditure (or series of related capital expenditures) either involving more than \$10,000 or outside the ordinary course of business;

(f) the Company has not made any capital investment in, any loan to, or any acquisition of the securities or assets of, any other Person (or series of related capital investments, loans, and acquisitions) either involving more than \$10,000 or outside the ordinary course of business;

(g) the Company has not transferred, assigned, or granted any license or sublicense of any rights under or with respect to any Intellectual Property;

(h) there has been no change made or authorized in the articles of incorporation or bylaws (or comparable documents) of the Company;

(i) the Company has not issued, sold, or otherwise disposed of any of its stock or membership interests, or granted any options, warrants, or other rights to purchase or obtain (including upon conversion, exchange, or exercise) any of its stock;

(j) the Company has not made any loan to, or entered into any other transaction with, any of their directors, officers, and employees outside the ordinary course of business;

(k) the Company has not entered into any employment contract or modified the terms of any existing such contract or agreement providing for base compensation, severance or change of control payments in excess of \$50,000 per annum that is not terminable by the Company or such Subsidiary upon notice of sixty (60) days or less;

(l) the Company has not granted any increase in the base compensation of any of its directors, officers, and employees outside the ordinary course of business in an amount greater than \$50,000 per annum; and

(m) the Company has not committed in writing to do any of the foregoing.

#### 4.13 Contracts.

(a) Except as set forth in Section 4.13 of the Disclosure Schedule, as of the date hereof, the Company is not a party to or bound by any: (i) Contract not contemplated by this Agreement that materially limits the ability of the Company to engage or compete in any manner of the business presently conducted by the Company; (ii) Contract that creates a partnership or joint venture or similar arrangement with respect to any material business of the Company; (iii) indenture, credit agreement, loan agreement, security agreement, guarantee, note, mortgage or other evidence of indebtedness or agreement providing for Indebtedness in excess of \$10,000; (iv) Contract that relates to the acquisition or disposition of any material business (whether by merger, sale of equity, sale of assets or otherwise) other than this Agreement; or (v) Contract that involves performance of services or delivery of goods or materials by or to the Company in an amount or with a value in excess of \$10,000 in the calendar year 2020.

(b) The Sellers have made available to the Buyer true and complete copies of each of the Contracts set forth in Section 4.13 of the Disclosure Schedule. All such Contracts are valid and binding, all such Contracts are in full force and effect (except for those that have terminated or will terminate by their own terms), and neither any Company nor any other party thereto, is in violation or breach of or default under (or with notice or lapse of time, or both, would be in violation or breach of or default under) the terms of any such Contract, in each case, except where such default would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.14 Litigation. Section 4.14 of the Disclosure Schedule sets forth each instance in which the Company (i) is subject to any outstanding injunction, judgment, order, decree, ruling, or charge or (ii) is a party to, or to the Knowledge of any of the Sellers is threatened to be made a party to, any action, suit, proceeding, hearing, or investigation of, in, or before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator.



#### 4.15 Employee Benefits.

(a) Section 4.15 of the Disclosure Schedule includes a list of all Benefit Plans maintained or contributed to by the Company or any of their Subsidiaries (the “**Company Benefit Plans**”). The Sellers have delivered or made available to the Buyer copies of (i) the Company Benefit Plan, (ii) the most recent summary plan description for the Company Benefit Plan for which such a summary plan description is required and (iii) the most recent favorable determination letters from the IRS with respect to the Company Benefit Plan intended to qualify under Section 401(a) of the Code or, with respect to a prototype or volume submitter plan, the most recent opinion letter from the IRS to the prototype plan or volume submitter plan sponsor.

(b) Except as set forth in Section 4.15 of the Disclosure Schedule: (i) none of the Company Benefit Plans is subject to Title IV of ERISA; (ii) the Company Benefit Plan that is intended to be qualified under Section 401(a) of the Code is subject to a favorable determination letter from the IRS or, with respect to a prototype or volume submitter plan, can rely on an opinion letter from the IRS to the prototype plan or volume submitter plan sponsor, to the effect that such Company Benefit Plan is so qualified and, to the Knowledge of the Sellers, no event has occurred and no condition exists that is reasonably likely to result in the revocation of any such determination; and (iii) the Company Benefit Plan is in compliance with all applicable provisions of ERISA and the Code, except for instances of noncompliance that would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(c) Neither the execution or delivery of this Agreement nor the consummation of the transactions contemplated by this Agreement could reasonably be expected to, either alone or in conjunction with any other event (whether contingent or otherwise), (i) result in any payment or benefit becoming due or payable, or required to be provided, to any current or former director, employee or independent contractor of the Company, (ii) increase the amount or value of any benefit or compensation otherwise payable or required to be provided to any such current or former director, employee or independent contractor, or result in the acceleration of the time of payment, vesting or funding of any such benefit or compensation or (iii) result in any amount failing to be deductible by reason of Section 280G of the Code.

4.16 Labor and Employment Matters. Section 4.16 of the Disclosure Schedule sets forth a list of all Company employees, including their salary and a benefits summary. To the Knowledge of the Sellers, there are no pending labor disputes, work stoppages, requests for representation, pickets, work slow-downs due to labor disagreements or any actions or arbitrations that involve the labor or employment relations of the Company. The Company is not a party to any collective bargaining agreement. The Company is in material compliance with all foreign, federal and state laws respecting employment and employment practices, terms and conditions of employment, wages and hours and nondiscrimination in employment, and are not engaged in any unfair labor practice. There is no charge pending or, to the Knowledge of the Sellers, threatened against the Company alleging unlawful discrimination in employment practices before any court or agency and there is no charge of or proceeding with regard to any unfair labor practice against the Company pending before the National Labor Relations Board or any similar entity. The Company is in material compliance with all laws (i) with respect to classification of independent contractors and (ii) with respect to classification of employees as “exempt” or “nonexempt” from overtime requirements under applicable law.

4.17 Environmental Matters. Except for any matter that would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) the Company is in compliance with all applicable Laws relating to pollution or protection of human health or the environment (including ambient air, surface water, groundwater, land surface or subsurface strata), including laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or toxic or hazardous substances or wastes (collectively, “**Hazardous Materials**”) into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands, or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations, issued, entered, promulgated or approved thereunder protection of the environment (“**Environmental Laws**”), (ii) the Company possesses and is in compliance with all Permits required under any Environmental Law for the conduct of their operations and (iii) there are no Actions pending against the Company alleging a violation of any Environmental Law.

4.18 Insurance. Section 4.18 of the Disclosure Schedule sets forth a list of each insurance policy that covers the Company or its businesses, properties, assets, directors, officers or employees. To the Knowledge of Sellers, such insurance policies (a) are in full force and effect in all material respects and the Company is not in violation or breach of or default under any of its obligations under any such insurance policy, except where such default would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (b) are sufficient for compliance in all material respects by the Company with all requirements of Law and of all agreements to which the Company is a party, and (c) are valid, outstanding and enforceable policies.

4.19 Brokers’ Fees. Except as set forth in Section 4.19 of the Disclosure Schedule, the Company has no Liability to pay any fees or commissions to any broker, finder or agent with respect to this Agreement, the Acquisition or the transactions contemplated by this Agreement.

4.20 Certain Business Relationships with the Company. Except as set forth in Section 4.20 of the Disclosure Schedule, no Seller, nor any Affiliate of a Seller, has been involved in any business arrangement or relationship with the Company within the past 12 months that involves more than \$10,000, and no Seller, nor any Affiliate of a Seller, owns any material asset, tangible or intangible, which is used in the business of the Company.

4.21 Equipment. Section 4.21 of the Disclosure Schedule sets forth a complete and accurate list of all plants, fixtures, machinery, installations, equipment, furniture, tools, spare parts, supplies, materials and other personal property (collectively, the “**Equipment**”) owned by the Company other than items having a net book or market value individually of less than twenty thousand dollars (\$10,000) or expensed for tax purposes, as of the date of the Interim Financial Statements, and the Company has not acquired any Equipment in excess of such amount since such date.

4.22 Suppliers. Section 4.22 of the Disclosure Schedule sets forth a correct and complete list of the top 10 suppliers of the Company on a combined basis during the fiscal year ended December 31, 2020 and for the 5 month period ended May 31, 2021 and indicates with respect to each the name and dollar volume of business with the Company (including the primary categories,



based on purchases or sales, of products or services bought or sold). The Company is not required to provide any material bonding or other financial security arrangements in connection with its transactions with any supplier required to be disclosed on Section 4.22 of the Disclosure Schedule except as set forth therein. Since the date of the Financial Statements, no supplier required to be disclosed on Section 4.22 of the Disclosure Schedule has terminated its relationship with, or materially reduced its sales to, the Company.

4.23 Inventory. Section 4.23 of the Disclosure Schedule sets forth a correct and complete list of all Inventory with an aggregate salable value in excess of \$10,000. All Inventory is owned by the Company, and all such inventory consists of a quality and quantity usable and salable for sale in the ordinary course of business at customary gross margins, except for any inventory that is obsolete, discontinued, damaged, or of below standard quality or merchantability that has been written down to realizable fair market value on the Financial Statements.

4.24 Officers and Directors; Bank Accounts, Signing Authority, Powers of Attorney. Section 4.24 of the Disclosure Schedule lists all officers and directors (or equivalent governing positions) of the Company. Except as set forth in Section 4.24 of the Disclosure Schedule, the Company does not have an account or safe deposit box in any bank and no Person has any power, whether solely or jointly, to sign any checks on behalf of the Company, to withdraw any money or other property from any bank, brokerage or other account of the Company or to act under any power of attorney granted by the Company at any time for any such purpose. Section 4.24 of the Disclosure Schedule also sets forth the names of all Persons authorized to borrow money or sign notes on behalf of the Company.

4.25 Accounts Receivable. Except as set forth in Section 4.25 of the Disclosure Schedule, all Accounts Receivable arose in the ordinary course of the business and represent or will represent valid obligations due.

4.26 Customers. Section 4.26 of the Disclosure Schedule sets forth a correct and complete list of the top 10 customers of the Company on a combined basis during the fiscal year ended December 31, 2020 and for the 5 month period ended May 31, 2021 and indicates with respect to each the name and dollar volume of business with the Company (including the primary categories, based on purchases or sales, of products or services bought or sold). Since the date of the Financial Statements, no supplier required to be disclosed on Section 4.26 of the Disclosure Schedule has terminated its relationship with, or materially reduced its purchases from, the Company.

4.27 No Other Representations and Warranties. Except for the representations and warranties contained in Article III and this ARTICLE IV (including the related portions of the Disclosure Schedule), none of the Sellers, the Company or any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of the Sellers or the Company, including any representation or warranty as to the accuracy or completeness of any information regarding the Company furnished or made available to Buyer and its Representatives (including any information, documents or material delivered to Buyer or made available to Buyer in any virtual data room, management presentations or in any other form in expectation of the transactions contemplated hereby) or as to the future revenue, profitability or

success of the Company, or any representation or warranty arising from statute or otherwise in law.

## ARTICLE V REPRESENTATIONS AND WARRANTIES OF BUYER

The Buyer represents and warrants to the Sellers that each statement contained in this Article V is true and correct as of the date hereof.

5.1 Organization. The Buyer is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware.

5.2 Authorization. The Buyer has the requisite power and authority to execute and deliver this Agreement and the Ancillary Agreements, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by the Buyer of this Agreement and the Ancillary Agreements and the consummation by the Buyer of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Buyer, and no other action is necessary on the part of the Buyer to authorize this Agreement or the Ancillary Agreements or to consummate the Acquisition or the other transactions contemplated hereby or thereby. This Agreement has been, and the Ancillary Agreements upon execution will be, duly executed and delivered by the Buyer and, assuming the due authorization, execution and delivery by each other party hereto, constitute legal, valid and binding obligations of the Buyer, enforceable against the Buyer in accordance with their terms, except as limited by (i) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar Laws relating to creditors' rights generally and (ii) general principles of equity, whether such enforceability is considered in a proceeding in equity or at Law. The Purchase Price Shares are duly authorized and, when issued, will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens other than Liens imposed by the Buyer as provided for in this Agreement or imposed by applicable securities laws.

5.3 Noncontravention.

(a) Neither the execution and the delivery of this Agreement or any Ancillary Agreement, nor the consummation of the Acquisition and the other transactions contemplated by this Agreement or any Ancillary Agreement, will, with or without the giving of notice or the lapse of time or both, (i) violate any provision of the certificate of incorporation or bylaws of the Buyer, (ii) violate any Law applicable to the Buyer on the date hereof or (iii) violate any Contract to which the Buyer is a party, except in the case of clauses (ii) and (iii) to the extent that any such violation would not reasonably be expected to prevent or materially delay the consummation of the Acquisition and the other transactions contemplated by this Agreement or any Ancillary Agreement.

(b) The execution and delivery of this Agreement or any Ancillary Agreement by the Buyer does not, and the performance of this Agreement by the Buyer will not, require any consent, approval, authorization or Permit of, or filing with or notification to, any Governmental Entity, except for (i) post-closing securities filings or notifications required to be made under federal securities laws, or (ii) where the failure to take such action would not reasonably be



expected to have, individually or in the aggregate, a material adverse effect on the assets, properties, condition (financial or otherwise), operations of the Buyer and any of its Subsidiaries, taken as a whole.

5.4 Brokers' Fees. The Buyer has no Liability to pay any fees or commissions to any broker, finder or agent with respect to this Agreement, the Acquisition or the transactions contemplated by this Agreement that could result in any Liability being imposed on the Sellers or the Company.

5.5 Independent Investigation. Buyer has conducted its own independent investigation, review and analysis of the business, results of operations, prospects, condition (financial or otherwise) or assets of the Company, and acknowledges that it has been provided adequate access to the personnel, properties, assets, premises, books and records, and other documents and data of the Sellers and the Company for such purpose. Buyer acknowledges and agrees that: (a) in making its decision to enter into this Agreement and to consummate the transactions contemplated hereby, Buyer has relied solely upon its own investigation and the express representations and warranties of the Sellers and the Company set forth in Article III and Article IV of this Agreement (including the related portions of the Disclosure Schedule); and (b) none of the Sellers, the Company or any other Person has made any representation or warranty as to the Sellers, the Company or this Agreement, except as expressly set forth in Article III and ARTICLE IV of this Agreement (including the related portions of the Disclosure Schedule).

## ARTICLE VI COVENANTS

6.1 Consents. The Company will use its commercially reasonable efforts to obtain any required third-party consents to the Acquisition and the other transactions contemplated by this Agreement in writing from each Person.

6.2 Operation of the Company's Business. During the period commencing on the date hereof and ending at the earlier of the Closing and the termination of this Agreement in accordance with Article VIII, the Company, except (i) as otherwise contemplated by this Agreement, (ii) as required by applicable Law or (iii) with the prior written consent of Buyer (which consent will not be unreasonably withheld, conditioned or delayed), shall:

(a) use commercially reasonable efforts to carry on its business in a manner consistent with past practice;

(b) maintain the properties and other assets of the Company in good working order (normal wear excepted); and

(c) use commercially reasonable efforts to maintain its business and employees, customers, assets and operations as a going concern and in accordance with past practice.

6.3 Access. During the period commencing on the date hereof and ending at the earlier of the Closing and the termination of this Agreement in accordance with Article VIII, the Company will provide reasonable access to the Company's financial, accounting, business records, contracts and other legal documents maintained by the Company for the purpose of the Buyer completing



its due diligence investigation. Buyer shall not contact or communicate with any of the Company's employees, customers, suppliers or advisors without the prior written consent of the Company and in the presence of the Company's management. The parties hereto will cooperate to complete due diligence in a reasonably expeditious timeframe.

6.4 Transfer of Cash and Cash Equivalents. On or prior to the Closing, the Company and Sellers will use commercially reasonable efforts to transfer, or cause to be distributed all cash and cash equivalents of the Company to, among other things, pay any fees owed by Company to brokers or advisors, to repay any Indebtedness and to distribute cash the Sellers.

6.5 Notice of Developments. The Sellers and the Company will give prompt written notice to the Buyer of any event that would reasonably be expected to give rise to, individually or in the aggregate, a Material Adverse Effect or would reasonably be expected to cause a breach of any of their respective representations, warranties, covenants or other agreements contained herein. The Buyer will give prompt written notice to the Sellers and the Company of any event that could reasonably be expected to cause a breach of any of its representations, warranties, covenants or other agreements contained herein or could reasonably be expected to, individually or in the aggregate, prevent or materially delay the consummation of the Acquisition and the other transactions contemplated by this Agreement. The delivery of any notice pursuant to this Section 6.5 will not limit, expand or otherwise affect the remedies available hereunder (if any) to the party receiving such notice.

6.6 No Solicitation.

(a) The Company will, and will cause each of their Representatives, including, without limitation, the Sellers to, cease immediately any existing discussions regarding a Transaction Proposal.

(b) During the period commencing on the date hereof and ending at the earlier of the Closing and the termination of this Agreement in accordance with Article VIII, without the prior consent of the Buyer, no Company will, nor will they authorize or permit any of their respective Representatives, including, without limitation, the Sellers to, directly or indirectly through another Person to, (i) solicit, initiate or encourage (including by way of furnishing information), or take any other action designed to facilitate any inquiries, proposals or offers from any Person that constitute, or would reasonably be expected to constitute, a Transaction Proposal, (ii) participate in any discussions or negotiations (including by way of furnishing information) regarding any Transaction Proposal or (iii) otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt by any other Person to do or seek any of the foregoing. The Sellers shall immediately communicate to the Buyer the terms of any Transaction Proposal received by any of the Sellers or the Company, or any of their Representatives.

6.7 Covenant not to Compete. For a period of three (3) years from and after the Closing (the "**Noncompetition Period**"), each Seller, severally and not jointly, shall not engage directly or indirectly in any business operating in the areas of cannabinoid manufacturing, extraction, distillation, remediation and isolation, anywhere worldwide (the "**Business**"); provided, however, that no ownership of less than 5% of the outstanding stock of any publicly-traded corporation shall



be deemed to constitute a breach of the obligations contained in this Section 6.7. During the Noncompetition Period, each Seller, severally and not jointly, shall not induce or attempt to induce any customer or supplier of the Buyer or any Affiliate of the Buyer as of the Closing Date to terminate its relationship with the Buyer or any Affiliate of the Buyer. During the Noncompetition Period, each Seller, severally and not jointly, shall not, on behalf of any entity other than the Buyer or an Affiliate of the Buyer, solicit or attempt to solicit the employment any Person who is, or was at any time during the preceding twelve (12) months, an employee or officer of the Buyer or an Affiliate of the Buyer as of the Closing Date, provided, however, that each Seller may undertake such actions directed to the general public (including, without limitation, mass mailing based on commercially acquired mailing lists, newspaper, radio and television advertisements) which shall not constitute solicitation under this Section 6.7.

6.8 Financial Information. The Sellers shall reasonably cooperate with the Buyer and the Buyer's independent certified public accounting firm, at the Buyer's sole expense, in order to enable the Buyer to create audited financial statements prepared in accordance with GAAP for the two full fiscal years preceding the Closing Date by making available the Company's records as they are maintained in the ordinary course of business and answering reasonable questions.

6.9 Taking of Necessary Action; Further Action. Subject to the terms and conditions of this Agreement, the Sellers, the Company and Buyer will take all such reasonable and lawful action as may be necessary or appropriate in order to effectuate the Acquisition in accordance with this Agreement as promptly as practicable.

6.10 Disclosure Schedule. The parties acknowledge and agree that (i) the Sellers and the Company have not yet delivered the Disclosure Schedule to this Agreement to the Buyer, and (ii) the Buyer has not been provided with copies of, nor had an opportunity to review, the items to be referred to on the Disclosure Schedule. The Seller shall deliver (and shall cause the Company to deliver) to the Buyer all of the schedules, including a definitive Disclosure Schedule to the Agreement, and documents referred to thereon, in final form as soon as promptly practicable after the Buyer and the Sellers mutually agree upon a Closing Date. The Buyer shall have 15 days following delivery of such schedules and such documents in which to terminate this Agreement in writing if the Buyer objects to any information contained in such schedules or the contents of any such document and the Buyer and Sellers cannot agree on mutually satisfactory modifications thereto.

6.11 Confidentiality. Reference is made to that certain Non-Disclosure Agreement, dated November 18, 2020, by and among the parties hereto (the "**Confidentiality Agreement**"). Effective upon the Closing, the Confidentiality Agreement will terminate; provided, however, that prior to the Closing, in addition to the exclusions set forth in the Confidentiality Agreement, "Confidential Information" as defined in the Confidentiality Agreement shall not include information which is disclosed by the Buyer pursuant to Applicable Law, the Securities Exchange Act of 1934, as amended, and applicable rules and regulations promulgated thereunder. From and after the Closing each of the Sellers will treat and hold as confidential, refrain from using any of the Confidential Information (as defined in the Confidentiality Agreement) except in connection with this Agreement or the transactions contemplated hereby, and except as required in connection with its rights or obligations under this Agreement, deliver promptly to the Buyer or destroy, at the request and option of the Buyer, all tangible embodiments (and all copies) of the Confidential



Information which are in his or its possession. In the event that any of the Sellers is requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, that Seller will notify the Buyer as promptly as practicable of the request or requirement so that the Buyer may seek an appropriate protective order or waive compliance with the provisions of this Section 6.11. If, in the absence of a protective order or the receipt of a waiver hereunder, any of the Sellers is, on the advice of counsel, compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, that Seller may disclose the Confidential Information to the tribunal; provided, however, that the disclosing Seller shall use his or its reasonable efforts to obtain, at the request and sole expense of the Buyer, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as the Buyer shall designate. The foregoing provisions shall not apply to any Confidential Information which: (i) at the time of disclosure or thereafter is generally available to and known by the public (other than as a result of its disclosure directly or indirectly by the Seller in violation of this Agreement); (ii) was available to the Seller on a non-confidential basis from a source other than the Buyer, provided that such source, to the Knowledge of such Seller, is not and was not bound by a confidentiality agreement with respect to such information or otherwise prohibited from transmitting such information by a contractual, legal, or fiduciary obligation; or (iii) has been independently acquired or developed by the Seller without reference to the Confidential Information.

## ARTICLE VII CONDITIONS TO OBLIGATIONS TO CLOSE

7.1 Conditions to Obligation of the Buyer. The obligation of the Buyer to consummate the Acquisition is subject to the satisfaction or waiver by the Buyer of the following conditions:

(a) The representations and warranties of the Sellers set forth in this Agreement will be true and correct in all respects as of the date of this Agreement and as of the Closing Date (except to the extent such representations and warranties speak as of another date, in which case such representations and warranties will be true and correct as of such other date), except where the failure of such representations and warranties to be so true and correct (without giving effect to any limitation as to “materiality” or “Material Adverse Effect” set forth therein) does not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Each Seller and the Company will have performed all covenants required to be performed by it under this Agreement at or prior to the Closing, except where the failure to perform does not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or materially adversely affect the ability of each Seller and the Company to consummate the Acquisition or perform its other obligations hereunder.

(c) The parties hereto will have received all other authorizations, consents and approvals of all Governmental Entities in connection with the execution, delivery and performance of this Agreement and the transactions contemplated hereby.

(d) No temporary, preliminary or permanent restraining Order preventing the consummation of the Acquisition will be in effect.

(e) The Sellers shall have obtained the consents, permits, licenses, approvals or notifications of any lenders, lessors, suppliers, customers or other third parties required to consummate the Acquisition.

(f) The Sellers shall have obtained and delivered to Buyer pay-off letters and releases of the Liens relating to indebtedness from any persons who hold secured indebtedness of any of the Company at the Closing, and such payoff letters shall be in form and substance reasonably satisfactory to Buyer.

(g) The Buyer shall have received fully executed employment and non-competition agreements entered into with Vincent Kandis, Spiro Kandis, John C. Rand and Anthony Zingarelli in the form mutually agreeable to the Sellers and the Buyer.

(h) The Sellers shall have delivered to Buyer any consents required under the Contracts.

(i) The Company shall have delivered evidence reasonably satisfactory to the Buyer of such Company's organization and proceedings and its existence in the jurisdiction in which it is formed, including evidence of such existence as of the Closing.

(j) The Buyer shall have consummated the Acquisition Financing.

(k) The Company shall have delivered to Buyer a certificate, executed by an officer of the Company, dated as of the Closing Date, certifying on behalf of the Company that each of the conditions set forth in Section 7.1(a) and Section 7.1(b) have been satisfied in all respects.

(l) The Sellers shall have delivered to Buyer a final Schedule of Sellers in the form attached hereto as **Exhibit A**.

7.2 Conditions to Obligation of the Sellers and the Company. The obligation of the Sellers and the Company to consummate the Acquisition is subject to the satisfaction or waiver by the Sellers of the following conditions:

(a) The representations and warranties of the Buyer set forth in this Agreement will be true and correct in all respects as of the date of this Agreement and as of the Closing Date (except to the extent such representations and warranties speak as of another date, in which case such representations and warranties will be true and correct as of such other date), except where the failure of such representations and warranties to be so true and correct does not adversely affect the ability of the Buyer to consummate the Acquisition and the other transactions contemplated by this Agreement.

(b) The Buyer will have performed all of the covenants required to be performed by it under this Agreement at or prior to the Closing except such failures to perform as





do not materially adversely affect the ability of the Buyer to consummate the Acquisition and the other transactions contemplated by this Agreement.

(c) The parties hereto will have received all other authorizations, consents and approvals of all Governmental Entities in connection with the execution, delivery and performance of this Agreement and the transactions contemplated hereby.

(d) No temporary, preliminary or permanent restraining Order preventing the consummation of the Acquisition will be in effect.

(e) The Buyer shall have obtained any consents, permits, licenses, approvals or notifications of any Governmental Entities, lenders, lessors, suppliers, customers or other third parties required to consummate the Acquisition.

(f) The Buyer shall have delivered to the Sellers the Share Purchase Price.

(g) The Buyer shall simultaneously close on the balance of the issued and outstanding Securities in the Company from the Passive Members at a pro-rata price not less than the Pro-Rata Basis being paid to the Sellers hereunder.

(h) The Buyer shall have delivered to the Company a certificate of the Buyer, executed by an officer of the Buyer, dated as of the Closing Date, certifying on behalf of the Buyer that each of the conditions set forth in Section 7.2(a) and Section 7.2(b) have been satisfied in all respects.

## ARTICLE VIII TERMINATION; AMENDMENT; WAIVER

8.1 Termination of Agreement. This Agreement may be terminated as follows:

(a) by mutual written consent of the Buyer and the Sellers at any time prior to the Closing;

(b) by either the Buyer or the Sellers if any Governmental Entity will have issued an Order or taken any other action permanently enjoining, restraining or otherwise prohibiting the transactions contemplated by this Agreement;

(c) by either the Buyer or the Sellers if the Closing does not occur on or before the ninetieth (90<sup>th</sup>) day following the date of this Agreement; provided that the right to terminate this Agreement under this Section 8.1(c) will not be available to any party whose breach of any provision of this Agreement results in the failure of the Closing to occur by such time;

(d) by the Buyer if any Seller or any Company has breached its respective representations and warranties or any covenant or other agreement to be performed by it in a manner such that the Closing conditions set forth in Section 7.1(a) or 7.1(b) would not be satisfied;

(e) by the Sellers if the Buyer has breached its representations and warranties or any covenant or other agreement to be performed by it in a manner such that the Closing conditions set forth in Section 7.2(a) or 7.2(b) would not be satisfied; or

(f) pursuant to the provisions of Section 6.10 hereof.

## 8.2 Effect of Termination.

(a) In the event of termination of this Agreement as provided in Sections 8.1(a) – (f), this Agreement will terminate and all rights and obligations of the parties under this Agreement automatically end without any Liability (other than with respect to any suit for breach of Sections 6.6 (No Solicitation) and 6.11 (Confidentiality) of this Agreement) on the part of the Buyer, the Company or the Sellers (or any member, stockholder agent, consultant or Representative of any such party); provided, that the provisions of Section 6.11, Sections 10.1 through 10.15 and this Section 8.2 will survive any termination hereof pursuant to Section 8.1.

8.3 Amendments. This Agreement may not be amended except by an instrument in writing signed on behalf of the Buyer, the Company and the Sellers.

8.4 Waiver. At any time prior to the Closing, the Buyer may (a) extend the time for the performance of any of the covenants, obligations or other acts of the Sellers and the Company or (b) waive any inaccuracy of any representations or warranties or compliance with any of the agreements, covenants or conditions of the Sellers or the Company. Any agreement on the part of the Buyer to any such extension or waiver will be valid only if such waiver is set forth in an instrument in writing signed on its behalf by its duly authorized officer. At any time prior to the Closing, the Sellers and the Company may (a) extend the time for the performance of any of the covenants, obligations or other acts of the Buyer or (b) waive any inaccuracy of any representations or warranties or compliance with any of the agreements, covenants or conditions of the Buyer. Any agreement on the part of the Sellers and the Company to any such extension or waiver will be valid only if such waiver is set forth in an instrument in writing signed by the Sellers and the Company. Except for any waiver under the preceding sentences of this Section 8.4, the failure of any party to this Agreement to assert any of its rights under this Agreement or otherwise will not constitute a waiver of such rights. The waiver of any such right with respect to particular facts and other circumstances will not be deemed a waiver with respect to any other facts and circumstances, and each such right will be deemed an ongoing right that may be asserted at any time and from time to time.

## ARTICLE IX INDEMNIFICATION

9.1 Survival. The representations, warranties made herein and in any certificate delivered in connection herewith shall survive for a period of twenty four (24) months following the Closing Date, at which time they shall expire; provided, however, that (a) the representations and warranties set forth in Sections 3.1, 3.3, 4.1, 4.3, and 4.6 of this Agreement (the “**Fundamental Representations**”) shall survive until the expiration of the applicable statute of limitations. If written notice of a claim has been given prior to the expiration of the applicable representations and warranties, then notwithstanding any statement herein to the contrary, the relevant representations and warranties shall survive as to such claim, until such claim is finally resolved.



Unless a specified period is set forth in this Agreement (in which event such specified period will control), and for covenants that by their terms are to be performed after the Closing Date, all agreements and covenants contained in this Agreement will survive the Closing and remain in effect until thirty (30) days after the expiration of the applicable statutes of limitations. To avoid any doubt, the parties hereto agree that the time limitations herein limit the time in which a claim may be brought even though such time limits may be less than those otherwise afforded under applicable statutes of limitations. In the event that a claim has been brought within such time periods, the running of such time prior to the final adjudication of such claim shall not time bar the continuation of such claim.

9.2 Indemnification by Sellers. From and after the Closing, each Seller, on a joint and several basis, hereby agrees to indemnify, defend and save the Buyer and, to the extent applicable, its Affiliates, stockholders, officers, directors, employees, agents and representatives (each, a “**Buyer Indemnified Party**” and collectively, the “**Buyer Indemnified Parties**”) harmless from and against any and all direct and actual Liabilities, deficiencies, demands, claims, Actions, assessments, losses, costs, expenses, interest, fines, penalties and damages (including reasonable fees and expenses of attorneys and accountants but excluding any special, incidental, indirect, exemplary, punitive or consequential damages (including lost profits, loss of revenue or lost sales, or amounts calculated as a multiple of earnings, profits, revenue, sales or other measure)) (individually and collectively, the “**Losses**”) suffered, sustained or incurred by any Buyer Indemnified Party arising out of or otherwise by virtue of: (a) any breach of any of the representations or warranties of such Seller or the Company contained in Article III or IV of this Agreement or (b) the failure of such Seller to perform any of its covenants or obligations contained in this Agreement.

9.3 Indemnification by Buyer. From and after the Closing, the Buyer agrees to indemnify, defend and save the Sellers and to the extent applicable, the Sellers’ Affiliates, employees, agents and representatives (each, a “**Seller Indemnified Party**” and collectively the “**Seller Indemnified Parties**”) harmless from and against any and all Losses sustained or incurred by any Seller Indemnified Party arising out of or otherwise by virtue of: (a) any breach of any of the representations and warranties of Buyer contained in Article V of this Agreement or (b) the failure of the Buyer to perform any of its covenants or obligations contained in this Agreement.

9.4 Third Party Indemnification Procedures; Direct Claim Procedures.

(a) If a Buyer Indemnified Party or a Seller Indemnified Party seeks indemnification under this Article IX, such party (the “**Indemnified Party**”) shall promptly give written notice to the other party (the “**Indemnifying Party**”) of the assertion of any claim or the commencement of any suit, action or proceeding by any third party (a “**Third Party Claim**”) in respect of which indemnity may be sought under this Article IX. Such notice shall contain details reasonably sufficient to disclose to the Indemnifying Party the nature and scope of the claim including an estimate of the amount of claimed Losses (if known and quantifiable) and copies of all relevant pleadings, documents and information. Any failure in the delivery of such notice shall not affect the obligations of the Indemnifying Party, except to the extent (and only to the extent) that the rights and remedies of the Indemnifying Party are prejudiced as a result of the failure to give, or delay in giving, such notice.

(b) The Indemnifying Party shall be entitled to participate in the defense of any Third Party Claim and, subject to the limitations set forth in this Section 9.4(b), shall be entitled to control and appoint lead counsel for such defense, in each case at its own expense; *provided*, that (i) the Indemnifying Party provides written notice to the Indemnified Party that the Indemnifying Party intends to undertake such defense and (ii) the Indemnifying Party conducts the defense of the Third Party Claim actively and diligently; *provided, further*, that the Indemnifying Party shall not have the right to defend against such Third Party Claim (unless otherwise agreed to in writing by the Indemnified Party) if (A) the claim for indemnification relates to or arises in connection with any criminal or quasi-criminal proceeding, action, indictment, allegation or investigation, (B) the claim seeks an injunction or other equitable relief against any Indemnified Party or any of its Affiliates, or (C) the Indemnified Party shall in good faith determine after consultation with outside counsel that the Indemnified Party may have available to it one or more defenses or counterclaims that are inconsistent with one or more of the defenses or counterclaims that may be available to the Indemnifying Party in respect of a Third Party Claim that would make it inappropriate for the same counsel to represent both the Indemnifying Party and the Indemnified Party.

(c) The Indemnifying Party shall notify the Indemnified Party within fifteen (15) days after having received any claim notice with respect to whether or not it is exercising its right to defend the Indemnified Party against the Third Party Claim. If the Indemnifying Party has the right to and elects to assume the control of the defense of any Third Party Claim in accordance with the provisions of this Section 9.4, (i) the Indemnifying Party shall have the right to defend such Third Party Claim with counsel selected by the Indemnifying Party (which counsel shall be subject to the approval of the Indemnified Party, such approval not to be unreasonably withheld, conditioned or delayed), (ii) the Indemnifying Party shall not enter into any settlement agreement with respect to such Third Party Claim without the prior written consent of the Indemnified Party (which shall not be unreasonably withheld, delayed or conditioned) and (iii) the Indemnified Party shall be entitled to participate in the defense of any Third Party Claim and to employ at its expense separate counsel of its choice for such purpose (in which case the counsel of the Indemnifying Party shall reasonably cooperate with such separate counsel to facilitate such participation, including (x) promptly providing to such separate counsel copies of all written materials received in respect of the Third Party Claim, (y) providing such separate counsel a reasonable opportunity to review and comment on materials being drafted and furnished in respect of such Third Party Claim (which such comments shall be considered in good faith) and (z) providing the opportunity to participate in all meetings (whether in person, by teleconference or otherwise) relating to such Third Party Claim).

(d) If the Indemnifying Party does not notify the Indemnified Party that the Indemnifying Party elects to defend the Indemnified Party pursuant to Section 9.4(c) within fifteen (15) days after receipt of notice of a Third Party Claim, or the Indemnifying Party is otherwise not entitled to defend the Indemnified Party pursuant to Section 9.4(b), then the Indemnified Party may defend, and be reimbursed by the Indemnifying Party for its reasonable costs and expenses in regard to, the Third Party Claim with counsel selected by the Indemnified Party in all appropriate proceedings. In such circumstances, the Indemnified Party may defend any such Third Party Claim and have full control of such defense and proceedings including the settlement, compromise or discharge thereof; *provided, however*, that no such Third Party Claim shall be settled, compromised or discharged by the Indemnified Party without the prior written consent of the



Indemnifying Party (which consent shall not be unreasonably withheld, delayed or conditioned). The Indemnifying Party shall be entitled to participate in the defense of any Third Party Claim described in this Section 9.4(d) and to employ one separate counsel of its choice for such purpose (in which case the counsel of the Indemnified Party shall reasonably cooperate with such separate counsel to facilitate such participation, including (x) promptly providing to such separate counsel copies of all written materials received in respect of the Third Party Claim, (y) providing such separate counsel a reasonable opportunity to review and comment on materials being drafted and furnished in respect of such Third Party Claim (which such comments shall be considered in good faith) and (z) providing the opportunity to participate in all meetings (whether in person, by teleconference or otherwise) relating to such Third Party Claim). The fees and expenses of such separate counsel shall be paid by the Indemnifying Party.

(e) Each party shall cooperate, and cause its respective Affiliates to cooperate, in the defense or prosecution of any Third Party Claim and shall furnish or cause to be furnished such records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials or appeals, as may be reasonably requested in connection therewith; provided that no Indemnified Party, upon reasonable advice of counsel, shall have any obligation to disclose any information the disclosure of which would reasonably be expected to result in a violation of applicable Law or is subject to attorney-client or any other privilege, and if requested by an Indemnified Party, the Indemnifying Party will enter into an appropriate joint defense agreement (or other privilege-preserving agreement) in connection with obtaining access to such information.

9.5 Direct Claim Procedures. In the event an Indemnified Party brings a claim for indemnity against an Indemnifying Party that does not involve a Third Party Claim (a “**Direct Claim**”), the Indemnified Party shall give prompt notice in writing of such Direct Claim to the Indemnifying Party. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party is materially prejudiced by reason of such failure. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail (excluding anything subject to attorney-client or similar privilege) with respect thereto and shall indicate the estimated amount, if reasonably known and quantifiable and assuming the truth of the facts asserted therein, of the Losses that have been or may be sustained by the Indemnified Party; *provided, however*, that (a) the notice with respect to a Direct Claim (a “**Direct Claim Notice**”) need only specify such information to the knowledge of such Indemnified Party as of the date of such notice and (b) shall be updated and amended from time to time by the Indemnified Party by delivering an updated or amended Direct Claim Notice. The Indemnifying Party shall have sixty (60) days after its receipt of such notice to respond in writing to such Direct Claim Notice. During such 60-day period, the Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim, and the Indemnified Party shall assist the Indemnifying Party’s investigation by giving such information and assistance (including access to the Indemnified Party’s, the Company’ and its Subsidiaries’ premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. The Indemnifying Party may object to a claim for indemnification set forth in a Direct Claim Notice by delivering a notice to the Indemnified Party seeking indemnification within sixty (60) days of the delivery of the applicable Direct Claim Notice (the “**Direct Claim Objection Deadline**”), setting forth in reasonable detail the objections to the Direct





Claim. If the Indemnifying Party notifies the applicable Indemnified Party that it objects by the Direct Claim Objection Deadline or fails to object by the Direct Claim Objection Deadline, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

9.6 Limitation on Indemnification Obligation. Notwithstanding anything in this Agreement to the contrary, the liability of the Sellers to the Buyer Indemnified Parties with respect to claims for indemnification pursuant to Section 9.2(a) is subject to the following limitations:

(a) The Sellers shall not, in the aggregate, be liable to the Buyer Indemnified Parties for Losses arising under Section 9.2 (other than with respect to Fundamental Representations or for actual fraud in the making of representations or warranties of the Sellers in this Agreement (“**Fraud**”)) that exceed \$4,000,000. The Sellers’ aggregate liability for Fraud or for the breach of Fundamental Representations shall be limited to the Purchase Price.

(b) The Sellers shall not be liable to the Buyer Indemnified Parties for Losses arising under Section 9.2(a) (other than with respect to Fundamental Representations) until and unless the aggregate amounts indemnifiable for such breaches exceeds \$200,000. In the event the Buyer Indemnified Parties’ claim for Losses, in the aggregate, exceed \$200,000, the Buyer Indemnified Parties shall be entitled to all Losses without regard to such threshold.

(c) The Sellers shall not be liable to the Buyer Indemnified Parties for Losses arising under Section 9.2 unless the claim therefor is asserted in writing on or prior to the expiration of the applicable representation and/or warranty.

(d) All indemnification payments pursuant to this Article IX shall be deemed to be adjustments to the Purchase Price.

(e) Subject to the limitations contained in this Article IX, each of the Seller’s liability under this Article IX is limited to the amount of cash actually received by such Seller pursuant to this Agreement and allocated among the Sellers on a Pro Rata Basis; provided, however, that in no event shall one Seller be liable for the Fraud of another Seller. Each of the parties hereto acknowledges and agrees that following the Closing, the indemnification provisions of this Article IX shall be the sole and exclusive remedies of the Buyer Indemnified Parties for any matter arising out of this Agreement and the transactions contemplated hereby. Notwithstanding the foregoing, a party hereto may bring an Action to enforce this Article IX.

9.7 Payments. Payments of all amounts owing by an Indemnifying Party under this Article IX shall be made promptly upon the final determination in accordance with this Article IX that an indemnification obligation is owing by the Indemnifying Party to the Indemnified Party.

9.8 Tax Refunds, Insurance Proceeds and Other Payments. The amount of any and all Losses for which indemnification is provided pursuant to this Article IX will be net of any Tax benefit to which an Indemnified Party is entitled by reason of payment of such Liability (taking into account any Tax cost or reduction in such Tax benefits by reason of receipt of the indemnification payment) and any amounts of any insurance proceeds, indemnification payments, contribution payments or reimbursements receivable by, or payable in kind to, the Indemnified



Party with respect to such Losses or any of the circumstances giving rise thereto. In connection therewith, if, at any time following payment in full by the Indemnifying Party of any amounts of Losses due under this Agreement, the Indemnified Party receives any insurance proceeds, indemnification payments, contribution payments or reimbursements relating to the circumstances giving rise to such Losses, the Indemnified Party will promptly remit to the Indemnifying Party such proceeds, payments or reimbursements in an amount not to exceed the amount of the corresponding indemnification payment made by the Indemnifying Party. The Buyer will use (and will cause its Affiliates to use) commercially reasonable efforts to collect the proceeds of any available insurance which would have the effect of reducing any Losses (in which case the net proceeds thereof will reduce the Losses).

9.9 Mitigation. The Indemnified Party will use its commercially reasonable efforts to mitigate any Losses with respect to which it may be entitled to seek indemnification pursuant to this Agreement.

## ARTICLE X MISCELLANEOUS

10.1 Press Releases and Public Announcement. Neither the Buyer on the one hand, nor the Sellers or the Company on the other, will issue any press release or make any public announcement relating to this Agreement, the Acquisition or the other transactions contemplated by this Agreement without the prior written approval of the other party; *provided, however*, that, the Buyer may make regulatory filings referring to this Agreement or attaching a copy hereof as may be required by applicable Law.

10.2 No Third-Party Beneficiaries. This Agreement will not confer any rights or remedies upon any Person other than the parties hereto and their respective successors and permitted assigns.

10.3 Entire Agreement. This Agreement and the Ancillary Agreements (including the Exhibits and the Schedules hereto) constitutes the entire agreement among the parties hereto and supersedes any prior understandings, agreements or representations by or among the parties hereto, written or oral, to the extent they related in any way to the subject matter hereof.

10.4 Succession and Assignment. This Agreement will be binding upon and inure to the benefit of the parties named herein and their respective successors and permitted assigns. No party hereto may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval, in the case of assignment by the Buyer, by the Sellers, and, in the case of assignment by the Sellers or the Company, the Buyer.

10.5 Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement, and, in the event an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

10.6 Notices. All notices, requests and other communications hereunder must be in writing and will be deemed to have been duly given only if delivered personally against written receipt or by facsimile or electronic mail transmission or mailed (by registered or certified mail, postage prepaid, return receipt requested) or delivered by reputable overnight courier, fee prepaid, to the parties hereto at the addresses of the parties as specified below:

If to the Buyer:                      c/o CFN Enterprises Inc.  
600 East 8<sup>th</sup> Street  
Whitefish, MT 59937  
Attn: Brian Ross  
Email: brian@accelerize.com

with a copy to:                      Dentons US LLP  
1221 Avenue of the Americas  
New York, New York 10020  
Attn: Rob Condon, Esq.  
Email: rob.condon@dentons.com

If to the Company:                      CNP Operating, LLC  
12742 East Caley Ave, Centennial, CO. 80111

If to the Sellers:                      To the addresses specified on **Exhibit A** hereto

Any party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other parties notice in the manner set forth herein.

10.7 Governing Law. This Agreement will be governed by, and construed and enforced in accordance with, the Laws of the State of New York, without giving effect to any choice of Law or conflict of Law provision or rule that would cause the application of the Laws of any jurisdiction other than the State of New York.

10.8 Consent to Jurisdiction and Service of Process. EACH OF THE PARTIES HERETO CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE STATE OF NEW YORK AND IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS RELATING TO THIS AGREEMENT, THE ACQUISITION OR THE OTHER TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT MAY BE LITIGATED IN SUCH COURTS. EACH OF THE PARTIES HERETO ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS RESPECTIVE PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS, AND IRREVOCABLY AGREES TO BE BOUND BY ANY FINAL AND NONAPPEALABLE JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT, THE ACQUISITION OR THE OTHER TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

10.9 Headings. The descriptive headings contained in this Agreement are included for convenience of reference only and will not affect in any way the meaning or interpretation of this Agreement.

10.10 Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future Law (a) such provision will be fully severable, (b) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, (c) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom, (d) with respect to the Sellers' obligations in Section 6.7 of this Agreement, the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or area of the term or provision and (e) in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms of such illegal, invalid or unenforceable provision as may be possible.

10.11 Expenses. Except as otherwise provided in this Agreement, whether or not the Acquisition is consummated, all expenses incurred in connection with this Agreement and the transactions contemplated hereby will be paid by the party incurring such expenses. As used in this Section 10.11, "expenses" means the fees and out-of-pocket expenses of the financial advisor, counsel and accountants incurred in connection with this Agreement and the transactions contemplated hereby.

10.12 Incorporation of Exhibits and Schedules. The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

10.13 Limited Recourse. Notwithstanding anything in this Agreement to the contrary, the obligations and Liabilities of the parties hereunder or in any Ancillary Agreement will be without recourse to any stockholder or member of such party or any of such stockholder's or member's Affiliates, or any of their respective Representatives or agents (in each case, in their capacity as such).

10.14 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any provision of this Agreement was not performed in accordance with the terms hereof and that the parties will be entitled to specific performance of the terms hereof in addition to any other remedy at Law or in equity.

10.15 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., [www.docuSign.com](http://www.docuSign.com)) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

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

**BUYER:**

**CFN ENTERPRISES INC.**

By: \_\_\_\_\_  
Name:  
Title:

**COMPANY:**

**CNP OPERATING, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**SELLERS:**

\_\_\_\_\_

**SECURITIES PURCHASE AGREEMENT**

**dated as of August 23, 2021**

**among**

**CFN ENTERPRISES INC.**

**AND**

**THE OTHER PARTIES SET FORTH IN EXHIBIT A HERETO**

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## SECURITIES PURCHASE AGREEMENT

SECURITIES PURCHASE AGREEMENT, dated as of August 23, 2021 (the “**Agreement**”), among **CFN ENTERPRISES INC.**, a Delaware corporation (the “**Buyer**”), and the other party or parties set forth in **Exhibit A** hereto (each a “**Seller**” and, if more than one, the “**Sellers**”).

### BACKGROUND

Each Seller is the record and beneficial owner of the equity interests (“**Securities**”) in CNP Operating, LLC, a Colorado limited liability company (“**Company**”), set forth opposite such Seller’s name on **Exhibit A**. The Sellers collectively own 45.9% of the issued and outstanding Securities in the Company. The Sellers desire to sell, transfer and convey all of their respective Securities to the Buyer, and the Buyer desires to purchase and accept all such Securities from Sellers, upon the terms and subject to the conditions set forth in this Agreement (the sale and purchase of such Securities, the “**Acquisition**”).

Buyer understands that Sellers are not managers or managing members of the Company, have no substantive knowledge of the operations thereof and are not making any representations, warranties, covenants or undertakings in respect thereof. With respect to all such matters, Buyer is entering into a separate securities purchase agreement on the date hereof with the Company and the managers / managing members of the Company (the “**Managers / Managing Members**”).

### AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and the respective representations and warranties, covenants and agreements contained herein, the parties hereto agree as follows:

#### ARTICLE I DEFINITIONS

##### 1.1 Recitals/Certain Definitions.

(a) The recitals set forth above are incorporated by reference as if fully set forth herein. When used in this Agreement, the following terms will have the meanings assigned to them in this Section 1.1(a) and other defined terms will have the meanings given to them elsewhere in this Agreement:

“**Action**” means any claim, action, suit, inquiry, hearing, proceeding or other investigation.

“**Affiliate**” means, with respect to a Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, such Person. For purposes of this definition, “control” (including the terms “controlled by” and “under common control with”) means possession of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of

stock, membership interests or other equity interests, as trustee or executor, by Contract or otherwise.

“**Business Day**” means a day other than a Saturday, Sunday or other day on which banks located in New York, New York are authorized or required by Law to close.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Contract**” means any written agreement, contract, commitment, arrangement or understanding.

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended.

“**Governmental Entity**” means any entity or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to United States federal, state or local government or foreign, international, multinational or other government, including any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority thereof.

“**Knowledge of Seller(s)**” means the actual knowledge of the applicable Seller to which such knowledge qualification pertains.

“**Law**” means any statute, law, ordinance, rule or regulation of any Governmental Entity.

“**Liability**” means all indebtedness, obligations and other liabilities and contingencies of a Person, whether absolute, accrued, contingent, fixed or otherwise, or whether due or to become due.

“**Lien**” means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest, hypothecation or other encumbrance in respect of such property or asset.

“**Order**” means any award, injunction, judgment, decree, order, ruling, subpoena or verdict or other decision issued, promulgated or entered by or with any Governmental Entity of competent jurisdiction.

“**Permit**” means any authorization, approval, consent, certificate, license, clearance, permit or franchise of or from any Governmental Entity of competent jurisdiction or pursuant to any Law.

“**Permitted Liens**” means (i) Liens for current Taxes that are not yet due and payable or that may hereafter be paid without material penalty or that are being contested in good faith, (ii) statutory Liens of landlords and workers, carriers’ and mechanics’ or other like Liens incurred in the ordinary course of business not yet overdue or that are being contested in good faith, (iii) Liens that will be released prior to or as of the Closing, (iv) Liens arising under this Agreement, (v) Liens created by or through the Buyer, or (vi) Liens that, individually or in the aggregate, do not materially interfere with the ability of Sellers to perform their obligations under this Agreement.

“**Person**” means an individual, a corporation, a partnership, a limited liability company, a trust, an unincorporated association, a Governmental Entity or any agency, instrumentality or political subdivision of a Governmental Entity, or any other entity or body.

“**Pro Rata Portion**” means, with respect to any Seller, the quotient, expressed as a percentage, obtained by dividing: (a) the Securities held by such Seller, by (b) the aggregate Securities held by all Sellers, as set forth in **Exhibit A** hereto.

“**Purchase Price Per Unit**” means quotient obtained by dividing: (a) the Purchase Price Shares by (b) the aggregate number of Securities held by the Sellers.

“**Representatives**” means, with respect to any Person, the respective directors, officers, employees, counsel, accountants and other representatives of such Person.

“**Securities Act**” means the Securities Act of 1933, as amended.

“**Transaction Proposal**” means any written bona fide proposal made by a third party relating to (i) any direct or indirect acquisition or purchase of all or substantially all of the assets of the Company or any of its Subsidiaries, (ii) any direct or indirect acquisition or purchase of a majority of the combined voting power of the Securities or any equity securities of any of their Subsidiaries, or (iii) any merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving the Company in which the other party thereto or its stockholders will own 51% or more of the combined voting power of the parent entity resulting from any such transaction.

“**\$**” means United States dollars.

(b) For purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires: (i) the meaning assigned to each term defined herein will be equally applicable to both the singular and the plural forms of such term and vice versa, and words denoting any gender will include all genders as the context requires; (ii) where a word or phrase is defined herein, each of its other grammatical forms will have a corresponding meaning; (iii) the terms “hereof”, “herein”, “hereunder”, “hereby” and “herewith” and words of similar import will, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement; (iv) when a reference is made in this Agreement to an Article, Section, paragraph, Exhibit or Schedule without reference to a document, such reference is to an Article, Section, paragraph, Exhibit or Schedule to this Agreement; (v) a reference to a subsection without further reference to a Section is a reference to such subsection as contained in the same Section in which the reference appears, and this rule will also apply to paragraphs and other subdivisions; (vi) the word “include”, “includes” or “including” when used in this Agreement will be deemed to include the words “without limitation”, unless otherwise specified; (vii) a reference to any party to this Agreement or any other agreement or document will include such party’s predecessors, successors and permitted assigns; (viii) a reference to any Law means such Law as amended, modified, codified, replaced or reenacted as of the date hereof, and all rules and regulations promulgated thereunder as of the date hereof; and (ix) the term “as of the Closing” or “as of the Closing Date” when used to calculate financial amounts in this Agreement will be as of 11:59 p.m. local time on the Closing Date.

ARTICLE II  
PURCHASE AND SALE OF THE SECURITIES

2.1 Purchase and Sale of the Securities.

(a) Upon the terms and subject to the conditions set forth in this Agreement, at the Closing, each Seller will sell, transfer, assign, convey and deliver to the Buyer, and the Buyer will purchase, accept and receive from each such Seller all right, title and interest in and to the Securities set forth opposite such Seller's name on **Exhibit A** for an aggregate purchase price consisting of 162,486,000 shares of common stock (the "**Purchase Price Shares**") of CFN Enterprises Inc., which as of the Closing shall account for approximately 34.2% of the issued and outstanding capital stock of CFN Enterprises, Inc. (collectively, the "**Purchase Price**"). The Purchase Price Shares shall be payable as described below and allocated among Sellers as set forth on **Exhibit A**.

(b) At the Closing, the Buyer will deliver each Seller, such Seller's Pro Rata Portion of the Purchase Price Shares, in those amounts set forth on **Exhibit A**.

2.2 Closing. The consummation of the Acquisition and the other transactions contemplated hereby (the "**Closing**") will take place by the reciprocal delivery of closing documents by electronic mail, regular mail, fax or any other means mutually agreed upon by the parties on the day on which the last of the conditions to closing contained in Article VII of this Agreement (other than any conditions that by their nature are to be satisfied at the Closing) are satisfied or waived in accordance with this Agreement or such other date as the Buyer and Sellers may mutually determine (the date on which the Closing actually occurs is referred to as the "**Closing Date**").

2.3 Transactions to be Effected at the Closing.

(a) At the Closing, the Buyer will: (i) issue to each Seller its Pro Rata Portion of the Purchase Price Shares in the applicable amounts reflected on **Exhibit A** and record such issuance in Buyer's books and records; (ii) deliver original stock certificates evidencing the Purchase Price Shares (to the extent that the Purchase Price Shares are so certificated), or book entry records from the Buyer's transfer agent, free and clear of all Liens, duly endorsed in blank, and any other transfer instruments required to validly transfer title in and to the Purchase Price Shares to each Seller (or to such Seller's designee or designees, if so elected by such Seller); (iii) deliver to Sellers all those documents, instruments or certificates required to be delivered by the Buyer at or prior to the Closing pursuant to Section 7.2 of this Agreement; and (iv) deliver all other instruments and documents reasonably requested by Sellers.

(b) At the Closing, each Seller will: (i) deliver to the Buyer a certificate or certificates representing the Securities, if certificated, duly endorsed or accompanied by stock powers, duly endorsed in blank, and any other transfer instruments required to validly transfer title in and to the Securities to Buyer (or to Buyer's designee or designees, if so elected by Buyer); (ii) deliver to the Buyer all those documents, instruments or certificates required to be delivered by Sellers at or prior to the Closing pursuant to Section 7.1 of this Agreement; and (iii) deliver all other instruments and documents reasonably requested by Buyer.

(c) At the Closing, Sellers shall deliver to the Buyer a final Schedule of Sellers in the form attached hereto as **Exhibit A**, which shall amend and restate in its entirety **Exhibit A** attached hereto.

### ARTICLE III REPRESENTATIONS AND WARRANTIES OF THE SELLERS

Each of Seller, severally, but not jointly, represents and warrants to the Buyer as to itself (and not to as to any other Seller) that each statement contained in this Article III is true and correct as of the date hereof.

3.1 Authority and Enforceability. Such Seller has the requisite power and authority, and, in the event such Seller is an individual, the requisite legal capacity, to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the Acquisition and the other transactions contemplated hereby and thereby. The execution, delivery and performance by such Seller of this Agreement and the consummation by such Seller of the Acquisition and the other transactions contemplated hereby have been duly authorized by all necessary action on the part of such Seller and no other action is necessary on the part of such Seller to authorize this Agreement or to consummate the Acquisition or the other transactions contemplated hereby. This Agreement has been duly executed and delivered by such Seller and, assuming the due authorization, execution and delivery by each other party hereto, shall constitute a legal, valid and binding obligation of such Seller, enforceable against such Seller in accordance with its terms, except as limited by (a) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar Laws relating to creditors' rights generally and (b) general principles of equity, whether such enforceability is considered in a proceeding in equity or at Law.

3.2 Noncontravention.

(a) Neither the execution and the delivery of this Agreement, nor the consummation of the Acquisition or the other transactions contemplated by this Agreement, will, with or without the giving of notice or the lapse of time or both, to the Knowledge of such Seller, (i) violate any Law applicable to such Seller or (ii) violate any Contract related to the Company to which such Seller is a party, except in the case of clauses (i) and (ii) to the extent that any such violation would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on such Seller's ability to consummate the Acquisition or perform its other obligations hereunder.

(b) The execution and delivery of this Agreement by such Seller does not, and the performance of this Agreement by such Seller will not, require any consent, approval, authorization or Permit of, or filing with or notification to, any Governmental Entity, except where the failure to take such action would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on such Seller's ability to consummate the Acquisition or perform its other obligations hereunder.



### 3.3 The Securities.

(a) Such Seller holds of record and owns beneficially the issued and outstanding Securities of the Company set forth opposite such Seller's name on **Exhibit A**, free and clear of all Liens (except for Permitted Liens and any restriction on transfer arising under applicable securities Laws). The Securities set forth opposite such Seller's name on **Exhibit A** correctly sets forth all Securities owned of record or beneficially by such Seller in the Company.

(b) Seller is not a party to any Contract obligating such Seller to vote or dispose of any Securities, or other equity securities or voting interests in, the Company.

(c) Such Seller has the full right to sell, convey, transfer, assign and deliver the Securities, without the need to obtain the consent or approval of any third party other than as prescribed in the organizational documents of the Company and, to the Knowledge of such Seller, the Buyer will have, as of the Closing, good and valid record and title to the Securities, free and clear of all Liens (except in each case for any restriction on transfer arising under applicable securities Laws).

3.4 Brokers' Fees. Such Seller does not have any Liability to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement.

3.5 Understandings or Arrangements. Such Seller is acquiring the Purchase Price Shares as principal for its own account and has no direct or indirect arrangement or understandings with any other Persons to distribute or regarding the distribution of such Purchase Price Shares (this representation and warranty not limiting such Seller's right to sell the Purchase Price Shares pursuant to a registration statement or otherwise in compliance with applicable federal and state securities Laws). Specifically, such Seller understands that the Purchase Price Shares are "restricted securities" and have not been registered under the Securities Act or any other applicable state securities Law and such Seller is acquiring the Purchase Price Shares as principal for its own account, not as nominee or agent, and not with a view to or for distributing or reselling the Purchase Price Shares or any part thereof in violation of the Securities Act or any applicable state securities law, has no present intention of distributing any of the Purchase Price Shares in violation of the Securities Act or any applicable state securities Law and has no direct or indirect arrangement or understandings with any other persons to distribute or regarding the distribution of the Purchase Price Shares in violation of the Securities Act or any applicable state securities Law (this representation and warranty not limiting such Seller's right to sell the Purchase Price Shares pursuant to a registration statement, if applicable, or otherwise in compliance with applicable federal and state securities Laws).

3.6 Seller Status. As of the date hereof, such Seller was, and as of the Closing Date, such Seller will be either: (i) an "accredited investor" as defined in Rule 501(a) under the Securities Act or (ii) a "qualified institutional buyer" as defined in Rule 144A(a) under the Securities Act.

3.7 Experience of Each Seller. Such Seller, either alone or together with its Representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Purchase Price Shares, and has so evaluated the merits and risks of such investment. Such Seller is able to bear the economic risk of an investment in the Purchase Price Shares and, at the present time, is able to afford a complete loss of such investment.

3.8 Access to Information. Such Seller acknowledges that it has had the opportunity to review this Agreement (including all exhibits and schedules thereto) and the Securities and Exchange Commission reports filed by CFN Enterprises Inc. (the “**SEC Reports**”) and has been afforded, (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Buyer concerning the terms and conditions of the offering of the Purchase Price Shares and the merits and risks of investing in the Purchase Price Shares; (ii) access to information about the Buyer and its financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (iii) the opportunity to obtain such additional information that the Buyer possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment.

3.9 Legend. Such Seller agrees to the imprinting, so long as is required under the Securities Act, of a legend on any of the Purchase Price Shares in the following form:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND ARE “RESTRICTED SECURITIES” AS DEFINED IN RULE 144 PROMULGATED UNDER THE ACT. THE SECURITIES MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE DISTRIBUTED OR TRANSFERRED EXCEPT (i) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR (ii) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE ACT, AND, IN THE CASE OF A TRANSACTION EXEMPT FROM REGISTRATION, UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE ACT.

ARTICLE IV  
[INTENTIONALLY OMITTED]

ARTICLE V  
REPRESENTATIONS AND WARRANTIES OF BUYER

The Buyer represents and warrants to Sellers that each statement contained in this Article V is true and correct as of the date hereof.

5.1 Organization. The Buyer is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware and has all requisite corporate power and authority to carry on its business as now conducted and as presently proposed to be



conducted. Buyer is duly qualified to transact business and is in good standing in each jurisdiction in which the failure to so qualify would have a material adverse effect on the assets, properties, condition (financial or otherwise), operations of the Buyer or any of its subsidiaries, or Buyer's ability to consummate the Acquisition or perform its other obligations hereunder.

5.2 Authorization. The Buyer has the requisite power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance by the Buyer of this Agreement and the consummation by the Buyer of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Buyer, and no other action is necessary on the part of the Buyer to authorize this Agreement or to consummate the Acquisition or the other transactions contemplated hereby or thereby. This Agreement has been duly executed and delivered by the Buyer and, assuming the due authorization, execution and delivery by each other party hereto, constitutes the legal, valid and binding obligations of the Buyer, enforceable against the Buyer in accordance with its terms, except as limited by (a) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar Laws relating to creditors' rights generally and (b) general principles of equity, whether such enforceability is considered in a proceeding in equity or at Law.

5.3 Noncontravention.

(a) Neither the execution and the delivery of this Agreement, nor the consummation of the Acquisition and the other transactions contemplated by this Agreement, will, with or without the giving of notice or the lapse of time or both, (i) violate any provision of the Certificate of Incorporation or Bylaws of the Buyer, (ii) violate any Law applicable to the Buyer on the date hereof, or (iii) violate any Contract to which the Buyer is a party, except in the case (ii) and (iii) to the extent that any such violation would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the assets, properties, condition (financial or otherwise), or operations of the Buyer or any of its subsidiaries, or prevent or materially delay the consummation of the Acquisition or Buyer's ability to perform its other obligations hereunder.

(b) The execution and delivery of this Agreement by the Buyer does not, and the performance of this Agreement by the Buyer will not, require any consent, approval, authorization or Permit of, or filing with or notification to, any Governmental Entity or any other third party, except for (i) post-closing securities filings or notifications required to be made under federal securities Laws, or (ii) where the failure to take such action would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the assets, properties, condition (financial or otherwise), operations of the Buyer or any of its subsidiaries, or Buyer's ability to consummate the Acquisition or perform its other obligations hereunder.

5.4 Capitalization.

(a) The authorized capital of the Buyer consists, immediately prior to the Closing of:

- (i) 500,000,000 shares of common stock, \$0.0001 par value per share (the “**Common Stock**”), 121,192,209 shares of which are issued and outstanding immediately prior to the Closing. All of the outstanding shares of Common Stock have been duly authorized, are fully paid and nonassessable and were issued in compliance with all applicable federal and state securities Laws. The Buyer holds no Common Stock in its treasury.
  - (ii) 2,000,000 shares of preferred stock, of which 500 shares have been designated as Series A preferred stock and 3,000 shares have been designated as Series B preferred stock (the “**Preferred Stock**”), all of which designated shares are issued and outstanding immediately prior to the Closing. All of the outstanding shares of Preferred Stock have been duly authorized, are fully paid and nonassessable and were issued in compliance with all applicable federal and state securities Laws. The Buyer holds no Preferred Stock in its treasury.]
  - (iii) The rights privileges and preferences of the Buyer’s capital stock are as stated in Buyer’s Certificate of Incorporation, a copy of which is attached hereto as **Exhibit B** (the “**Certificate of Incorporation**”), Buyer’s Bylaws, a copy of which is attached hereto as Exhibit C (the “**Bylaws**”), and as otherwise provided by the Delaware General Corporation Law.
- (b) Buyer has reserved 3,160,000 shares of Common Stock for issuance to officers, directors, employees and consultants of Buyer pursuant to its 2006 stock option Plan, duly adopted by Buyer’s Board of Directors (the “**Stock Plan**”). Of such reserved shares of Common Stock, options to purchase 3,160,000 shares have been granted and are currently outstanding, and no shares of Common Stock remain available for issuance to officers, directors, employees and consultants pursuant to the Stock Plan. Buyer has furnished to Sellers complete and accurate copies of the Stock Plan and forms of agreements used thereunder.
  - (c) None of Buyer’s stock purchase agreements or stock option documents contains a provision for acceleration of vesting (or lapse of a repurchase right) or other changes in the vesting provisions or other terms of such agreement or understanding upon the occurrence of any event or combination of events, including, without limitation, in the case where Buyer’s Stock Plan is not assumed in an acquisition. Buyer has never adjusted or amended the exercise price of any stock options previously awarded, whether through amendment, cancellation, replacement grant, repricing, or any other means. Except as set forth in the Certificate of Incorporation, Buyer has no obligation (contingent or otherwise) to purchase or redeem any of its capital stock.
  - (d) Buyer has obtained valid waivers of any rights by other parties to purchase any of the Purchase Price Shares covered by this Agreement.

5.5 Brokers’ Fees. Neither Buyer, nor any of its Affiliates or direct or indirect subsidiaries, has any Liability to pay any fees or commissions to any broker, finder or agent



with respect to this Agreement, the Acquisition or the transactions contemplated by this Agreement that could result in any Liability being imposed on Sellers or the Company.

5.6 Independent Investigation. Buyer has conducted its own independent investigation, review and analysis of the business, results of operations, prospects, condition (financial or otherwise) or assets of the Company, and acknowledges that it has been provided adequate access to the personnel, properties, assets, premises, books and records, and other documents and data of the Sellers and the Company for such purpose. Buyer acknowledges and agrees that: (a) in making its decision to enter into this Agreement and to consummate the transactions contemplated hereby, Buyer has relied solely upon its own investigations and the limited representations of the Sellers set forth in Article III of this Agreement; and (b) none of the Sellers have made any representation or warranty as to Sellers, the Company, the Securities or this Agreement, except as expressly set forth in Article III of this Agreement. Specifically with respect to all matters relating to the Company (including any disclosure schedules), Buyer is relying solely upon a separate securities purchase agreement executed among Buyer, Company and the Manager/Managing Members thereof, for which Sellers have absolutely no Liability therefor. Buyer acknowledges and agrees that except for the representations and warranties of the Sellers expressly set forth in Article III of this Agreement, (i) Sellers hereby expressly disclaim all representations and warranties of any kind or nature whatsoever (including warranties for particular purposes), whether expressed or implied, including representations and warranties with respect to the Company and the Securities or otherwise, and/or statements, documents or other information (including as to the accuracy or completeness thereof) heretofore or hereafter delivered to or made available to the Buyer or any Person (whether written or oral), and that Buyer will not assert a claim against any Seller or any Seller Indemnified Party, or hold Sellers liable with respect thereto; (ii) Sellers hereby expressly disclaim any and all representations and warranties with respect to the Company, its business, the Securities or otherwise and Sellers make no warranty or representation whatsoever, either oral or written, express or implied, at law or in equity, with respect to the Company, the Securities or otherwise; and (iii) Buyer is not relying upon any representation of any kind or nature made by Sellers (or any Party purporting to act on behalf of Sellers) and that, in fact, no such representations have been made except as expressly set forth in Article III of this Agreement.

5.7 Acquisition Entirely for Own Account. This Agreement is made with Buyer in reliance upon Buyer's representation to the Sellers, which by the Buyer's execution of this Agreement, Buyer hereby confirms, that the Securities to be acquired by the Buyer will be acquired for investment for Buyer's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that Buyer has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Agreement, Buyer further represents that Buyer does not have any contract, undertaking, agreement or arrangement with any Person to sell, transfer or grant participations to such Person or to any third Person, with respect to any of the Securities. Buyer understands that the Securities are "restricted securities" and have not been registered under the Securities Act or any other applicable state securities laws.

5.8 Securities Filings. Except as disclosed in the SEC Reports, buyer has timely filed all forms, reports, statements, certifications and other documents required to be filed by it with the U.S. Securities and Exchange Commission under the Securities Act, Exchange Act and other





applicable federal securities laws. None of Buyer's SEC Reports contains any untrue statement of a material fact or omitted to state a material fact required to be stated or incorporated by reference or necessary in order to make the statements that are made in the SEC Reports, in light of the circumstances in which they were made, not misleading.

5.9 Valid Issuance of Shares. The Purchase Price Shares, when issued and delivered in accordance with the terms and for the consideration set forth in this Agreement, will be validly issued, fully paid and nonassessable and free and clear of any and all Liens and restrictions on transfer other than restrictions on transfer arising applicable federal and state securities Laws and Liens created by or imposed by Sellers. Assuming the accuracy of the representations of each Seller set forth in Article III of this Agreement, and subject to the filings described in Section 5.3(b) of this Agreement, the Purchase Price Shares will be issued in compliance with all applicable federal and state securities laws. As of the Closing each Seller shall good and valid record and title to the Purchase Price Shares, free and clear of all Liens (except in each case for any restriction on transfer arising under applicable securities Laws).

5.10 Compliance with Other Instruments. The Buyer is not in violation or default: (i) of any provision of its Certificate of Incorporation or Bylaws; (ii) any instrument, judgment, Order, write or decree, (iii) under any note, indenture or mortgage, (iv) under any lease agreement contract or purchase order to which it is a party or by which it is bound, or (v) of any provision of federal or state statute, rule, regulation or Law applicable to the Buyer, the violation of which would have a material adverse effect on the assets, properties, condition (financial or otherwise), operations of the Buyer or any of its subsidiaries, or the Buyer's ability to consummate the Acquisition or perform any of its other obligations hereunder. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not result in such violation or be in conflict with or constitute, with or without the passage of time and giving notice, either: (i) a default under any such provision, instrument, judgment, Order, writ, decree, contract or agreement, or (ii) an event which results in the creation of any Lien, charge or encumbrance on any assets of the Buyer or the suspension, revocation, forfeiture or nonrenewal of any material Permit or license applicable to the Buyer.

5.11 Permits. The Buyer has all franchises, Permits, licenses and similar authority necessary for the conduct of its business, the lack of which could reasonably be expected to have a material adverse effect on the assets, properties, condition (financial or otherwise), operations of the Buyer or any of its subsidiaries, or Buyer's ability to consummate the Acquisition or perform its other obligations hereunder. Buyer is not in default in any material respects under any such franchises, Permits, licenses or other similar authority.

5.12 Corporate Documents. The Certificate of Incorporation and Bylaws of Buyer as of the date of this Agreement are in the form attached hereto and have not been amended or modified subsequent to Buyer's provision of the same to Sellers.

## ARTICLE VI COVENANTS

6.1 Notice of Developments. Each Seller will give prompt written notice to the Buyer of any event that would reasonably be expected, individually or in the aggregate: (a) to cause a breach of such Seller's representations, warranties, covenants or other agreements contained herein, or (b) prevent or materially delay the consummation of the Acquisition and the other transactions contemplated by this Agreement. The Buyer will give prompt written notice to the Sellers of any event that might reasonably be expected to, individually or in the aggregate: (i) have a material adverse effect on the assets, properties, condition (financial or otherwise), or operations of the Buyer or any of its subsidiaries, (ii) cause a breach of any of Buyer's representations, warranties, covenants or other agreements contained herein, or (iii) prevent or materially delay the consummation of the Acquisition and the other transactions contemplated by this Agreement. The delivery of any notice pursuant to this Section 6.1 will not limit, expand or otherwise affect the remedies available hereunder (if any) to the party receiving such notice.

### 6.2 No Solicitation.

(a) The Sellers shall immediately cease any existing discussions regarding a Transaction Proposal.

(b) During the period commencing on the date hereof and ending at the earlier of the Closing and the termination of this Agreement in accordance with Article VIII, without the prior consent of the Buyer, no Seller will, nor will any Seller authorize or permit any of its respective Representatives to, directly or indirectly through another Person, (i) solicit, initiate or encourage (including by way of furnishing information), or take any other action designed to facilitate any inquiries, proposals or offers from any Person that constitute, or would reasonably be expected to constitute, a Transaction Proposal, (ii) participate in any discussions or negotiations (including by way of furnishing information) regarding any Transaction Proposal or (iii) otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt by any other Person to do or seek any of the foregoing. The Sellers shall immediately communicate to the Buyer the terms of any Transaction Proposal received by any of the Sellers, or any of their Representatives.

6.3 Covenant not to Compete. For a period of three (3) years from and after the Closing (the "Noncompetition Period"), each Seller, severally and not jointly, shall not engage directly or indirectly in any business operating in the areas of cannabinoid manufacturing, extraction, distillation, remediation and isolation, anywhere worldwide (the "Business"); provided, however, that ownership of less than five percent (5%) of the outstanding stock of any publicly-traded corporation shall not be deemed to constitute a breach of the obligations contained in this Section 6.3. During the Noncompetition Period, each Seller, severally and not jointly, shall not induce or attempt to induce any customer or supplier of the Buyer or any Affiliate of the Buyer as of the Closing Date to terminate its relationship with the Buyer or any Affiliate of the Buyer. During the Noncompetition Period, each Seller, severally and not jointly, shall not, on behalf of any entity other than the Buyer or an Affiliate of the Buyer, solicit or attempt to solicit the employment any Person who is, or was at any time during the

preceding twelve (12) months, an employee or officer of the Buyer or an Affiliate of the Buyer as of the Closing Date, provided, however, that each Seller may undertake such actions directed to the general public (including, without limitation, mass mailing based on commercially acquired mailing lists, newspaper, radio and television advertisements) which shall not constitute solicitation under this Section 6.3.

6.4 Taking of Necessary Action; Further Action. Subject to the terms and conditions of this Agreement, the Sellers and Buyer will take all such reasonable and lawful action as may be necessary or appropriate in order to effectuate the Acquisition in accordance with this Agreement as promptly as practicable.

6.5 Confidentiality. Reference is made to that certain Non-Disclosure Agreement, dated November 18, 2020, by and among the parties hereto (the “**Confidentiality Agreement**”). Effective upon the Closing, the Confidentiality Agreement will terminate; provided, however, that prior to the Closing, in addition to the exclusions set forth in the Confidentiality Agreement, “Confidential Information” as defined in the Confidentiality Agreement shall not include information which is disclosed by the Buyer pursuant to applicable Law, the Exchange Act, and applicable rules and regulations promulgated thereunder. From and after the Closing each Seller will treat and hold as confidential, refrain from using any of the Confidential Information (as defined in the Confidentiality Agreement) except in connection with this Agreement or the transactions contemplated hereby, and except as required in connection with its rights or obligations under this Agreement, deliver promptly to the Buyer or destroy, at the request and option of the Buyer, all tangible embodiments (and all copies) of the Confidential Information which are in his or its possession. In the event that any Seller is requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, such Seller will notify the Buyer as promptly as practicable of the request or requirement so that the Buyer may seek an appropriate protective order or waive compliance with the provisions of this Section 6.5. If, in the absence of a protective order or the receipt of a waiver hereunder, any Seller is, on the advice of counsel, compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, such Seller may disclose the Confidential Information to the tribunal; provided, however, that such disclosing Seller shall use his or its reasonable efforts to obtain, at the request and sole expense of the Buyer, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as the Buyer shall designate. The foregoing provisions shall not apply to any Confidential Information which: (a) at the time of disclosure or thereafter is generally available to the public (other than as a result of its disclosure directly or indirectly by such Seller in violation of this Agreement); (b) was available to such Seller and known by such Seller on a non-confidential basis from a source other than the Buyer, provided that such source, to the Knowledge of such Seller, is not and was not bound by a confidentiality agreement with respect to such information or otherwise prohibited from transmitting such information by a contractual, legal, or fiduciary obligation; or (c) has been independently acquired or developed by such Seller without reference to the Confidential Information.

ARTICLE VII  
CONDITIONS TO OBLIGATIONS TO CLOSE

7.1 Conditions to Obligation of the Buyer. The obligation of the Buyer to consummate the Acquisition is subject to the satisfaction or waiver by the Buyer of the following conditions:

(a) The representations and warranties of Sellers set forth in this Agreement will be true and correct in all respects as of the date of this Agreement and as of the Closing Date (except to the extent such representations and warranties speak as of another date, in which case such representations and warranties will be true and correct as of such other date), except where the failure of such representations and warranties to be so true and correct (without giving effect to any limitation as to “materiality” or “material adverse effect” set forth therein) does not have, and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Sellers’ ability to consummate the Acquisition or perform its other obligations hereunder. Furthermore, for purposes hereof, a representation or warranty of any Seller shall not be deemed to have been breached if the representation or warranty is not true and correct in all material respects as of the Closing Date by reason of changed facts or circumstances arising after the Effective Date, the occurrence of which did not arise by reason of a breach of a covenant made by such Seller making such representation or warranty under this Agreement.

(b) Each Seller shall have performed all covenants required to be performed by it under this Agreement at or prior to the Closing, except where the failure to perform does not have, and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect or materially adversely affect the ability of such Seller to consummate the Acquisition or perform its other obligations hereunder.

(c) The parties hereto shall have received all other authorizations, consents and approvals of all Governmental Entities in connection with the execution, delivery and performance of this Agreement and the transactions contemplated hereby.

(d) No temporary, preliminary or permanent restraining Order preventing the consummation of the Acquisition will be in effect.

(e) Each Seller will have delivered, or caused to be delivered, to Buyer: (i) an affirmation, if such Seller is an individual, or (ii) a certificate executed by an officer, if such Seller is an entity, dated as of the Closing Date, certifying that each of the conditions set forth in Section 7.1(a) and Section 7.1(b) have been satisfied in all respects.

(f) The Sellers will have delivered, or caused to be delivered, to Buyer a final Schedule of Sellers in the form attached hereto as **Exhibit A**.

(g) The Sellers shall have delivered to Buyer such other documents or instruments as Buyer may reasonably request and are reasonably necessary to consummate the Acquisition and the other transactions contemplated by this Agreement.

7.2 Conditions to Obligation of Sellers. The obligation of Sellers to consummate the Acquisition is subject to the satisfaction or waiver by Sellers of the following conditions:



(a) The representations and warranties of the Buyer set forth in this Agreement will be true and correct in all respects as of the date of this Agreement and as of the Closing Date (except to the extent such representations and warranties speak as of another date, in which case such representations and warranties will be true and correct as of such other date), except where the failure of such representations and warranties to be so true and correct (without giving effect to any limitation as to “materiality” or “material adverse effect” set forth therein) does not have, and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the Buyer’s ability to consummate the Acquisition or perform its other obligations hereunder. Furthermore, for purposes hereof, a representation or warranty of the Buyer shall not be deemed to have been breached if the representation or warranty is not true and correct in all material respects as of the Closing Date by reason of changed facts or circumstances arising after the Effective Date, the occurrence of which did not arise by reason of a breach of a covenant made by the Buyer making such representation or warranty under this Agreement.

(b) The Buyer shall have performed all covenants required to be performed by it under this Agreement at or prior to the Closing, except where the failure to perform does not have, and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect or materially adversely affect the ability of the Buyer to consummate the Acquisition or perform its other obligations hereunder.

(c) The parties hereto shall have received all other authorizations, consents and approvals of all Governmental Entities in connection with the execution, delivery and performance of this Agreement and the transactions contemplated hereby.

(d) No temporary, preliminary or permanent restraining Order preventing the consummation of the Acquisition will be in effect.

(e) The Buyer shall have obtained any consents, Permits, licenses, approvals or notifications of any Governmental Entities, lenders, lessors, suppliers, customers or other third parties required to consummate the Acquisition.

(f) The Buyer shall have delivered to Sellers the Share Purchase Price.

(g) The Buyer shall have delivered, or caused to be delivered, to Sellers original stock certificates evidencing the Purchase Price Shares (to the extent that the Purchase Price Shares are so certificated), or book entry records from the Buyer’s transfer agent, free and clear of all Liens, duly endorsed in blank, and any other transfer instruments required to validly transfer title in and to the Purchase Price Shares to each Seller in accordance with **Exhibit A**.

(h) The Buyer shall simultaneously close on the balance of the issued and outstanding Securities in the Company from its Managers/Managing Members at a pro-rata price not to exceed the Purchase Price Per Unit paid to the Sellers hereto.

(i) The Buyer shall have delivered, or caused to be delivered, to Sellers a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of Buyer, certifying that attached thereto are true and complete copies of all resolutions adopted by the board of directors of Buyer authorizing the execution, delivery and performance of this Agreement and the consummation of the Acquisition and all other transactions contemplated hereby, and that all such



resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby.

(j) The Buyer shall have delivered, or caused to be delivered, to Sellers a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of Buyer, certifying the names and signatures of the officers of Buyer authorized to execute this Agreement and the other documents to be delivered hereunder.

(k) The Buyer shall have delivered to Sellers a certificate of the Buyer, executed by an officer of the Buyer, dated as of the Closing Date, certifying on behalf of the Buyer that each of the conditions set forth in Section 7.2(a) and Section 7.2(b) have been satisfied in all respects.]

(l) The Buyer shall have delivered to Sellers such other documents or instruments as Sellers may reasonably request and are reasonably necessary to consummate the Acquisition and the other transactions contemplated by this Agreement.

## ARTICLE VIII TERMINATION; AMENDMENT; WAIVER

8.1 Termination of Agreement. This Agreement may be terminated as follows:

(a) by mutual written consent of the Buyer and Sellers at any time prior to the Closing;

(b) by either the Buyer or Sellers if any Governmental Entity will have issued an Order or taken any other action permanently enjoining, restraining or otherwise prohibiting the transactions contemplated by this Agreement;

(c) by either the Buyer or Sellers if the Closing does not occur on or before the ninetieth (90<sup>th</sup>) day following the date of this Agreement; provided that the right to terminate this Agreement under this Section 8.1(c) will not be available to any party whose breach of any provision of this Agreement results in the failure of the Closing to occur by such time;

(d) by the Buyer if any Seller has breached its respective representations and warranties or any covenant or other agreement to be performed by it in a manner such that the Closing conditions set forth in Section 7.1(a) or 7.1(b) would not be satisfied; or

(e) by Sellers if the Buyer has breached its representations and warranties or any covenant or other agreement to be performed by it in a manner such that the Closing conditions set forth in Section 7.2(a) or 7.2(b) would not be satisfied

8.2 Effect of Termination. In the event of termination of this Agreement as provided in Section 8.1 above, this Agreement shall terminate and all rights and obligations of the parties under this Agreement shall automatically end without any Liability (other than with respect to any suit for breach of Section 6.2 (No Solicitation) and Section 6.5 (Confidentiality) of this Agreement) on the part of the Buyer or Sellers (or any agent, consultant or Representative of any such party); provided, that the provisions of Section 10.1 through Section 10.15 and this Section 8.2 shall survive any termination hereof pursuant to Section 8.1.





8.3 Amendments. This Agreement may not be amended except by an instrument in writing signed on behalf of the Buyer and Sellers.

8.4 Waiver. At any time prior to the Closing, the Buyer may (a) extend the time for the performance of any of the covenants, obligations or other acts of Sellers or (b) waive any inaccuracy of any representations or warranties or compliance with any of the agreements, covenants or conditions of Sellers. Any agreement on the part of the Buyer to any such extension or waiver will be valid only if such waiver is set forth in an instrument in writing signed on its behalf by its duly authorized officer. At any time prior to the Closing, Sellers may (a) extend the time for the performance of any of the covenants, obligations or other acts of the Buyer or (b) waive any inaccuracy of any representations or warranties or compliance with any of the agreements, covenants or conditions of the Buyer. Any agreement on the part of Sellers to any such extension or waiver will be valid only if such waiver is set forth in an instrument in writing signed by Sellers. Except for any waiver under the preceding sentences of this Section 8.4, the failure of any party to this Agreement to assert any of its rights under this Agreement or otherwise will not constitute a waiver of such rights. The waiver of any such right with respect to particular facts and other circumstances will not be deemed a waiver with respect to any other facts and circumstances, and each such right will be deemed an ongoing right that may be asserted at any time and from time to time.

## ARTICLE IX INDEMNIFICATION

9.1 Survival. The representations, warranties made herein and in any certificate delivered in connection herewith shall survive for a period of twenty -four (24) months following the Closing Date (“**Survival Period**”), at which time they shall expire; provided, however, that (a) the representations and warranties set forth in Section 3.1 (Authority and Enforceability), Section 3.3 (The Securities), Section 3.4 (Brokers’ Fees), Section 5.1 (Organization), Section 5.2 (Authorization), Section 5.3 (Capitalization), Section 5.4 (Brokers’ Fees) and Section 5.8 (Valid Issuance of Shares) of this Agreement (the “**Fundamental Representations**”) shall survive until the expiration of the applicable statute of limitations. If written notice of a claim has been given prior to the expiration of the applicable representations and warranties, then notwithstanding any statement herein to the contrary, the relevant representations and warranties shall survive as to such claim, until such claim is finally resolved. Unless a specified period is set forth in this Agreement (in which event such specified period will control), and for covenants that by their terms are to be performed after the Closing Date, all agreements and covenants contained in this Agreement will survive the Closing and remain in effect until thirty (30) days after the expiration of the applicable statutes of limitations. To avoid any doubt, the parties hereto agree that the time limitations herein limit the time in which a claim may be brought even though such time limits may be less than those otherwise afforded under applicable statutes of limitations. In the event that a claim has been brought within such time periods, the running of such time prior to the final adjudication of such claim shall not time bar the continuation of such claim.

9.2 Indemnification by Sellers. From and after the Closing, each Seller, on a several basis, solely with respect to such Seller’s breach hereunder, hereby agrees to indemnify, defend and save the Buyer and, to the extent applicable, its Affiliates, stockholders, officers,



directors, employees, agents and Representatives (each, a “**Buyer Indemnified Party**” and collectively, the “**Buyer Indemnified Parties**”) harmless from and against any and all direct and actual Liabilities, deficiencies, demands, claims, Actions, assessments, losses, costs, expenses, interest, fines, penalties and damages (including reasonable fees and expenses of attorneys and accountants but excluding any special, incidental, indirect, exemplary, punitive or consequential damages (including lost profits, loss of revenue or lost sales, or amounts calculated as a multiple of earnings, profits, revenue, sales or other measure)) (individually and collectively, the “**Losses**”) suffered, sustained or incurred by any Buyer Indemnified Party arising out of or otherwise by virtue of: (a) any breach of any of the representations or warranties of such Seller contained in Article III or (b) the failure of such Seller to perform any of its covenants or obligations contained in this Agreement.

9.3 Indemnification by Buyer. From and after the Closing, the Buyer agrees to indemnify, defend and save Sellers and to the extent applicable, Sellers’ Affiliates, employees, agents and Representatives (each, a “**Seller Indemnified Party**” and collectively the “**Seller Indemnified Parties**”) harmless from and against any and all Losses sustained or incurred by any Seller Indemnified Party arising out of or otherwise by virtue of: (a) any breach of any of the representations and warranties of Buyer contained in Article V of this Agreement or (b) the failure of the Buyer to perform any of its covenants or obligations contained in this Agreement.

9.4 Third Party Indemnification Procedures.

(a) If a Buyer Indemnified Party or a Seller Indemnified Party seeks indemnification under this Article IX, such party (the “**Indemnified Party**”) shall promptly give written notice to the other party (the “**Indemnifying Party**”) of the assertion of any claim or the commencement of any suit, action or proceeding by any third party (a “**Third Party Claim**”) in respect of which indemnity may be sought under this Article IX. Such notice shall contain details reasonably sufficient to disclose to the Indemnifying Party the nature and scope of the claim including an estimate of the amount of claimed Losses (if known and quantifiable) and copies of all relevant pleadings, documents and information. Any failure in the delivery of such notice shall not affect the obligations of the Indemnifying Party, except to the extent (and only to the extent) that the rights and remedies of the Indemnifying Party are prejudiced as a result of the failure to give, or delay in giving, such notice.

(b) The Indemnifying Party shall be entitled to participate in the defense of any Third Party Claim and, subject to the limitations set forth in this Section 9.4(b), shall be entitled to control and appoint lead counsel for such defense, in each case at its own expense; *provided*, that (i) the Indemnifying Party provides written notice to the Indemnified Party that the Indemnifying Party intends to undertake such defense and (ii) the Indemnifying Party conducts the defense of the Third Party Claim actively and diligently; *provided, further*, that the Indemnifying Party shall not have the right to defend against such Third Party Claim (unless otherwise agreed to in writing by the Indemnified Party) if (A) the claim for indemnification relates to or arises in connection with any criminal or quasi-criminal proceeding, action, indictment, allegation or investigation, (B) the claim seeks an injunction or other equitable relief against any Indemnified Party or any of its Affiliates, or (C) the Indemnified Party shall in good faith determine after consultation with outside counsel that the Indemnified Party may have available to it one or

more defenses or counterclaims that are inconsistent with one or more of the defenses or counterclaims that may be available to the Indemnifying Party in respect of a Third Party Claim that would make it inappropriate for the same counsel to represent both the Indemnifying Party and the Indemnified Party.

(c) The Indemnifying Party shall notify the Indemnified Party within fifteen (15) days after having received any claim notice with respect to whether or not it is exercising its right to defend the Indemnified Party against the Third Party Claim. If the Indemnifying Party has the right to and elects to assume the control of the defense of any Third Party Claim in accordance with the provisions of this Section 9.4, (i) the Indemnifying Party shall have the right to defend such Third Party Claim with counsel selected by the Indemnifying Party (which counsel shall be subject to the approval of the Indemnified Party, such approval not to be unreasonably withheld, conditioned or delayed), (ii) the Indemnifying Party shall not enter into any settlement agreement with respect to such Third Party Claim without the prior written consent of the Indemnified Party (which shall not be unreasonably withheld, delayed or conditioned) and (iii) the Indemnified Party shall be entitled to participate in the defense of any Third Party Claim and to employ at its expense separate counsel of its choice for such purpose (in which case the counsel of the Indemnifying Party shall reasonably cooperate with such separate counsel to facilitate such participation, including (x) promptly providing to such separate counsel copies of all written materials received in respect of the Third Party Claim, (y) providing such separate counsel a reasonable opportunity to review and comment on materials being drafted and furnished in respect of such Third Party Claim (which such comments shall be considered in good faith) and (z) providing the opportunity to participate in all meetings (whether in person, by teleconference or otherwise) relating to such Third Party Claim).

(d) If the Indemnifying Party does not notify the Indemnified Party that the Indemnifying Party elects to defend the Indemnified Party pursuant to Section 9.4(c) within fifteen (15) days after receipt of notice of a Third Party Claim, or the Indemnifying Party is otherwise not entitled to defend the Indemnified Party pursuant to Section 9.4(b), then the Indemnified Party may defend, and be reimbursed by the Indemnifying Party for its reasonable costs and expenses in regard to, the Third Party Claim with counsel selected by the Indemnified Party in all appropriate proceedings. In such circumstances, the Indemnified Party may defend any such Third Party Claim and have full control of such defense and proceedings including the settlement, compromise or discharge thereof; *provided, however*, that no such Third Party Claim shall be settled, compromised or discharged by the Indemnified Party without the prior written consent of the Indemnifying Party (which consent shall not be unreasonably withheld, delayed or conditioned). The Indemnifying Party shall be entitled to participate in the defense of any Third Party Claim described in this Section 9.4(d) and to employ one separate counsel of its choice for such purpose (in which case the counsel of the Indemnified Party shall reasonably cooperate with such separate counsel to facilitate such participation, including (x) promptly providing to such separate counsel copies of all written materials received in respect of the Third Party Claim, (y) providing such separate counsel a reasonable opportunity to review and comment on materials being drafted and furnished in respect of such Third Party Claim (which such comments shall be considered in good faith) and (z) providing the opportunity to participate in all meetings (whether in person, by teleconference or otherwise) relating to such Third Party Claim). The fees and expenses of such separate counsel shall be paid by the Indemnifying Party.

(e) Each party shall cooperate, and cause its respective Affiliates to cooperate, in the defense or prosecution of any Third Party Claim and shall furnish or cause to be furnished such records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials or appeals, as may be reasonably requested in connection therewith; provided that no Indemnified Party, upon reasonable advice of counsel, shall have any obligation to disclose any information the disclosure of which would reasonably be expected to result in a violation of applicable Law or is subject to attorney-client or any other privilege, and if requested by an Indemnified Party, the Indemnifying Party will enter into an appropriate joint defense agreement (or other privilege-preserving agreement) in connection with obtaining access to such information.

9.5 Direct Claim Procedures. In the event an Indemnified Party brings a claim for indemnity against an Indemnifying Party that does not involve a Third Party Claim (a “**Direct Claim**”), the Indemnified Party shall give prompt notice in writing of such Direct Claim to the Indemnifying Party. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party is materially prejudiced by reason of such failure. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail (excluding anything subject to attorney-client or similar privilege) with respect thereto and shall indicate the estimated amount, if reasonably known and quantifiable and assuming the truth of the facts asserted therein, of the Losses that have been or may be sustained by the Indemnified Party; *provided, however*, that (a) the notice with respect to a Direct Claim (a “**Direct Claim Notice**”) need only specify such information to the knowledge of such Indemnified Party as of the date of such notice and (b) shall be updated and amended from time to time by the Indemnified Party by delivering an updated or amended Direct Claim Notice. The Indemnifying Party shall have sixty (60) days after its receipt of such notice to respond in writing to such Direct Claim Notice. During such 60-day period, the Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim, and the Indemnified Party shall assist the Indemnifying Party’s investigation by giving such information and assistance (including access to the Indemnified Party’s and its Subsidiaries’ premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. The Indemnifying Party may object to a claim for indemnification set forth in a Direct Claim Notice by delivering a notice to the Indemnified Party seeking indemnification within sixty (60) days of the delivery of the applicable Direct Claim Notice (the “**Direct Claim Objection Deadline**”), setting forth in reasonable detail the objections to the Direct Claim. If the Indemnifying Party notifies the applicable Indemnified Party that it objects by the Direct Claim Objection Deadline or fails to object by the Direct Claim Objection Deadline, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

9.6 Limitation on Indemnification Obligation. Notwithstanding anything in this Agreement to the contrary, the liability of Sellers to the Buyer Indemnified Parties with respect to claims for indemnification pursuant to Section 9.2(a) is subject to the following limitations:

(a) The Sellers shall not, individually, be liable to the Buyer Indemnified Parties for Losses arising under Section 9.2 (other than with respect to Fundamental Representations or for actual fraud in the making of representations or warranties of Sellers in this Agreement (“**Fraud**”)) in excess of each such Seller’s Pro Rata Portion of the aggregate sum of \$2,000,000 (the “**Cap**”). Each Seller’s aggregate liability for Fraud or for the breach its Fundamental Representations shall be limited to the value of such Seller’s Pro Rata Portion of the Purchase Price Shares as of the date such Losses arose (the “**Upper Cap**”).

(b) The Sellers shall not be liable to the Buyer Indemnified Parties for Losses arising under Section 9.2(a) (other than with respect to Fundamental Representations) until and unless the aggregate amounts indemnifiable for such breaches exceeds \$200,000 (the “**Basket**”). In the event the Buyer Indemnified Parties’ entitlement to indemnification for Losses, in the aggregate, exceed the Basket, the Buyer Indemnified Parties shall be entitled to all Losses in excess of the Basket, subject to the Cap and Upper Cap, as applicable.

(c) The Sellers shall not be liable to the Buyer Indemnified Parties for Losses arising under Section 9.2 unless the claim therefor is asserted in writing on or prior to the expiration of the applicable representation and/or warranty.

(d) All indemnification payments pursuant to this Article IX shall be deemed to be adjustments to the Purchase Price.

(e) For the avoidance of doubt, subject to the limitations contained in this Article IX, each of such Seller’s liability under this Article IX is limited to the amount of cash actually received by such Seller pursuant to this Agreement and allocated among Sellers in accordance with each Seller’s Pro Rata Portion and in no event shall one Seller be liable for a breach (including Fraud) of another Seller. Each of the parties hereto acknowledges and agrees that following the Closing, the indemnification provisions of this Article IX shall be the sole and exclusive remedies of the Buyer Indemnified Parties for any matter arising out of this Agreement and the transactions contemplated hereby. Notwithstanding the foregoing, a party hereto may bring an Action to enforce this Article IX.

9.7. Payments. Payments of all amounts owing by an Indemnifying Party under this Article IX shall be made promptly upon the final adjudication in accordance with this Article IX that an indemnification obligation is owing by the Indemnifying Party to the Indemnified Party. As used herein, “final adjudication” shall refer to a final, non-appealable judgment of a court of competent jurisdiction or an agreement in writing signed by the parties hereto.

9.8. Tax Refunds, Insurance Proceeds and Other Payments. The amount of any and all Losses for which indemnification is provided pursuant to this Article IX will be net of any Tax benefit to which an Indemnified Party actually receives by reason of payment of such Liability (taking into account any Tax cost or reduction in such Tax benefits by reason of receipt of the indemnification payment) and any amounts of any insurance proceeds, indemnification payments, contribution payments or reimbursements actually received by, or paid in kind to, the Indemnified Party with respect to such Losses or any of the circumstances giving rise thereto. In connection therewith, if, at any time following payment in full by the Indemnifying Party of any amounts of Losses due under this Agreement, the Indemnified Party





receives any insurance proceeds, indemnification payments, contribution payments or reimbursements relating to the circumstances giving rise to such Losses, the Indemnified Party will promptly remit to the Indemnifying Party such proceeds, payments or reimbursements in an amount not to exceed the amount of the corresponding indemnification payment made by the Indemnifying Party. The Buyer will use (and will cause its Affiliates to use) commercially reasonable efforts to collect the proceeds of any available insurance which would have the effect of reducing any Losses (in which case the net proceeds thereof will reduce the Losses).

9.9 Mitigation. The Indemnified Party will use its commercially reasonable efforts to mitigate any Losses with respect to which it may be entitled to seek indemnification pursuant to this Agreement, to the extent required by applicable Law.

## ARTICLE X MISCELLANEOUS

10.1 Press Releases and Public Announcement. Neither the Buyer on the one hand, nor Sellers on the other, will issue any press release or make any public announcement relating to this Agreement, the Acquisition or the other transactions contemplated by this Agreement without the prior written approval of the other party; *provided, however*, that, the Buyer may make regulatory filings referring to this Agreement or attaching a copy hereof as may be required by applicable Law.

10.2 No Third-Party Beneficiaries. This Agreement will not confer any rights or remedies upon any Person other than the parties hereto and their respective successors and permitted assigns.

10.3 Entire Agreement. This Agreement (including the Exhibits and the Schedules hereto) constitutes the entire agreement among the parties hereto and supersedes any prior understandings, agreements or representations by or among the parties hereto, written or oral, to the extent they related in any way to the subject matter hereof.

10.4 Succession and Assignment. This Agreement will be binding upon and inure to the benefit of the parties named herein and their respective successors and permitted assigns. No party hereto may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval, in the case of assignment by the Buyer, by Sellers, and, in the case of assignment by Sellers, the Buyer.

10.5 Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement, and, in the event an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

10.6 Notices. All notices, requests and other communications hereunder must be in writing and will be deemed to have been duly given only if delivered personally against written receipt or by facsimile or electronic mail transmission or mailed (by registered or certified mail, postage prepaid, return receipt requested) or delivered by reputable overnight courier, fee prepaid, to the parties hereto at the addresses of the parties as specified below:



If to the Buyer: c/o CFN Enterprises Inc.  
600 East 8<sup>th</sup> Street  
Whitefish, MT 59937  
Attn: Chief Executive Officer  
Email: brian@accelerize.com

with a copy to: Dentons US LLP  
1221 Avenue of the Americas  
New York, New York 10020  
Attn: Rob Condon, Esq.  
Email: rob.condon@dentons.com

If to Sellers: To the addresses specified on **Exhibit A** hereto

with a copy to: Seyfarth Shaw LLP  
620 Eighth Avenue  
New York, New York 10018  
Attn: Marc J. Gurell, Esq.

Any party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other parties notice in the manner set forth herein.

10.7 Governing Law. This Agreement will be governed by, and construed and enforced in accordance with, the Laws of the State of New York, without giving effect to any choice of Law or conflict of Law provision or rule that would cause the application of the Laws of any jurisdiction other than the State of New York.

10.8 Consent to Jurisdiction and Service of Process. EACH OF THE PARTIES HERETO CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE STATE OF NEW YORK AND IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS RELATING TO THIS AGREEMENT, THE ACQUISITION OR THE OTHER TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT MAY BE LITIGATED IN SUCH COURTS. EACH OF THE PARTIES HERETO ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS RESPECTIVE PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS, AND IRREVOCABLY AGREES TO BE BOUND BY ANY FINAL AND NONAPPEALABLE JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT, THE ACQUISITION OR THE OTHER TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

10.9 Headings. The descriptive headings contained in this Agreement are included for convenience of reference only and will not affect in any way the meaning or interpretation of this Agreement.

10.10 Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future Law (a) such provision will be fully severable, (b)



this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, (c) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom, (d) with respect to Sellers' obligations in Section 6.3 of this Agreement, the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or area of the term or provision and (e) in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms of such illegal, invalid or unenforceable provision as may be possible.

10.11 Expenses. Except as otherwise provided in this Agreement, whether or not the Acquisition is consummated, all expenses incurred in connection with this Agreement and the transactions contemplated hereby will be paid by the party incurring such expenses. As used in this Section 10.11, "expenses" means the fees and out-of-pocket expenses of the financial advisor, counsel and accountants incurred in connection with this Agreement and the transactions contemplated hereby.

10.12 Incorporation of Exhibits and Schedules. The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

10.13 Limited Recourse. Notwithstanding anything in this Agreement to the contrary, the obligations and Liabilities of the parties hereunder will be without recourse to any stockholder or member of such party or any of such stockholder's or member's Affiliates, or any of their respective Representatives or agents (in each case, in their capacity as such).

10.14 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any provision of this Agreement was not performed in accordance with the terms hereof and that the parties will be entitled to specific performance of the terms hereof in addition to any other remedy at Law or in equity.

10.15 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., [www.docusign.com](http://www.docusign.com)) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

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

**BUYER:**

**CFN ENTERPRISES INC.**

By: \_\_\_\_\_  
Name:  
Title:

**SELLERS:**

\_\_\_\_\_

## EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is dated as of August 25, 2021 (the "Effective Date") by and between CFN Enterprises, Inc., a Delaware corporation (the "Company"), and Brian Ross ("Employee"). Company and Employee may hereinafter be collectively referred to as the Parties and individually as a Party.

1. Term. The Company employs Employee, subject to the terms and conditions of this Agreement, through the earlier of December 31, 2026 or such date as this Agreement shall terminate or expire as provided herein (the "Term").

2. Duties. Employee shall be employed in the position of Chairman of the Board, President and Chief Executive Officer of the Company. Employee shall (a) perform all duties incident to such offices (b) be responsible, subject to the direction of the board of directors of the Company (the "Board"), for the management and business of the Company, and (c) perform such other tasks, consistent with Employee's position with the Company, as may from time to time be assigned to Employee by the Board. Employee shall devote substantially all of Employee's business time, labor, skill, and best ability to the performance of Employee's duties hereunder in a manner which will faithfully and diligently further the business and interests of the Company. During the Term, Employee shall not directly or indirectly pursue any other significant business activity; provided, however, that Employee may serve on civic or other charitable boards or committees and manage personal investments, so long as such activities do not interfere in any material respect with the performance of Employee's duties and responsibilities hereunder.

3. Compensation. During the Term, Employee shall receive a minimum annual base salary (as adjusted in accordance with the terms hereof, the "Annual Base Salary") of Three Hundred and Thousand Dollars (\$300,000). Employee shall receive an annual raise on each January 1 during the Term equal to three percent (3%) of the Annual Base Salary. In addition, the Board may in its sole discretion authorize annual raises in amounts exceeding three percent (3%) of the Annual Base Salary as it may deem appropriate. The Board may in its sole discretion authorize annual and/or quarterly bonuses in such amounts and on such terms as it may deem appropriate, not to exceed one hundred percent (100%) of the Annual Base Salary in any calendar year. The Annual Base Salary shall be payable in accordance with the Company's payroll practices as in effect from time to time, subject to applicable withholding and other taxes. If any payment is not made as specified herein because the Board determines in its sole discretion that the financial condition of the Company would make such a payment imprudent, the unpaid portion will accrue, and be due and owing to Employee. Such accruals will be paid to Employee in their entirety but without interest upon the earlier of: (a) the end of the Term, or (b) the Board's decision approving the payment of such accrued amounts.

4. Additional Benefits.

(a) Business Expenses. The Company shall reimburse Employee for all reasonable and properly documented business expenses incurred by Employee in connection with Employee's employment by the Company, including but not limited to Employee's monthly cell phone charges for business related calls and emails.

(b) Benefit Plans and Programs. During the Term, the Company shall pay one hundred percent (100%) of Employee's health insurance premiums.

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(c) Stock Option Plan. Employee shall, to the extent Employee is otherwise eligible, be entitled to participate in the Company's stock option plan (the "Stock Option Plan"); provided that any grant of options shall be subject to vesting and other terms and conditions as may be determined by the Board.

5. Illness or Disability. If, because of Employee's illness or other disability for a continuous period of more than 45 days, Employee is unable to render the services required by the Company as provided herein, the Company may terminate Employee's employment hereunder by written notice to Employee at least 30 days in advance of such termination. Upon such termination Employee shall not be entitled to any further payments of any nature, except for payment of (a) any earned but unpaid Annual Base Salary, (b) any unpaid bonuses and (c) unreimbursed business expenses (collectively, "Payable Amounts"). All Payable Amounts shall become due and payable on the date of such termination.

6. Death. In the event of Employee's death this Agreement shall terminate and Company shall be under no obligation to make any further payments whatsoever under this Agreement, except that Employee's executors, administrators, or other legal representatives shall be entitled to receive any Payable Amounts.

7. Termination of Employment.

(a) Termination Without Cause. During the Term, this Agreement and Employee's employment may be terminated by Company without Cause (as hereinafter defined) by giving thirty (30) days' prior written notice of such termination to Employee. In the event that the Company terminates Employee's employment without Cause during the Term, the Company shall, subject to Employee's execution and delivery of a general release in favor of the Company and its affiliates substantially in the form attached hereto as Exhibit A, and Employee's compliance with the terms of this Agreement, pay to Employee a severance payment equal to the greater of (i) the remaining payments due under this Agreement or (ii) the Annual Base Salary, each payable in accordance with the Company's normal payroll practices (or, at the Company's option, in one lump sum payment, discounted to present value using a 5% discount rate). Notwithstanding anything in the foregoing to the contrary, Employee will be entitled to such payments only if Employee has complied in full with the terms of this Agreement following Employee's termination (e.g., Confidentiality, Return of Property obligations, etc.). In addition, in the event that the Company terminates Employee's employment without Cause during the Term (i) Employee shall be entitled to receive all Payable Amounts (which shall become due and payable on the date of termination) and (ii) all of Employee's unvested options issued under the Company's Stock Option Plan, bonuses and other compensation shall vest on the date of termination.

(b) Termination with Cause. During the Term, this Agreement and Employee's employment may be terminated by the Company for Cause. In such event, the Company shall have no liability for any further payments to Employee (including, without limitation, Annual Base Salary or benefits), provided that Employee shall be entitled to receive all Payable Amounts (which shall become due and payable on the date of termination). "Cause" shall mean Employee's:

- (i) failure or refusal to perform, or any misconduct in the performance of, any material portion of Employee's obligations, duties and responsibilities under this Agreement, which (A) is incapable of cure or (B) has not been cured or remedied as promptly as is reasonably possible (and in any event within forty-five (45) days) after written notice from the Company to Employee specifying in reasonable detail the nature of such failure, refusal or misconduct;



- (ii) material breach of this Agreement which (A) is incapable of cure, or (B) has not been cured or remedied promptly (and in any event within forty-five (45) days) after written notice from the Company to Employee specifying in reasonable detail the nature of such breach; or
- (iii) commission of a felony or of any other crime which materially and adversely affects the Company or its business or operations.

8. Restrictions. Employee acknowledges that the business in which the Company is engaged is highly competitive, and that Employee is a key executive of the Company. Employee further acknowledges that Employee will acquire extensive confidential information and knowledge of the business of the Company, and will develop relationships with, and/or acquire knowledge of, customers, clients, employees, sales agents, middlemen and suppliers of or to the Company and its subsidiaries and affiliates. In light of the foregoing, Employee agrees as follows:

(a) Confidentiality.

(i) During the Term and thereafter for a period of three (3) years, Employee agrees to hold in strictest confidence, and not to use, except for the benefit of the Company and within the scope of Employee's employment, or to disclose (except as required by law) to any person or entity, any Confidential Information of the Company. Employee understands that "Confidential Information" means (1) any and all information, in whatever form, whether reduced to writing, maintained on any form of electronic media, or maintained in mind or memory, received by Employee or generated by Employee on behalf of the Company relating to the current or prospective business, research and development activities, products, technology, strategy, organization and/or finances of the Company, or of third parties (including affiliates, vendors, suppliers and customers) with which the Company has a business relationship and (2) any other information, in whatever form, designated by the Company as confidential, in either case, whether disclosed to, or obtained by, Employee prior or subsequent to the date of this Agreement. Confidential Information shall include without limitation customer lists, database information, samples, demonstration models or materials and other embodiments of products or prospective products, software and other technology, projections, existing and proposed projects or experiments, processes and methodologies and trade secrets and all Developments, as defined below, but excluding (A) information that the Company deliberately and voluntarily makes publicly available and (B) information disclosed by Employee to comply with a court, or other lawful compulsory, order compelling Employee to do so, provided Employee gives the Company prompt notice of the receipt of such order and disclosure is limited only to disclosure necessary for such purpose. Employee specifically acknowledges that: the Confidential Information derives independent economic value from not being readily known to, or ascertainable by proper means by, others; that the Company has expended considerable sums and efforts to develop such Confidential Information; reasonable efforts have been made by the Company to maintain the secrecy of such information; and that such information is the sole property of the Company or its affiliates, vendors, suppliers, or customers and that any retention, use or disclosure of such Confidential Information by Employee during the Term (except in the course of performing Employee's duties under this Agreement) or any time thereafter, shall constitute a violation of this Agreement and the misappropriation of the trade secrets and Confidential Information of the Company or its affiliates, vendors, suppliers, or customers.

(ii) Employee recognizes that the Company has received and in the future will receive Confidential Information of and from other companies subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. Employee agrees to hold all such confidential or proprietary information in the strictest confidence and not to

disclose it to any person or entity or to use it except as necessary in performing Employee's duties under this Agreement and in a manner consistent with the Company's obligations to such companies.

(iii) Employee agrees that all Confidential Information, in any form, shall be and remain the sole and exclusive property of the Company and that immediately upon the termination of Employee's employment, or at any other time that the Company may request, Employee shall deliver all Confidential Information in Employee's control to the Company or, if instructed to do so by the Company, Employee will delete or destroy all Confidential Information in Employee's control.

(b) Assignment of Work Product.

(i) If at any time during the Term or thereafter, Employee has made or shall make (either alone or with others, and whether before or after the date of this Agreement), conceive, create, discover, invent or reduce to practice any invention, design, development, improvement, process, software program, work of authorship, or technique, in whole or in part, or which results from any work which Employee may do for or at the request of the Company, whether or not conceived by Employee while on holiday, on vacation, or off the premises of the Company, whether or not patentable or registrable under copyright or similar laws (herein called "Developments") that (a) relate to the business of the Company or any of the products or services being developed, manufactured or sold by the Company, or (b) result directly or indirectly from tasks assigned to Employee by the Company or (c) result from the use of premises or property (whether tangible or intangible) owned, leased or contracted for by the Company, such Developments and all rights and interests therein and all records relating to such Developments shall be the sole and absolute property of the Company. Employee shall promptly disclose to the Company each such Development and Employee shall deliver to the Company all records relating to each such Development. Employee hereby assigns any rights (including, but not limited to, any rights under patent law and copyright law or other similar laws) that Employee may have or acquire in the Developments to the Company, without further compensation. Where applicable, all Developments which are copyrightable works shall be works made for hire. To the extent any such work of authorship may not be deemed to be a work made for hire, Employee agrees to, and does hereby, irrevocably, perpetually and unconditionally transfer and assign to the Company all right, title, and interest including copyright in and to such work without further compensation.

(ii) Employee will, during the Term and at all times thereafter, at the request and cost of the Company, promptly sign all such assignments, applications and other documents, and take such other actions, as the Company and its duly authorized agents may reasonably require: (A) to evidence the Company's ownership of any Development and to apply for, obtain, register and vest in the name of the Company, or renew, patents, copyrights, trademarks or other similar rights for any Development in any country throughout the world and (B) to initiate or defend any judicial, administrative or other proceedings in respect of such patents, copyrights, trademarks or other similar rights.

(iii) In the event the Company is unable, after reasonable effort, to secure Employee's signature for such purposes for any reason whatsoever, Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Employee's agents and attorneys-in-fact, to act for and in Employee's name, behalf and stead, to execute and file any such assignments, applications or other documents and to do all other lawfully permitted acts to further the obtaining and protection of such patents, copyright or trademark registrations or other rights with the same legal force and effect as if executed by Employee.

(iv) Employee represents and warrants that (A) Employee does not have any pre-existing inventions that relate to the business of the Company and all inventions that Employee has made and owns the intellectual property rights to as of the Effective Date that relate to the business of the Company shall be considered Developments and are subject to the terms of Section 8(b) and (B) all Developments that Employee has developed or with respect to which Employee has been associated while employed by the Company are the sole property of the Company and that there are no other claims or ownership rights in such property with respect to any other party.

(f) Return of Property. Upon the termination of the Employee's employment or at any other time upon written request by the Company, Employee shall promptly deliver to the Company all records, files, memoranda, designs, data, reports, drawings, plans, computer programs, software and other documents (and all copies or reproductions for such materials in Employee's possession or control) belonging to the Company, including, without limitation, all Developments and/or Confidential Information and anything relating thereto.

(g) For the purposes of this Section 8, "Company" shall mean the Company and its subsidiaries and controlled affiliates.

9. General.

(a) Cooperation. During the Term and for six (6) years thereafter, Employee agrees to fully cooperate with the Company or its counsel in connection with any matter, investigation, proceeding or litigation regarding any matter in which Employee was involved during Employee's employment with the Company or to which Employee had knowledge based on Employee's employment with the Company.

(b) Notices. Any notice or any other communication required or permitted to be given hereunder shall be in writing and shall be sufficiently given (i) when delivered by personal delivery or by nationally recognized overnight courier; or (ii) two days after sending by registered mail, postage prepaid, return receipt requested, to the party entitled thereto at the address stated below.

(A) To Company:  
600 East 8<sup>th</sup> Street  
Whitefish, MT. 59937  
Attn: Board of Directors

(B) To Brian Ross:  
600 East 8<sup>th</sup> Street  
Whitefish, MT. 59937

(c) No Conflict. Employee represents that Employee's performance of all of the terms of this Agreement does not and will not conflict with or breach any agreement Employee has with any other party.

(d) Waivers. Any waiver by the Company of any provision of this Agreement shall not operate or be construed as a waiver of this Agreement or of any subsequent breach of such provision or any other provision.

(e) Survival of Terms. Employee's obligations under Section 8 of this Agreement shall survive the termination of this Agreement for any reason whatsoever regardless of the manner of such termination and shall be binding upon Employee's heirs, executors, administrators and legal representatives.

(f) Successors and Assigns. This Agreement shall inure to the benefit of and be enforceable by the Company's successors or assigns.

(g) Scope of Restrictions. Employee agrees that the unenforceability of any one clause of this Agreement shall in no way impair the enforceability of any of the other clauses. If any of the provisions of this Agreement shall for any reason be held to be excessively broad as to scope, activity, subject or otherwise, the parties hereto agree that such provisions shall be construed by the appropriate judicial body by limiting or reducing them, so as to be enforceable to the maximum extent legally permissible.

(h) Remedies. Employee agrees that any breach or threatened breach of Section 8 of this Agreement would result in irreparable harm to the Company; therefore, in addition to its other remedies at law or in equity, the Company shall be entitled to injunctive or other equitable relief in order to enforce or prevent any violations of the provisions of Section 8, without the posting of any bond.

(i) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to its conflict of law provisions.

(j) Dispute Resolution. If any dispute arises under this Agreement, the Parties agree to first attempt to resolve the dispute through the use of a mutually agreed upon mediator located in New York, New York. Any costs and fees other than attorney's fees associated with the mediation shall be shared equally by the parties. If it proves impossible following a reasonable period to arrive at a mutually satisfactory solution through mediation, the parties agree to submit the dispute to binding arbitration in New York, New York. The parties agree that the binding arbitration will be conducted under the rules of the American Arbitration Association. Judgment upon the award rendered by the arbitrator may be entered in any court with proper jurisdiction.

(k) Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the Company and Employee with respect to the subject matter hereof (except with respect to the Company's stock options) and supersedes all prior discussions, promises, negotiations and agreements (whether written or oral). The parties agree that the Stock Option Plan governs the terms of the Company's stock options and if any provisions of this Agreement conflict with the terms of the Stock Option Plan, the terms of the Stock Option Plan shall govern. This Agreement may be amended or modified only by a written agreement executed by the Company and Employee.

(l) Tax Withholding. The Company may withhold from any amounts payable under this Agreement or otherwise all federal, state, city, or other taxes as may be required pursuant to any law or governmental regulation or ruling.

[SIGNATURE PAGE FOLLOWS]

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

EMPLOYEE:

/s/ Brian Ross  
Brian Ross

CFN ENTERPRISES, INC.

By: /s/ Mario Marsillo Jr.  
Name: Mario Marsillo Jr.  
Title: Board Member

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Exhibit A

**GENERAL RELEASE OF CLAIMS**

In consideration of \_\_\_\_\_ (\$ \_\_\_\_\_) to be paid to the undersigned by CFN Enterprises, Inc., I, the undersigned, on behalf of myself and my heirs, executors, administrators and assigns, hereby release and forever discharge CFN Enterprises, Inc. ("CFN ") and its parents, subsidiaries and affiliates, and each of their respective shareholders, partners, directors, officers, employees, agents, counsels, successors and assigns (collectively, the "Released Parties"), from any and all suits, claims, demands, debts, sums of money, salary, reimbursement or other compensation, damages, interest, attorneys' fees, expenses, actions, causes of action, judgments, accounts, promises, contracts, agreements, and any and all claims of law or in equity, whether now known or unknown, which I now have or ever have had against the Released Parties, or any of them, including, but not limited to, any claims under Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act, and any other federal, state or local statute, regulation, ordinance or common law creating employment-related causes of action, and all claims related to or arising out of my employment or the termination of my employment with CFN . This General Release of Claims does not apply to (1) any claims that arise after I sign this General Release of Claims or (2) any claims which may not be waived or released as a matter of law.

I agree that I will indemnify and hold harmless any Released Parties for any cost or expense suffered by such party in connection with any demand, claim or legal action which I may file with regard to any subject matter within the scope of this General Release of Claims. This remedy shall be in addition to and not in lieu of any other remedy to which any Released Party may be entitled under applicable law.

I agree to keep strictly confidential, not to make public and not to disclose to anyone in any manner the fact or terms of this General Release of Claims.

CFN has informed me that in connection with this General Release I have the right to, and should consult with an attorney of my choosing, and that I have twenty-one (21) days after receiving this General Release of Claims to decide whether or not to sign it. In addition, I have seven (7) days after signing this General Release of Claims to revoke my signature before it becomes effective. If I wish to revoke my signature, I should do so in writing addressed and delivered to the Board of Directors of CFN before the end of the seven-day revocation period.

This release is intended to operate as a contract under seal and shall be governed by and construed in accordance with the laws of the State of New York. I agree that all disputes arising under or out of this General Release shall be brought exclusively in courts of competent jurisdiction within the State of New York and I hereby consent to jurisdiction in such courts with respect to all matters arising out of or related to this General Release of Claims.

\_\_\_\_\_ Dated: \_\_\_\_\_, \_\_\_\_

Agreed and Acknowledged,  
**CFN Enterprises, Inc.**

By: \_\_\_\_\_

Name:

Title:

## EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is dated as of August 25, 2021 (the "Effective Date") by and between CFN Enterprises, Inc., a Delaware corporation (the "Company"), and Mario Marsillo Jr. ("Employee"). Company and Employee may hereinafter be collectively referred to as the Parties and individually as a Party.

1. Term. The Company employs Employee, subject to the terms and conditions of this Agreement, through the earlier of December 31, 2026 or such date as this Agreement shall terminate or expire as provided herein (the "Term").

2. Duties. Employee shall be employed in the position of Chief Investment Officer. Employee shall (a) perform all duties incident to such offices (b) be responsible, subject to the direction of the board of directors of the Company (the "Board"), for the management and business of the Company, and (c) perform such other tasks, consistent with Employee's position with the Company, as may from time to time be assigned to Employee by the Board. Employee shall devote substantially all of Employee's business time, labor, skill, and best ability to the performance of Employee's duties hereunder in a manner which will faithfully and diligently further the business and interests of the Company. During the Term, Employee shall not directly or indirectly pursue any other significant business activity; provided, however, that Employee may serve on civic or other charitable boards or committees and manage personal investments, so long as such activities do not interfere in any material respect with the performance of Employee's duties and responsibilities hereunder.

3. Compensation. During the Term, Employee shall receive a minimum annual base salary (as adjusted in accordance with the terms hereof, the "Annual Base Salary") of Two Hundred Sixty Five Thousand Dollars (\$265,000). Employee shall receive an annual raise on each August 1 during the Term equal to three percent (3%) of the Annual Base Salary. In addition, the Board may in its sole discretion authorize annual raises in amounts exceeding three percent (3%) of the Annual Base Salary as it may deem appropriate. The Board may in its sole discretion authorize annual and/or quarterly bonuses in such amounts and on such terms as it may deem appropriate, not to exceed one hundred percent (100%) of the Annual Base Salary in any calendar year. The Annual Base Salary shall be payable in accordance with the Company's payroll practices as in effect from time to time, subject to applicable withholding and other taxes. If any payment is not made as specified herein because the Board determines in its sole discretion that the financial condition of the Company would make such a payment imprudent, the unpaid portion will accrue, and be due and owing to Employee. Such accruals will be paid to Employee in their entirety but without interest upon the earlier of: (a) the end of the Term, or (b) the Board's decision approving the payment of such accrued amounts.

4. Additional Benefits.

(a) Business Expenses. The Company shall reimburse Employee for all reasonable and properly documented business expenses incurred by Employee in connection with Employee's employment by the Company, including but not limited to Employee's monthly cell phone charges for business related calls and emails.

(b) Benefit Plans and Programs. During the Term, the Company shall pay one hundred percent (100%) of Employee's health insurance premiums.

(c) Stock Option Plan. Employee shall, to the extent Employee is otherwise eligible, be entitled to participate in the Company's stock option plan (the "Stock Option Plan"); provided that any grant of options shall be subject to vesting and other terms and conditions as may be determined by the Board.

5. Illness or Disability. If, because of Employee's illness or other disability for a continuous period of more than 45 days, Employee is unable to render the services required by the Company as provided herein, the Company may terminate Employee's employment hereunder by written notice to Employee at least 30 days in advance of such termination. Upon such termination Employee shall not be entitled to any further payments of any nature, except for payment of (a) any earned but unpaid Annual Base Salary, (b) any unpaid bonuses and (c) unreimbursed business expenses (collectively, "Payable Amounts"). All Payable Amounts shall become due and payable on the date of such termination.

6. Death. In the event of Employee's death this Agreement shall terminate and Company shall be under no obligation to make any further payments whatsoever under this Agreement, except that Employee's executors, administrators, or other legal representatives shall be entitled to receive any Payable Amounts.

7. Termination of Employment.

(a) Termination Without Cause. During the Term, this Agreement and Employee's employment may be terminated by Company without Cause (as hereinafter defined) by giving thirty (30) days' prior written notice of such termination to Employee. In the event that the Company terminates Employee's employment without Cause during the Term, the Company shall, subject to Employee's execution and delivery of a general release in favor of the Company and its affiliates substantially in the form attached hereto as Exhibit A, and Employee's compliance with the terms of this Agreement, pay to Employee a severance payment equal to the greater of (i) the remaining payments due under this Agreement or (ii) the Annual Base Salary, each payable in accordance with the Company's normal payroll practices (or, at the Company's option, in one lump sum payment, discounted to present value using a 5% discount rate). Notwithstanding anything in the foregoing to the contrary, Employee will be entitled to such payments only if Employee has complied in full with the terms of this Agreement following Employee's termination (e.g., Confidentiality, Return of Property obligations, etc.). In addition, in the event that the Company terminates Employee's employment without Cause during the Term (i) Employee shall be entitled to receive all Payable Amounts (which shall become due and payable on the date of termination) and (ii) all of Employee's unvested options issued under the Company's Stock Option Plan, bonuses and other compensation shall vest on the date of termination.

(b) Termination with Cause. During the Term, this Agreement and Employee's employment may be terminated by the Company for Cause. In such event, the Company shall have no liability for any further payments to Employee (including, without limitation, Annual Base Salary or benefits), provided that Employee shall be entitled to receive all Payable Amounts (which shall become due and payable on the date of termination). "Cause" shall mean Employee's:

- (i) failure or refusal to perform, or any misconduct in the performance of, any material portion of Employee's obligations, duties and responsibilities under this Agreement, which (A) is incapable of cure or (B) has not been cured or remedied as promptly as is reasonably possible (and in any event within forty-five (45) days) after written notice from the Company to Employee specifying in reasonable detail the nature of such failure, refusal or misconduct;
- (ii) material breach of this Agreement which (A) is incapable of cure, or (B) has not been cured or remedied promptly (and in any event within forty-five (45) days) after written notice from the Company to Employee specifying in reasonable detail the nature of such breach; or



- (iii) commission of a felony or of any other crime which materially and adversely affects the Company or its business or operations.

8. Restrictions. Employee acknowledges that the business in which the Company is engaged is highly competitive, and that Employee is a key executive of the Company. Employee further acknowledges that Employee will acquire extensive confidential information and knowledge of the business of the Company, and will develop relationships with, and/or acquire knowledge of, customers, clients, employees, sales agents, middlemen and suppliers of or to the Company and its subsidiaries and affiliates. In light of the foregoing, Employee agrees as follows:

(a) Confidentiality.

(i) During the Term and thereafter for a period of three (3) years, Employee agrees to hold in strictest confidence, and not to use, except for the benefit of the Company and within the scope of Employee's employment, or to disclose (except as required by law) to any person or entity, any Confidential Information of the Company. Employee understands that "Confidential Information" means (1) any and all information, in whatever form, whether reduced to writing, maintained on any form of electronic media, or maintained in mind or memory, received by Employee or generated by Employee on behalf of the Company relating to the current or prospective business, research and development activities, products, technology, strategy, organization and/or finances of the Company, or of third parties (including affiliates, vendors, suppliers and customers) with which the Company has a business relationship and (2) any other information, in whatever form, designated by the Company as confidential, in either case, whether disclosed to, or obtained by, Employee prior or subsequent to the date of this Agreement. Confidential Information shall include without limitation customer lists, database information, samples, demonstration models or materials and other embodiments of products or prospective products, software and other technology, projections, existing and proposed projects or experiments, processes and methodologies and trade secrets and all Developments, as defined below, but excluding (A) information that the Company deliberately and voluntarily makes publicly available and (B) information disclosed by Employee to comply with a court, or other lawful compulsory, order compelling Employee to do so, provided Employee gives the Company prompt notice of the receipt of such order and disclosure is limited only to disclosure necessary for such purpose. Employee specifically acknowledges that: the Confidential Information derives independent economic value from not being readily known to, or ascertainable by proper means by, others; that the Company has expended considerable sums and efforts to develop such Confidential Information; reasonable efforts have been made by the Company to maintain the secrecy of such information; and that such information is the sole property of the Company or its affiliates, vendors, suppliers, or customers and that any retention, use or disclosure of such Confidential Information by Employee during the Term (except in the course of performing Employee's duties under this Agreement) or any time thereafter, shall constitute a violation of this Agreement and the misappropriation of the trade secrets and Confidential Information of the Company or its affiliates, vendors, suppliers, or customers.

(ii) Employee recognizes that the Company has received and in the future will receive Confidential Information of and from other companies subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. Employee agrees to hold all such confidential or proprietary information in the strictest confidence and not to disclose it to any person or entity or to use it except as necessary in performing Employee's duties under this Agreement and in a manner consistent with the Company's obligations to such companies.

(iii) Employee agrees that all Confidential Information, in any form, shall be and remain the sole and exclusive property of the Company and that immediately upon the termination of Employee's employment, or at any other time that the Company may request, Employee shall deliver all Confidential Information in Employee's control to the Company or, if instructed to do so by the Company, Employee will delete or destroy all Confidential Information in Employee's control.

(b) Assignment of Work Product.

(i) If at any time during the Term or thereafter, Employee has made or shall make (either alone or with others, and whether before or after the date of this Agreement), conceive, create, discover, invent or reduce to practice any invention, design, development, improvement, process, software program, work of authorship, or technique, in whole or in part, or which results from any work which Employee may do for or at the request of the Company, whether or not conceived by Employee while on holiday, on vacation, or off the premises of the Company, whether or not patentable or registrable under copyright or similar laws (herein called "Developments") that (a) relate to the business of the Company or any of the products or services being developed, manufactured or sold by the Company, or (b) result directly or indirectly from tasks assigned to Employee by the Company or (c) result from the use of premises or property (whether tangible or intangible) owned, leased or contracted for by the Company, such Developments and all rights and interests therein and all records relating to such Developments shall be the sole and absolute property of the Company. Employee shall promptly disclose to the Company each such Development and Employee shall deliver to the Company all records relating to each such Development. Employee hereby assigns any rights (including, but not limited to, any rights under patent law and copyright law or other similar laws) that Employee may have or acquire in the Developments to the Company, without further compensation. Where applicable, all Developments which are copyrightable works shall be works made for hire. To the extent any such work of authorship may not be deemed to be a work made for hire, Employee agrees to, and does hereby, irrevocably, perpetually and unconditionally transfer and assign to the Company all right, title, and interest including copyright in and to such work without further compensation.

(ii) Employee will, during the Term and at all times thereafter, at the request and cost of the Company, promptly sign all such assignments, applications and other documents, and take such other actions, as the Company and its duly authorized agents may reasonably require: (A) to evidence the Company's ownership of any Development and to apply for, obtain, register and vest in the name of the Company, or renew, patents, copyrights, trademarks or other similar rights for any Development in any country throughout the world and (B) to initiate or defend any judicial, administrative or other proceedings in respect of such patents, copyrights, trademarks or other similar rights.

(iii) In the event the Company is unable, after reasonable effort, to secure Employee's signature for such purposes for any reason whatsoever, Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Employee's agents and attorneys-in-fact, to act for and in Employee's name, behalf and stead, to execute and file any such assignments, applications or other documents and to do all other lawfully permitted acts to further the obtaining and protection of such patents, copyright or trademark registrations or other rights with the same legal force and effect as if executed by Employee.

(iv) Employee represents and warrants that (A) Employee does not have any pre-existing inventions that relate to the business of the Company and all inventions that Employee has made and owns the intellectual property rights to as of the Effective Date that relate to the business of the Company shall be considered Developments and are subject to the terms of Section 8(b) and (B) all Developments that Employee has developed or with respect to which Employee has been associated while employed by

the Company are the sole property of the Company and that there are no other claims or ownership rights in such property with respect to any other party.

(f) Return of Property. Upon the termination of the Employee's employment or at any other time upon written request by the Company, Employee shall promptly deliver to the Company all records, files, memoranda, designs, data, reports, drawings, plans, computer programs, software and other documents (and all copies or reproductions for such materials in Employee's possession or control) belonging to the Company, including, without limitation, all Developments and/or Confidential Information and anything relating thereto.

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(a) Cooperation. During the Term and for six (6) years thereafter, Employee agrees to fully cooperate with the Company or its counsel in connection with any matter, investigation, proceeding or litigation regarding any matter in which Employee was involved during Employee's employment with the Company or to which Employee had knowledge based on Employee's employment with the Company.

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600 East 8<sup>th</sup> Street  
Whitefish, MT 59937  
Attn: Brian Ross

(B) To Mario Marsillo Jr.:  
600 East 8<sup>th</sup> Street  
Whitefish, MT 59937

(c) No Conflict. Employee represents that Employee's performance of all of the terms of this Agreement does not and will not conflict with or breach any agreement Employee has with any other party.

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(g) Scope of Restrictions. Employee agrees that the unenforceability of any one clause of this Agreement shall in no way impair the enforceability of any of the other clauses. If any of the provisions of this Agreement shall for any reason be held to be excessively broad as to scope, activity, subject or otherwise, the parties hereto agree that such provisions shall be construed by the appropriate judicial body by limiting or reducing them, so as to be enforceable to the maximum extent legally permissible.

(h) Remedies. Employee agrees that any breach or threatened breach of Section 8 of this Agreement would result in irreparable harm to the Company; therefore, in addition to its other remedies at law or in equity, the Company shall be entitled to injunctive or other equitable relief in order to enforce or prevent any violations of the provisions of Section 8, without the posting of any bond.

(i) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to its conflict of law provisions.

(j) Dispute Resolution. If any dispute arises under this Agreement, the Parties agree to first attempt to resolve the dispute through the use of a mutually agreed upon mediator located in New York, New York. Any costs and fees other than attorney's fees associated with the mediation shall be shared equally by the parties. If it proves impossible following a reasonable period to arrive at a mutually satisfactory solution through mediation, the parties agree to submit the dispute to binding arbitration in New York, New York.. The parties agree that the binding arbitration will be conducted under the rules of the American Arbitration Association. Judgment upon the award rendered by the arbitrator may be entered in any court with proper jurisdiction.

(k) Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the Company and Employee with respect to the subject matter hereof (except with respect to the Company's stock options) and supersedes all prior discussions, promises, negotiations and agreements (whether written or oral). The parties agree that the Stock Option Plan governs the terms of the Company's stock options and if any provisions of this Agreement conflict with the terms of the Stock Option Plan, the terms of the Stock Option Plan shall govern. This Agreement may be amended or modified only by a written agreement executed by the Company and Employee.

(l) Tax Withholding. The Company may withhold from any amounts payable under this Agreement or otherwise all federal, state, city, or other taxes as may be required pursuant to any law or governmental regulation or ruling.

[SIGNATURE PAGE FOLLOWS]

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

EMPLOYEE:

/s/ Mario Marsillo Jr.  
Mario Marsillo Jr.

CFN ENTERPRISES, INC.

By: /s/ Brian Ross  
Name: Brian Ross  
Title: Chief Executive Officer

---

**GENERAL RELEASE OF CLAIMS**

In consideration of \_\_\_\_\_ (\$ \_\_\_\_\_) to be paid to the undersigned by CFN Enterprises, Inc., I, the undersigned, on behalf of myself and my heirs, executors, administrators and assigns, hereby release and forever discharge CFN Enterprises, Inc. ("CFN") and its parents, subsidiaries and affiliates, and each of their respective shareholders, partners, directors, officers, employees, agents, counsels, successors and assigns (collectively, the "Released Parties"), from any and all suits, claims, demands, debts, sums of money, salary, reimbursement or other compensation, damages, interest, attorneys' fees, expenses, actions, causes of action, judgments, accounts, promises, contracts, agreements, and any and all claims of law or in equity, whether now known or unknown, which I now have or ever have had against the Released Parties, or any of them, including, but not limited to, any claims under Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act, and any other federal, state or local statute, regulation, ordinance or common law creating employment-related causes of action, and all claims related to or arising out of my employment or the termination of my employment with CFN. This General Release of Claims does not apply to (1) any claims that arise after I sign this General Release of Claims or (2) any claims which may not be waived or released as a matter of law.

I agree that I will indemnify and hold harmless any Released Parties for any cost or expense suffered by such party in connection with any demand, claim or legal action which I may file with regard to any subject matter within the scope of this General Release of Claims. This remedy shall be in addition to and not in lieu of any other remedy to which any Released Party may be entitled under applicable law.

I agree to keep strictly confidential, not to make public and not to disclose to anyone in any manner the fact or terms of this General Release of Claims.

CFN has informed me that in connection with this General Release I have the right to, and should consult with an attorney of my choosing, and that I have twenty-one (21) days after receiving this General Release of Claims to decide whether or not to sign it. In addition, I have seven (7) days after signing this General Release of Claims to revoke my signature before it becomes effective. If I wish to revoke my signature, I should do so in writing addressed and delivered to Brian Ross, the Chief Executive Officer of CFN before the end of the seven-day revocation period.

This release is intended to operate as a contract under seal and shall be governed by and construed in accordance with the laws of the State of New York. I agree that all disputes arising under or out of this General Release shall be brought exclusively in courts of competent jurisdiction within the State of New York and I hereby consent to jurisdiction in such courts with respect to all matters arising out of or related to this General Release of Claims.

\_\_\_\_\_ Dated: \_\_\_\_\_, \_\_\_\_

Agreed and Acknowledged,  
**CFN Enterprises, Inc.**

By: \_\_\_\_\_

Name:

Title:

## EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is dated as of August 25, 2021 (the "Effective Date") by and between CFN Enterprises, Inc., a Delaware corporation (the "Company"), and Vince Kandis. ("Employee"). Company and Employee may hereinafter be collectively referred to as the Parties and individually as a Party.

1. Term. The Company employs Employee, subject to the terms and conditions of this Agreement, through the earlier of December 31, 2026 or such date as this Agreement shall terminate or expire as provided herein (the "Term").

2. Duties. Employee shall be employed in the position of President of CNP. Employee shall (a) perform all duties incident to such offices (b) be responsible, subject to the direction of the board of directors of the Company (the "Board"), for the day to day management and business of CNP, manage all cannabinoid extraction operations, and (c) perform such other tasks, consistent with Employee's position with the Company, as may from time to time be assigned to Employee by the Board. Employee shall devote substantially all of Employee's business time, labor, skill, and best ability to the performance of Employee's duties hereunder in a manner which will faithfully and diligently further the business and interests of the Company. During the Term, Employee shall not directly or indirectly pursue any other significant business activity; provided, however, that Employee may serve on civic or other charitable boards or committees and manage personal investments, so long as such activities do not interfere in any material respect with the performance of Employee's duties and responsibilities hereunder.

3. Compensation. During the Term, Employee shall receive a minimum annual base salary (as adjusted in accordance with the terms hereof, the "Annual Base Salary") of Three Hundred Thousand Dollars (\$300,000). Employee shall receive an annual raise on each August 1 during the Term equal to three percent (3%) of the Annual Base Salary. In addition, the Board may in its sole discretion authorize annual raises in amounts exceeding three percent (3%) of the Annual Base Salary as it may deem appropriate. The Board may in its sole discretion authorize annual and/or quarterly bonuses in such amounts and on such terms as it may deem appropriate, not to exceed one hundred percent (100%) of the Annual Base Salary in any calendar year. The Annual Base Salary shall be payable in accordance with the Company's payroll practices as in effect from time to time, subject to applicable withholding and other taxes. If any payment is not made as specified herein because the Board determines in its sole discretion that the financial condition of the Company would make such a payment imprudent, the unpaid portion will accrue, and be due and owing to Employee. Such accruals will be paid to Employee in their entirety but without interest upon the earlier of: (a) the end of the Term, or (b) the Board's decision approving the payment of such accrued amounts.

4. Additional Benefits.

(a) Business Expenses. The Company shall reimburse Employee for all reasonable and properly documented business expenses incurred by Employee in connection with Employee's employment by the Company, including but not limited to Employee's monthly cell phone charges for business related calls and emails.

(b) Benefit Plans and Programs. During the Term, the Company shall pay one hundred percent (100%) of Employee's health insurance premiums.

(c) Stock Option Plan. Employee shall, to the extent Employee is otherwise eligible, be entitled to participate in the Company's stock option plan (the "Stock Option Plan"); provided that any grant of options shall be subject to vesting and other terms and conditions as may be determined by the Board.

5. Illness or Disability. If, because of Employee's illness or other disability for a continuous period of more than 45 days, Employee is unable to render the services required by the Company as provided herein, the Company may terminate Employee's employment hereunder by written notice to Employee at least 30 days in advance of such termination. Upon such termination Employee shall not be entitled to any further payments of any nature, except for payment of (a) any earned but unpaid Annual Base Salary, (b) any unpaid bonuses and (c) unreimbursed business expenses (collectively, "Payable Amounts"). All Payable Amounts shall become due and payable on the date of such termination.

6. Death. In the event of Employee's death this Agreement shall terminate and Company shall be under no obligation to make any further payments whatsoever under this Agreement, except that Employee's executors, administrators, or other legal representatives shall be entitled to receive any Payable Amounts.

7. Termination of Employment.

(a) Termination Without Cause. During the Term, this Agreement and Employee's employment may be terminated by Company without Cause (as hereinafter defined) by giving thirty (30) days' prior written notice of such termination to Employee. In the event that the Company terminates Employee's employment without Cause during the Term, the Company shall, subject to Employee's execution and delivery of a general release in favor of the Company and its affiliates substantially in the form attached hereto as Exhibit A, and Employee's compliance with the terms of this Agreement, pay to Employee a severance payment equal to the greater of (i) the remaining payments due under this Agreement or (ii) the Annual Base Salary, each payable in accordance with the Company's normal payroll practices (or, at the Company's option, in one lump sum payment, discounted to present value using a 5% discount rate). Notwithstanding anything in the foregoing to the contrary, Employee will be entitled to such payments only if Employee has complied in full with the terms of this Agreement following Employee's termination (e.g., Confidentiality, Return of Property obligations, etc.). In addition, in the event that the Company terminates Employee's employment without Cause during the Term (i) Employee shall be entitled to receive all Payable Amounts (which shall become due and payable on the date of termination) and (ii) all of Employee's unvested options issued under the Company's Stock Option Plan, bonuses and other compensation shall vest on the date of termination.

(b) Termination with Cause. During the Term, this Agreement and Employee's employment may be terminated by the Company for Cause. In such event, the Company shall have no liability for any further payments to Employee (including, without limitation, Annual Base Salary or benefits), provided that Employee shall be entitled to receive all Payable Amounts (which shall become due and payable on the date of termination). "Cause" shall mean Employee's:

- (i) failure or refusal to perform, or any misconduct in the performance of, any material portion of Employee's obligations, duties and responsibilities under this Agreement, which (A) is incapable of cure or (B) has not been cured or remedied as promptly as is reasonably possible (and in any event within forty-five (45) days) after written notice from the Company to Employee specifying in reasonable detail the nature of such failure, refusal or misconduct;
- (ii) material breach of this Agreement which (A) is incapable of cure, or (B) has not been cured or remedied promptly (and in any event within forty-five (45) days) after written notice from the Company to Employee specifying in reasonable detail the nature of such breach; or



- (iii) commission of a felony or of any other crime which materially and adversely affects the Company or its business or operations.

8. Restrictions. Employee acknowledges that the business in which the Company is engaged is highly competitive, and that Employee is a key executive of the Company. Employee further acknowledges that Employee will acquire extensive confidential information and knowledge of the business of the Company, and will develop relationships with, and/or acquire knowledge of, customers, clients, employees, sales agents, middlemen and suppliers of or to the Company and its subsidiaries and affiliates. In light of the foregoing, Employee agrees as follows:

(a) Confidentiality.

(i) During the Term and thereafter for a period of three (3) years, Employee agrees to hold in strictest confidence, and not to use, except for the benefit of the Company and within the scope of Employee's employment, or to disclose (except as required by law) to any person or entity, any Confidential Information of the Company. Employee understands that "Confidential Information" means (1) any and all information, in whatever form, whether reduced to writing, maintained on any form of electronic media, or maintained in mind or memory, received by Employee or generated by Employee on behalf of the Company relating to the current or prospective business, research and development activities, products, technology, strategy, organization and/or finances of the Company, or of third parties (including affiliates, vendors, suppliers and customers) with which the Company has a business relationship and (2) any other information, in whatever form, designated by the Company as confidential, in either case, whether disclosed to, or obtained by, Employee prior or subsequent to the date of this Agreement. Confidential Information shall include without limitation customer lists, database information, samples, demonstration models or materials and other embodiments of products or prospective products, software and other technology, projections, existing and proposed projects or experiments, processes and methodologies and trade secrets and all Developments, as defined below, but excluding (A) information that the Company deliberately and voluntarily makes publicly available and (B) information disclosed by Employee to comply with a court, or other lawful compulsory, order compelling Employee to do so, provided Employee gives the Company prompt notice of the receipt of such order and disclosure is limited only to disclosure necessary for such purpose. Employee specifically acknowledges that: the Confidential Information derives independent economic value from not being readily known to, or ascertainable by proper means by, others; that the Company has expended considerable sums and efforts to develop such Confidential Information; reasonable efforts have been made by the Company to maintain the secrecy of such information; and that such information is the sole property of the Company or its affiliates, vendors, suppliers, or customers and that any retention, use or disclosure of such Confidential Information by Employee during the Term (except in the course of performing Employee's duties under this Agreement) or any time thereafter, shall constitute a violation of this Agreement and the misappropriation of the trade secrets and Confidential Information of the Company or its affiliates, vendors, suppliers, or customers.

(ii) Employee recognizes that the Company has received and in the future will receive Confidential Information of and from other companies subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. Employee agrees to hold all such confidential or proprietary information in the strictest confidence and not to disclose it to any person or entity or to use it except as necessary in performing Employee's duties under this Agreement and in a manner consistent with the Company's obligations to such companies.

(iii) Employee agrees that all Confidential Information, in any form, shall be and remain the sole and exclusive property of the Company and that immediately upon the termination of Employee's employment, or at any other time that the Company may request, Employee shall deliver all Confidential

Information in Employee's control to the Company or, if instructed to do so by the Company, Employee will delete or destroy all Confidential Information in Employee's control.

(b) Assignment of Work Product.

(i) If at any time during the Term or thereafter, Employee has made or shall make (either alone or with others, and whether before or after the date of this Agreement), conceive, create, discover, invent or reduce to practice any invention, design, development, improvement, process, software program, work of authorship, or technique, in whole or in part, or which results from any work which Employee may do for or at the request of the Company, whether or not conceived by Employee while on holiday, on vacation, or off the premises of the Company, whether or not patentable or registrable under copyright or similar laws (herein called "Developments") that (a) relate to the business of the Company or any of the products or services being developed, manufactured or sold by the Company, or (b) result directly or indirectly from tasks assigned to Employee by the Company or (c) result from the use of premises or property (whether tangible or intangible) owned, leased or contracted for by the Company, such Developments and all rights and interests therein and all records relating to such Developments shall be the sole and absolute property of the Company. Employee shall promptly disclose to the Company each such Development and Employee shall deliver to the Company all records relating to each such Development. Employee hereby assigns any rights (including, but not limited to, any rights under patent law and copyright law or other similar laws) that Employee may have or acquire in the Developments to the Company, without further compensation. Where applicable, all Developments which are copyrightable works shall be works made for hire. To the extent any such work of authorship may not be deemed to be a work made for hire, Employee agrees to, and does hereby, irrevocably, perpetually and unconditionally transfer and assign to the Company all right, title, and interest including copyright in and to such work without further compensation.

(ii) Employee will, during the Term and at all times thereafter, at the request and cost of the Company, promptly sign all such assignments, applications and other documents, and take such other actions, as the Company and its duly authorized agents may reasonably require: (A) to evidence the Company's ownership of any Development and to apply for, obtain, register and vest in the name of the Company, or renew, patents, copyrights, trademarks or other similar rights for any Development in any country throughout the world and (B) to initiate or defend any judicial, administrative or other proceedings in respect of such patents, copyrights, trademarks or other similar rights.

(iii) In the event the Company is unable, after reasonable effort, to secure Employee's signature for such purposes for any reason whatsoever, Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Employee's agents and attorneys-in-fact, to act for and in Employee's name, behalf and stead, to execute and file any such assignments, applications or other documents and to do all other lawfully permitted acts to further the obtaining and protection of such patents, copyright or trademark registrations or other rights with the same legal force and effect as if executed by Employee.

(iv) Employee represents and warrants that (A) Employee does not have any pre-existing inventions that relate to the business of the Company and all inventions that Employee has made and owns the intellectual property rights to as of the Effective Date that relate to the business of the Company shall be considered Developments and are subject to the terms of Section 8(b) and (B) all Developments that Employee has developed or with respect to which Employee has been associated while employed by the Company are the sole property of the Company and that there are no other claims or ownership rights in such property with respect to any other party.

(f) Return of Property. Upon the termination of the Employee's employment or at any other time upon written request by the Company, Employee shall promptly deliver to the Company all records, files, memoranda, designs, data, reports, drawings, plans, computer programs, software and other documents (and all copies or reproductions for such materials in Employee's possession or control) belonging to the Company, including, without limitation, all Developments and/or Confidential Information and anything relating thereto.

(g) For the purposes of this Section 8, "Company" shall mean the Company and its subsidiaries and controlled affiliates.

9. General.

(a) Cooperation. During the Term and for six (6) years thereafter, Employee agrees to fully cooperate with the Company or its counsel in connection with any matter, investigation, proceeding or litigation regarding any matter in which Employee was involved during Employee's employment with the Company or to which Employee had knowledge based on Employee's employment with the Company.

(b) Notices. Any notice or any other communication required or permitted to be given hereunder shall be in writing and shall be sufficiently given (i) when delivered by personal delivery or by nationally recognized overnight courier; or (ii) two days after sending by registered mail, postage prepaid, return receipt requested, to the party entitled thereto at the address stated below.

(A) To Company:  
600 East 8<sup>th</sup> Street  
Whitefish, MT 59937  
Attn: Brian Ross

(B) To Vince Kandis.:

(c) No Conflict. Employee represents that Employee's performance of all of the terms of this Agreement does not and will not conflict with or breach any agreement Employee has with any other party.

(d) Waivers. Any waiver by the Company of any provision of this Agreement shall not operate or be construed as a waiver of this Agreement or of any subsequent breach of such provision or any other provision.

(e) Survival of Terms. Employee's obligations under Section 8 of this Agreement shall survive the termination of this Agreement for any reason whatsoever regardless of the manner of such termination and shall be binding upon Employee's heirs, executors, administrators and legal representatives.

(f) Successors and Assigns. This Agreement shall inure to the benefit of and be enforceable by the Company's successors or assigns.

(g) Scope of Restrictions. Employee agrees that the unenforceability of any one clause of this Agreement shall in no way impair the enforceability of any of the other clauses. If any of the provisions of this Agreement shall for any reason be held to be excessively broad as to scope, activity, subject or otherwise, the parties hereto agree that such provisions shall be construed by the appropriate

judicial body by limiting or reducing them, so as to be enforceable to the maximum extent legally permissible.

(h) Remedies. Employee agrees that any breach or threatened breach of Section 8 of this Agreement would result in irreparable harm to the Company; therefore, in addition to its other remedies at law or in equity, the Company shall be entitled to injunctive or other equitable relief in order to enforce or prevent any violations of the provisions of Section 8, without the posting of any bond.

(i) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to its conflict of law provisions.

(j) Dispute Resolution. If any dispute arises under this Agreement, the Parties agree to first attempt to resolve the dispute through the use of a mutually agreed upon mediator located in New York, New York. Any costs and fees other than attorney's fees associated with the mediation shall be shared equally by the parties. If it proves impossible following a reasonable period to arrive at a mutually satisfactory solution through mediation, the parties agree to submit the dispute to binding arbitration in New York, New York.. The parties agree that the binding arbitration will be conducted under the rules of the American Arbitration Association. Judgment upon the award rendered by the arbitrator may be entered in any court with proper jurisdiction.

(k) Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the Company and Employee with respect to the subject matter hereof (except with respect to the Company's stock options) and supersedes all prior discussions, promises, negotiations and agreements (whether written or oral). The parties agree that the Stock Option Plan governs the terms of the Company's stock options and if any provisions of this Agreement conflict with the terms of the Stock Option Plan, the terms of the Stock Option Plan shall govern. This Agreement may be amended or modified only by a written agreement executed by the Company and Employee.

(l) Tax Withholding. The Company may withhold from any amounts payable under this Agreement or otherwise all federal, state, city, or other taxes as may be required pursuant to any law or governmental regulation or ruling.

[SIGNATURE PAGE FOLLOWS]

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

EMPLOYEE:

/s/ Vince Kandis  
Vince Kandis

CFN ENTERPRISES, INC.

By: /s/ Brian Ross  
Name: Brian Ross  
Title: Chief Executive Officer

---

Exhibit A

**GENERAL RELEASE OF CLAIMS**

In consideration of \_\_\_\_\_ (\$ \_\_\_\_\_) to be paid to the undersigned by CFN Enterprises, Inc., I, the undersigned, on behalf of myself and my heirs, executors, administrators and assigns, hereby release and forever discharge CFN Enterprises, Inc. ("CFN") and its parents, subsidiaries and affiliates, and each of their respective shareholders, partners, directors, officers, employees, agents, counsels, successors and assigns (collectively, the "Released Parties"), from any and all suits, claims, demands, debts, sums of money, salary, reimbursement or other compensation, damages, interest, attorneys' fees, expenses, actions, causes of action, judgments, accounts, promises, contracts, agreements, and any and all claims of law or in equity, whether now known or unknown, which I now have or ever have had against the Released Parties, or any of them, including, but not limited to, any claims under Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act, and any other federal, state or local statute, regulation, ordinance or common law creating employment-related causes of action, and all claims related to or arising out of my employment or the termination of my employment with CFN. This General Release of Claims does not apply to (1) any claims that arise after I sign this General Release of Claims or (2) any claims which may not be waived or released as a matter of law.

I agree that I will indemnify and hold harmless any Released Parties for any cost or expense suffered by such party in connection with any demand, claim or legal action which I may file with regard to any subject matter within the scope of this General Release of Claims. This remedy shall be in addition to and not in lieu of any other remedy to which any Released Party may be entitled under applicable law.

I agree to keep strictly confidential, not to make public and not to disclose to anyone in any manner the fact or terms of this General Release of Claims.

CFN has informed me that in connection with this General Release I have the right to, and should consult with an attorney of my choosing, and that I have twenty-one (21) days after receiving this General Release of Claims to decide whether or not to sign it. In addition, I have seven (7) days after signing this General Release of Claims to revoke my signature before it becomes effective. If I wish to revoke my signature, I should do so in writing addressed and delivered to Brian Ross, the Chief Executive Officer of CFN before the end of the seven-day revocation period.

This release is intended to operate as a contract under seal and shall be governed by and construed in accordance with the laws of the State of New York. I agree that all disputes arising under or out of this General Release shall be brought exclusively in courts of competent jurisdiction within the State of New York and I hereby consent to jurisdiction in such courts with respect to all matters arising out of or related to this General Release of Claims.

\_\_\_\_\_ Dated: \_\_\_\_\_, \_\_\_\_

Agreed and Acknowledged,

**CFN Enterprises, Inc.**

By: \_\_\_\_\_

Name:

Title:

## EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is dated as of August 25, 2021 (the "Effective Date") by and between CFN Enterprises, Inc., a Delaware corporation (the "Company"), and Spiro Kandis. ("Employee"). Company and Employee may hereinafter be collectively referred to as the Parties and individually as a Party.

1. Term. The Company employs Employee, subject to the terms and conditions of this Agreement, through the earlier of December 31, 2026 or such date as this Agreement shall terminate or expire as provided herein (the "Term").

2. Duties. Employee shall be employed in the position of Chief Product Officer of CNP. Employee shall (a) perform all duties incident to such offices (b) be responsible, subject to the direction of the board of directors of the Company (the "Board"), for sales, product vision & strategy, and responsible for all product initiatives across the entire product lifecycle for CNP, and (c) perform such other tasks, consistent with Employee's position with the Company, as may from time to time be assigned to Employee by the Board. Employee shall devote substantially all of Employee's business time, labor, skill, and best ability to the performance of Employee's duties hereunder in a manner which will faithfully and diligently further the business and interests of the Company. During the Term, Employee shall not directly or indirectly pursue any other significant business activity; provided, however, that Employee may serve on civic or other charitable boards or committees and manage personal investments, so long as such activities do not interfere in any material respect with the performance of Employee's duties and responsibilities hereunder.

3. Compensation. During the Term, Employee shall receive a minimum annual base salary (as adjusted in accordance with the terms hereof, the "Annual Base Salary") of Three Hundred Thousand Dollars (\$300,000). Employee shall receive an annual raise on each August 1 during the Term equal to three percent (3%) of the Annual Base Salary. In addition, the Board may in its sole discretion authorize annual raises in amounts exceeding three percent (3%) of the Annual Base Salary as it may deem appropriate. The Board may in its sole discretion authorize annual and/or quarterly bonuses in such amounts and on such terms as it may deem appropriate, not to exceed one hundred percent (100%) of the Annual Base Salary in any calendar year. The Annual Base Salary shall be payable in accordance with the Company's payroll practices as in effect from time to time, subject to applicable withholding and other taxes. If any payment is not made as specified herein because the Board determines in its sole discretion that the financial condition of the Company would make such a payment imprudent, the unpaid portion will accrue, and be due and owing to Employee. Such accruals will be paid to Employee in their entirety but without interest upon the earlier of: (a) the end of the Term, or (b) the Board's decision approving the payment of such accrued amounts.

4. Additional Benefits.

(a) Business Expenses. The Company shall reimburse Employee for all reasonable and properly documented business expenses incurred by Employee in connection with Employee's employment by the Company, including but not limited to Employee's monthly cell phone charges for business related calls and emails.

(b) Benefit Plans and Programs. During the Term, the Company shall pay one hundred percent (100%) of Employee's health insurance premiums.

(c) Stock Option Plan. Employee shall, to the extent Employee is otherwise eligible, be entitled to participate in the Company's stock option plan (the "Stock Option Plan"); provided that any

grant of options shall be subject to vesting and other terms and conditions as may be determined by the Board.

5. Illness or Disability. If, because of Employee's illness or other disability for a continuous period of more than 45 days, Employee is unable to render the services required by the Company as provided herein, the Company may terminate Employee's employment hereunder by written notice to Employee at least 30 days in advance of such termination. Upon such termination Employee shall not be entitled to any further payments of any nature, except for payment of (a) any earned but unpaid Annual Base Salary, (b) any unpaid bonuses and (c) unreimbursed business expenses (collectively, "Payable Amounts"). All Payable Amounts shall become due and payable on the date of such termination.

6. Death. In the event of Employee's death this Agreement shall terminate and Company shall be under no obligation to make any further payments whatsoever under this Agreement, except that Employee's executors, administrators, or other legal representatives shall be entitled to receive any Payable Amounts.

7. Termination of Employment.

(a) Termination Without Cause. During the Term, this Agreement and Employee's employment may be terminated by Company without Cause (as hereinafter defined) by giving thirty (30) days' prior written notice of such termination to Employee. In the event that the Company terminates Employee's employment without Cause during the Term, the Company shall, subject to Employee's execution and delivery of a general release in favor of the Company and its affiliates substantially in the form attached hereto as Exhibit A, and Employee's compliance with the terms of this Agreement, pay to Employee a severance payment equal to the greater of (i) the remaining payments due under this Agreement or (ii) the Annual Base Salary, each payable in accordance with the Company's normal payroll practices (or, at the Company's option, in one lump sum payment, discounted to present value using a 5% discount rate). Notwithstanding anything in the foregoing to the contrary, Employee will be entitled to such payments only if Employee has complied in full with the terms of this Agreement following Employee's termination (e.g., Confidentiality, Return of Property obligations, etc.). In addition, in the event that the Company terminates Employee's employment without Cause during the Term (i) Employee shall be entitled to receive all Payable Amounts (which shall become due and payable on the date of termination) and (ii) all of Employee's unvested options issued under the Company's Stock Option Plan, bonuses and other compensation shall vest on the date of termination.

(b) Termination with Cause. During the Term, this Agreement and Employee's employment may be terminated by the Company for Cause. In such event, the Company shall have no liability for any further payments to Employee (including, without limitation, Annual Base Salary or benefits), provided that Employee shall be entitled to receive all Payable Amounts (which shall become due and payable on the date of termination). "Cause" shall mean Employee's:

- (i) failure or refusal to perform, or any misconduct in the performance of, any material portion of Employee's obligations, duties and responsibilities under this Agreement, which (A) is incapable of cure or (B) has not been cured or remedied as promptly as is reasonably possible (and in any event within forty-five (45) days) after written notice from the Company to Employee specifying in reasonable detail the nature of such failure, refusal or misconduct;



- (ii) material breach of this Agreement which (A) is incapable of cure, or (B) has not been cured or remedied promptly (and in any event within forty-five (45) days) after written notice from the Company to Employee specifying in reasonable detail the nature of such breach; or
- (iii) commission of a felony or of any other crime which materially and adversely affects the Company or its business or operations.

8. Restrictions. Employee acknowledges that the business in which the Company is engaged is highly competitive, and that Employee is a key executive of the Company. Employee further acknowledges that Employee will acquire extensive confidential information and knowledge of the business of the Company, and will develop relationships with, and/or acquire knowledge of, customers, clients, employees, sales agents, middlemen and suppliers of or to the Company and its subsidiaries and affiliates. In light of the foregoing, Employee agrees as follows:

(a) Confidentiality.

(i) During the Term and thereafter for a period of three (3) years, Employee agrees to hold in strictest confidence, and not to use, except for the benefit of the Company and within the scope of Employee's employment, or to disclose (except as required by law) to any person or entity, any Confidential Information of the Company. Employee understands that "Confidential Information" means (1) any and all information, in whatever form, whether reduced to writing, maintained on any form of electronic media, or maintained in mind or memory, received by Employee or generated by Employee on behalf of the Company relating to the current or prospective business, research and development activities, products, technology, strategy, organization and/or finances of the Company, or of third parties (including affiliates, vendors, suppliers and customers) with which the Company has a business relationship and (2) any other information, in whatever form, designated by the Company as confidential, in either case, whether disclosed to, or obtained by, Employee prior or subsequent to the date of this Agreement. Confidential Information shall include without limitation customer lists, database information, samples, demonstration models or materials and other embodiments of products or prospective products, software and other technology, projections, existing and proposed projects or experiments, processes and methodologies and trade secrets and all Developments, as defined below, but excluding (A) information that the Company deliberately and voluntarily makes publicly available and (B) information disclosed by Employee to comply with a court, or other lawful compulsory, order compelling Employee to do so, provided Employee gives the Company prompt notice of the receipt of such order and disclosure is limited only to disclosure necessary for such purpose. Employee specifically acknowledges that: the Confidential Information derives independent economic value from not being readily known to, or ascertainable by proper means by, others; that the Company has expended considerable sums and efforts to develop such Confidential Information; reasonable efforts have been made by the Company to maintain the secrecy of such information; and that such information is the sole property of the Company or its affiliates, vendors, suppliers, or customers and that any retention, use or disclosure of such Confidential Information by Employee during the Term (except in the course of performing Employee's duties under this Agreement) or any time thereafter, shall constitute a violation of this Agreement and the misappropriation of the trade secrets and Confidential Information of the Company or its affiliates, vendors, suppliers, or customers.

(ii) Employee recognizes that the Company has received and in the future will receive Confidential Information of and from other companies subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. Employee agrees to hold all such confidential or proprietary information in the strictest confidence and not to

disclose it to any person or entity or to use it except as necessary in performing Employee's duties under this Agreement and in a manner consistent with the Company's obligations to such companies.

(iii) Employee agrees that all Confidential Information, in any form, shall be and remain the sole and exclusive property of the Company and that immediately upon the termination of Employee's employment, or at any other time that the Company may request, Employee shall deliver all Confidential Information in Employee's control to the Company or, if instructed to do so by the Company, Employee will delete or destroy all Confidential Information in Employee's control.

(b) Assignment of Work Product.

(i) If at any time during the Term or thereafter, Employee has made or shall make (either alone or with others, and whether before or after the date of this Agreement), conceive, create, discover, invent or reduce to practice any invention, design, development, improvement, process, software program, work of authorship, or technique, in whole or in part, or which results from any work which Employee may do for or at the request of the Company, whether or not conceived by Employee while on holiday, on vacation, or off the premises of the Company, whether or not patentable or registrable under copyright or similar laws (herein called "Developments") that (a) relate to the business of the Company or any of the products or services being developed, manufactured or sold by the Company, or (b) result directly or indirectly from tasks assigned to Employee by the Company or (c) result from the use of premises or property (whether tangible or intangible) owned, leased or contracted for by the Company, such Developments and all rights and interests therein and all records relating to such Developments shall be the sole and absolute property of the Company. Employee shall promptly disclose to the Company each such Development and Employee shall deliver to the Company all records relating to each such Development. Employee hereby assigns any rights (including, but not limited to, any rights under patent law and copyright law or other similar laws) that Employee may have or acquire in the Developments to the Company, without further compensation. Where applicable, all Developments which are copyrightable works shall be works made for hire. To the extent any such work of authorship may not be deemed to be a work made for hire, Employee agrees to, and does hereby, irrevocably, perpetually and unconditionally transfer and assign to the Company all right, title, and interest including copyright in and to such work without further compensation.

(ii) Employee will, during the Term and at all times thereafter, at the request and cost of the Company, promptly sign all such assignments, applications and other documents, and take such other actions, as the Company and its duly authorized agents may reasonably require: (A) to evidence the Company's ownership of any Development and to apply for, obtain, register and vest in the name of the Company, or renew, patents, copyrights, trademarks or other similar rights for any Development in any country throughout the world and (B) to initiate or defend any judicial, administrative or other proceedings in respect of such patents, copyrights, trademarks or other similar rights.

(iii) In the event the Company is unable, after reasonable effort, to secure Employee's signature for such purposes for any reason whatsoever, Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Employee's agents and attorneys-in-fact, to act for and in Employee's name, behalf and stead, to execute and file any such assignments, applications or other documents and to do all other lawfully permitted acts to further the obtaining and protection of such patents, copyright or trademark registrations or other rights with the same legal force and effect as if executed by Employee.

(iv) Employee represents and warrants that (A) Employee does not have any pre-existing inventions that relate to the business of the Company and all inventions that Employee has made and owns the intellectual property rights to as of the Effective Date that relate to the business of the Company

shall be considered Developments and are subject to the terms of Section 8(b) and (B) all Developments that Employee has developed or with respect to which Employee has been associated while employed by the Company are the sole property of the Company and that there are no other claims or ownership rights in such property with respect to any other party.

(f) Return of Property. Upon the termination of the Employee's employment or at any other time upon written request by the Company, Employee shall promptly deliver to the Company all records, files, memoranda, designs, data, reports, drawings, plans, computer programs, software and other documents (and all copies or reproductions for such materials in Employee's possession or control) belonging to the Company, including, without limitation, all Developments and/or Confidential Information and anything relating thereto.

(g) For the purposes of this Section 8, "Company" shall mean the Company and its subsidiaries and controlled affiliates.

9. General.

(a) Cooperation. During the Term and for six (6) years thereafter, Employee agrees to fully cooperate with the Company or its counsel in connection with any matter, investigation, proceeding or litigation regarding any matter in which Employee was involved during Employee's employment with the Company or to which Employee had knowledge based on Employee's employment with the Company.

(b) Notices. Any notice or any other communication required or permitted to be given hereunder shall be in writing and shall be sufficiently given (i) when delivered by personal delivery or by nationally recognized overnight courier; or (ii) two days after sending by registered mail, postage prepaid, return receipt requested, to the party entitled thereto at the address stated below.

(A) To Company:  
600 East 8<sup>th</sup> Street  
Whitefish, MT 59937  
Attn: Brian Ross

(B) To Spiro Kandis.:

(c) No Conflict. Employee represents that Employee's performance of all of the terms of this Agreement does not and will not conflict with or breach any agreement Employee has with any other party.

(d) Waivers. Any waiver by the Company of any provision of this Agreement shall not operate or be construed as a waiver of this Agreement or of any subsequent breach of such provision or any other provision.

(e) Survival of Terms. Employee's obligations under Section 8 of this Agreement shall survive the termination of this Agreement for any reason whatsoever regardless of the manner of such termination and shall be binding upon Employee's heirs, executors, administrators and legal representatives.

(f) Successors and Assigns. This Agreement shall inure to the benefit of and be enforceable by the Company's successors or assigns.

(g) Scope of Restrictions. Employee agrees that the unenforceability of any one clause of this Agreement shall in no way impair the enforceability of any of the other clauses. If any of the provisions of this Agreement shall for any reason be held to be excessively broad as to scope, activity, subject or otherwise, the parties hereto agree that such provisions shall be construed by the appropriate judicial body by limiting or reducing them, so as to be enforceable to the maximum extent legally permissible.

(h) Remedies. Employee agrees that any breach or threatened breach of Section 8 of this Agreement would result in irreparable harm to the Company; therefore, in addition to its other remedies at law or in equity, the Company shall be entitled to injunctive or other equitable relief in order to enforce or prevent any violations of the provisions of Section 8, without the posting of any bond.

(i) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to its conflict of law provisions.

(j) Dispute Resolution. If any dispute arises under this Agreement, the Parties agree to first attempt to resolve the dispute through the use of a mutually agreed upon mediator located in New York, New York. Any costs and fees other than attorney's fees associated with the mediation shall be shared equally by the parties. If it proves impossible following a reasonable period to arrive at a mutually satisfactory solution through mediation, the parties agree to submit the dispute to binding arbitration in New York, New York.. The parties agree that the binding arbitration will be conducted under the rules of the American Arbitration Association. Judgment upon the award rendered by the arbitrator may be entered in any court with proper jurisdiction.

(k) Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the Company and Employee with respect to the subject matter hereof (except with respect to the Company's stock options) and supersedes all prior discussions, promises, negotiations and agreements (whether written or oral). The parties agree that the Stock Option Plan governs the terms of the Company's stock options and if any provisions of this Agreement conflict with the terms of the Stock Option Plan, the terms of the Stock Option Plan shall govern. This Agreement may be amended or modified only by a written agreement executed by the Company and Employee.

(l) Tax Withholding. The Company may withhold from any amounts payable under this Agreement or otherwise all federal, state, city, or other taxes as may be required pursuant to any law or governmental regulation or ruling.

[SIGNATURE PAGE FOLLOWS]

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

EMPLOYEE:

/s/ Spiro Kandis  
Spiro Kandis

CFN ENTERPRISES, INC.

By: /s/ Brian Ross  
Name: Brian Ross  
Title: Chief Executive Officer

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Exhibit A

**GENERAL RELEASE OF CLAIMS**

In consideration of \_\_\_\_\_ (\$ \_\_\_\_\_) to be paid to the undersigned by CFN Enterprises, Inc., I, the undersigned, on behalf of myself and my heirs, executors, administrators and assigns, hereby release and forever discharge CFN Enterprises, Inc. ("CFN") and its parents, subsidiaries and affiliates, and each of their respective shareholders, partners, directors, officers, employees, agents, counsels, successors and assigns (collectively, the "Released Parties"), from any and all suits, claims, demands, debts, sums of money, salary, reimbursement or other compensation, damages, interest, attorneys' fees, expenses, actions, causes of action, judgments, accounts, promises, contracts, agreements, and any and all claims of law or in equity, whether now known or unknown, which I now have or ever have had against the Released Parties, or any of them, including, but not limited to, any claims under Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act, and any other federal, state or local statute, regulation, ordinance or common law creating employment-related causes of action, and all claims related to or arising out of my employment or the termination of my employment with CFN. This General Release of Claims does not apply to (1) any claims that arise after I sign this General Release of Claims or (2) any claims which may not be waived or released as a matter of law.

I agree that I will indemnify and hold harmless any Released Parties for any cost or expense suffered by such party in connection with any demand, claim or legal action which I may file with regard to any subject matter within the scope of this General Release of Claims. This remedy shall be in addition to and not in lieu of any other remedy to which any Released Party may be entitled under applicable law.

I agree to keep strictly confidential, not to make public and not to disclose to anyone in any manner the fact or terms of this General Release of Claims.

CFN has informed me that in connection with this General Release I have the right to, and should consult with an attorney of my choosing, and that I have twenty-one (21) days after receiving this General Release of Claims to decide whether or not to sign it. In addition, I have seven (7) days after signing this General Release of Claims to revoke my signature before it becomes effective. If I wish to revoke my signature, I should do so in writing addressed and delivered to Brian Ross, the Chief Executive Officer of CFN before the end of the seven-day revocation period.

This release is intended to operate as a contract under seal and shall be governed by and construed in accordance with the laws of the State of New York. I agree that all disputes arising under or out of this General Release shall be brought exclusively in courts of competent jurisdiction within the State of New York and I hereby consent to jurisdiction in such courts with respect to all matters arising out of or related to this General Release of Claims.

\_\_\_\_\_ Dated: \_\_\_\_\_, \_\_\_\_

Agreed and Acknowledged,  
**CFN Enterprises, Inc.**

By: \_\_\_\_\_

Name:

Title:

## EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is dated as of August 25, 2021 (the "Effective Date") by and between CFN Enterprises, Inc., a Delaware corporation (the "Company"), and John C Rand. ("Employee"). Company and Employee may hereinafter be collectively referred to as the Parties and individually as a Party.

1. Term. The Company employs Employee, subject to the terms and conditions of this Agreement, through the earlier of December 31, 2026 or such date as this Agreement shall terminate or expire as provided herein (the "Term").

2. Duties. Employee shall be employed in the position of Executive Vice President of Finance. Employee shall (a) perform all duties incident to such offices (b) be responsible, subject to the direction of the board of directors of the Company (the "Board"), and to direct all aspects of the accounting operations, including but not limited to; receivables, payables payroll, financial reporting and financing strategies c) perform such other tasks, consistent with Employee's position with the Company, as may from time to time be assigned to Employee by the Board. Employee shall devote substantially all of Employee's business time, labor, skill, and best ability to the performance of Employee's duties hereunder in a manner which will faithfully and diligently further the business and interests of the Company. During the Term, Employee shall not directly or indirectly pursue any other significant business activity; provided, however, that Employee may serve on civic or other charitable boards or committees and manage personal investments, so long as such activities do not interfere in any material respect with the performance of Employee's duties and responsibilities hereunder.

3. Compensation. During the Term, Employee shall receive a minimum annual base salary (as adjusted in accordance with the terms hereof, the "Annual Base Salary") of One Hundred Sixty Thousand Dollars (\$160,000). Employee shall receive an annual raise on each August 1 during the Term equal to three percent (3%) of the Annual Base Salary. In addition, the Board may in its sole discretion authorize annual raises in amounts exceeding three percent (3%) of the Annual Base Salary as it may deem appropriate. The Board may in its sole discretion authorize annual and/or quarterly bonuses in such amounts and on such terms as it may deem appropriate, up to thirty percent (30%) of the Annual Base Salary. The Annual Base Salary shall be payable in accordance with the Company's payroll practices as in effect from time to time, subject to applicable withholding and other taxes. If any payment is not made as specified herein because the Board determines in its sole discretion that the financial condition of the Company would make such a payment imprudent, the unpaid portion will accrue, and be due and owing to Employee. Such accruals will be paid to Employee in their entirety but without interest upon the earlier of: (a) the end of the Term, or (b) the Board's decision approving the payment of such accrued amounts.

4. Additional Benefits.

(a) Business Expenses. The Company shall reimburse Employee for all reasonable and properly documented business expenses incurred by Employee in connection with Employee's employment by the Company, including but not limited to Employee's monthly cell phone charges for business related calls and emails.

(b) Benefit Plans and Programs. During the Term, the Company shall pay one hundred percent (100%) of Employee's health insurance premiums.

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(c) Stock Option Plan. Employee shall, to the extent Employee is otherwise eligible, be entitled to participate in the Company's stock option plan (the "Stock Option Plan"); provided that any grant of options shall be subject to vesting and other terms and conditions as may be determined by the Board.

5. Illness or Disability. If, because of Employee's illness or other disability for a continuous period of more than 45 days, Employee is unable to render the services required by the Company as provided herein, the Company may terminate Employee's employment hereunder by written notice to Employee at least 30 days in advance of such termination. Upon such termination Employee shall not be entitled to any further payments of any nature, except for payment of (a) any earned but unpaid Annual Base Salary, (b) any unpaid bonuses and (c) unreimbursed business expenses (collectively, "Payable Amounts"). All Payable Amounts shall become due and payable on the date of such termination.

6. Death. In the event of Employee's death this Agreement shall terminate and Company shall be under no obligation to make any further payments whatsoever under this Agreement, except that Employee's executors, administrators, or other legal representatives shall be entitled to receive any Payable Amounts.

7. Termination of Employment.

(a) Termination Without Cause. During the Term, this Agreement and Employee's employment may be terminated by Company without Cause (as hereinafter defined) by giving thirty (30) days' prior written notice of such termination to Employee. In the event that the Company terminates Employee's employment without Cause during the Term, the Company shall, subject to Employee's execution and delivery of a general release in favor of the Company and its affiliates substantially in the form attached hereto as Exhibit A, and Employee's compliance with the terms of this Agreement, pay to Employee a severance payment equal to the greater of (i) the remaining payments due under this Agreement or (ii) the Annual Base Salary, each payable in accordance with the Company's normal payroll practices (or, at the Company's option, in one lump sum payment, discounted to present value using a 5% discount rate). Notwithstanding anything in the foregoing to the contrary, Employee will be entitled to such payments only if Employee has complied in full with the terms of this Agreement following Employee's termination (e.g., Confidentiality, Return of Property obligations, etc.). In addition, in the event that the Company terminates Employee's employment without Cause during the Term (i) Employee shall be entitled to receive all Payable Amounts (which shall become due and payable on the date of termination) and (ii) all of Employee's unvested options issued under the Company's Stock Option Plan, bonuses and other compensation shall vest on the date of termination.

(b) Termination with Cause. During the Term, this Agreement and Employee's employment may be terminated by the Company for Cause. In such event, the Company shall have no liability for any further payments to Employee (including, without limitation, Annual Base Salary or benefits), provided that Employee shall be entitled to receive all Payable Amounts (which shall become due and payable on the date of termination). "Cause" shall mean Employee's:

- (i) failure or refusal to perform, or any misconduct in the performance of, any material portion of Employee's obligations, duties and responsibilities under this Agreement, which (A) is incapable of cure or (B) has not been cured or remedied as promptly as is reasonably possible (and in any event within forty-five (45) days) after written notice from the Company to Employee specifying in reasonable detail the nature of such failure, refusal or misconduct;



- (ii) material breach of this Agreement which (A) is incapable of cure, or (B) has not been cured or remedied promptly (and in any event within forty-five (45) days) after written notice from the Company to Employee specifying in reasonable detail the nature of such breach; or
- (iii) commission of a felony or of any other crime which materially and adversely affects the Company or its business or operations.

8. Restrictions. Employee acknowledges that the business in which the Company is engaged is highly competitive, and that Employee is a key executive of the Company. Employee further acknowledges that Employee will acquire extensive confidential information and knowledge of the business of the Company, and will develop relationships with, and/or acquire knowledge of, customers, clients, employees, sales agents, middlemen and suppliers of or to the Company and its subsidiaries and affiliates. In light of the foregoing, Employee agrees as follows:

(a) Confidentiality.

(i) During the Term and thereafter for a period of three (3) years, Employee agrees to hold in strictest confidence, and not to use, except for the benefit of the Company and within the scope of Employee's employment, or to disclose (except as required by law) to any person or entity, any Confidential Information of the Company. Employee understands that "Confidential Information" means (1) any and all information, in whatever form, whether reduced to writing, maintained on any form of electronic media, or maintained in mind or memory, received by Employee or generated by Employee on behalf of the Company relating to the current or prospective business, research and development activities, products, technology, strategy, organization and/or finances of the Company, or of third parties (including affiliates, vendors, suppliers and customers) with which the Company has a business relationship and (2) any other information, in whatever form, designated by the Company as confidential, in either case, whether disclosed to, or obtained by, Employee prior or subsequent to the date of this Agreement. Confidential Information shall include without limitation customer lists, database information, samples, demonstration models or materials and other embodiments of products or prospective products, software and other technology, projections, existing and proposed projects or experiments, processes and methodologies and trade secrets and all Developments, as defined below, but excluding (A) information that the Company deliberately and voluntarily makes publicly available and (B) information disclosed by Employee to comply with a court, or other lawful compulsory, order compelling Employee to do so, provided Employee gives the Company prompt notice of the receipt of such order and disclosure is limited only to disclosure necessary for such purpose. Employee specifically acknowledges that: the Confidential Information derives independent economic value from not being readily known to, or ascertainable by proper means by, others; that the Company has expended considerable sums and efforts to develop such Confidential Information; reasonable efforts have been made by the Company to maintain the secrecy of such information; and that such information is the sole property of the Company or its affiliates, vendors, suppliers, or customers and that any retention, use or disclosure of such Confidential Information by Employee during the Term (except in the course of performing Employee's duties under this Agreement) or any time thereafter, shall constitute a violation of this Agreement and the misappropriation of the trade secrets and Confidential Information of the Company or its affiliates, vendors, suppliers, or customers.

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(ii) Employee recognizes that the Company has received and in the future will receive Confidential Information of and from other companies subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. Employee agrees to hold all such confidential or proprietary information in the strictest confidence and not to disclose it to any person or entity or to use it except as necessary in performing Employee's duties under this Agreement and in a manner consistent with the Company's obligations to such companies.

(iii) Employee agrees that all Confidential Information, in any form, shall be and remain the sole and exclusive property of the Company and that immediately upon the termination of Employee's employment, or at any other time that the Company may request, Employee shall deliver all Confidential Information in Employee's control to the Company or, if instructed to do so by the Company, Employee will delete or destroy all Confidential Information in Employee's control.

(b) Assignment of Work Product.

(i) If at any time during the Term or thereafter, Employee has made or shall make (either alone or with others, and whether before or after the date of this Agreement), conceive, create, discover, invent or reduce to practice any invention, design, development, improvement, process, software program, work of authorship, or technique, in whole or in part, or which results from any work which Employee may do for or at the request of the Company, whether or not conceived by Employee while on holiday, on vacation, or off the premises of the Company, whether or not patentable or registrable under copyright or similar laws (herein called "Developments") that (a) relate to the business of the Company or any of the products or services being developed, manufactured or sold by the Company, or (b) result directly or indirectly from tasks assigned to Employee by the Company or (c) result from the use of premises or property (whether tangible or intangible) owned, leased or contracted for by the Company, such Developments and all rights and interests therein and all records relating to such Developments shall be the sole and absolute property of the Company. Employee shall promptly disclose to the Company each such Development and Employee shall deliver to the Company all records relating to each such Development. Employee hereby assigns any rights (including, but not limited to, any rights under patent law and copyright law or other similar laws) that Employee may have or acquire in the Developments to the Company, without further compensation. Where applicable, all Developments which are copyrightable works shall be works made for hire. To the extent any such work of authorship may not be deemed to be a work made for hire, Employee agrees to, and does hereby, irrevocably, perpetually and unconditionally transfer and assign to the Company all right, title, and interest including copyright in and to such work without further compensation.

(ii) Employee will, during the Term and at all times thereafter, at the request and cost of the Company, promptly sign all such assignments, applications and other documents, and take such other actions, as the Company and its duly authorized agents may reasonably require: (A) to evidence the Company's ownership of any Development and to apply for, obtain, register and vest in the name of the Company, or renew, patents, copyrights, trademarks or other similar rights for any Development in any country throughout the world and (B) to initiate or defend any judicial, administrative or other proceedings in respect of such patents, copyrights, trademarks or other similar rights.

(iii) In the event the Company is unable, after reasonable effort, to secure Employee's signature for such purposes for any reason whatsoever, Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Employee's agents and attorneys-in-fact, to act for and in Employee's name, behalf and stead, to execute and file any such assignments, applications or other documents and to do all other lawfully permitted acts to further the obtaining and protection of such patents, copyright or trademark registrations or other rights with the same legal force and effect as if executed by Employee.

(iv) Employee represents and warrants that (A) Employee does not have any pre-existing inventions that relate to the business of the Company and all inventions that Employee has made and owns the intellectual property rights to as of the Effective Date that relate to the business of the Company shall be considered Developments and are subject to the terms of Section 8(b) and (B) all Developments that Employee has developed or with respect to which Employee has been associated while employed by the Company are the sole property of the Company and that there are no other claims or ownership rights in such property with respect to any other party.

(f) Return of Property. Upon the termination of the Employee's employment or at any other time upon written request by the Company, Employee shall promptly deliver to the Company all records, files, memoranda, designs, data, reports, drawings, plans, computer programs, software and other documents (and all copies or reproductions for such materials in Employee's possession or control) belonging to the Company, including, without limitation, all Developments and/or Confidential Information and anything relating thereto.

(g) For the purposes of this Section 8, "Company" shall mean the Company and its subsidiaries and controlled affiliates.

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(b) Notices. Any notice or any other communication required or permitted to be given hereunder shall be in writing and shall be sufficiently given (i) when delivered by personal delivery or by nationally recognized overnight courier; or (ii) two days after sending by registered mail, postage prepaid, return receipt requested, to the party entitled thereto at the address stated below.

(A) To Company:  
600 East 8<sup>th</sup> Street  
Whitefish, MT 59937  
Attn: Brian Ross

(B) To John C Rand.:

(c) No Conflict. Employee represents that Employee's performance of all of the terms of this Agreement does not and will not conflict with or breach any agreement Employee has with any other party.

(d) Waivers. Any waiver by the Company of any provision of this Agreement shall not operate or be construed as a waiver of this Agreement or of any subsequent breach of such provision or any other provision.

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(g) Scope of Restrictions. Employee agrees that the unenforceability of any one clause of this Agreement shall in no way impair the enforceability of any of the other clauses. If any of the provisions of this Agreement shall for any reason be held to be excessively broad as to scope, activity, subject or otherwise, the parties hereto agree that such provisions shall be construed by the appropriate judicial body by limiting or reducing them, so as to be enforceable to the maximum extent legally permissible.

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(j) Dispute Resolution. If any dispute arises under this Agreement, the Parties agree to first attempt to resolve the dispute through the use of a mutually agreed upon mediator located in New York, New York. Any costs and fees other than attorney's fees associated with the mediation shall be shared equally by the parties. If it proves impossible following a reasonable period to arrive at a mutually satisfactory solution through mediation, the parties agree to submit the dispute to binding arbitration in New York, New York. The parties agree that the binding arbitration will be conducted under the rules of the American Arbitration Association. Judgment upon the award rendered by the arbitrator may be entered in any court with proper jurisdiction.

(k) Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the Company and Employee with respect to the subject matter hereof (except with respect to the Company's stock options) and supersedes all prior discussions, promises, negotiations and agreements (whether written or oral). The parties agree that the Stock Option Plan governs the terms of the Company's stock options and if any provisions of this Agreement conflict with the terms of the Stock Option Plan, the terms of the Stock Option Plan shall govern. This Agreement may be amended or modified only by a written agreement executed by the Company and Employee.

(l) Tax Withholding. The Company may withhold from any amounts payable under this Agreement or otherwise all federal, state, city, or other taxes as may be required pursuant to any law or governmental regulation or ruling.

[SIGNATURE PAGE FOLLOWS]

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

EMPLOYEE:

/s/ John C. Rand

John C. Rand

CFN ENTERPRISES, INC.

By: /s/ Brian Ross

Name: Brian Ross

Title: Chief Executive Officer

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Exhibit A

**GENERAL RELEASE OF CLAIMS**

In consideration of \_\_\_\_\_ (\$ \_\_\_\_\_) to be paid to the undersigned by CFN Enterprises, Inc., I, the undersigned, on behalf of myself and my heirs, executors, administrators and assigns, hereby release and forever discharge CFN Enterprises, Inc. ("CFN") and its parents, subsidiaries and affiliates, and each of their respective shareholders, partners, directors, officers, employees, agents, counsels, successors and assigns (collectively, the "Released Parties"), from any and all suits, claims, demands, debts, sums of money, salary, reimbursement or other compensation, damages, interest, attorneys' fees, expenses, actions, causes of action, judgments, accounts, promises, contracts, agreements, and any and all claims of law or in equity, whether now known or unknown, which I now have or ever have had against the Released Parties, or any of them, including, but not limited to, any claims under Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act, and any other federal, state or local statute, regulation, ordinance or common law creating employment-related causes of action, and all claims related to or arising out of my employment or the termination of my employment with CFN. This General Release of Claims does not apply to (1) any claims that arise after I sign this General Release of Claims or (2) any claims which may not be waived or released as a matter of law.

I agree that I will indemnify and hold harmless any Released Parties for any cost or expense suffered by such party in connection with any demand, claim or legal action which I may file with regard to any subject matter within the scope of this General Release of Claims. This remedy shall be in addition to and not in lieu of any other remedy to which any Released Party may be entitled under applicable law.

I agree to keep strictly confidential, not to make public and not to disclose to anyone in any manner the fact or terms of this General Release of Claims.

CFN has informed me that in connection with this General Release I have the right to, and should consult with an attorney of my choosing, and that I have twenty-one (21) days after receiving this General Release of Claims to decide whether or not to sign it. In addition, I have seven (7) days after signing this General Release of Claims to revoke my signature before it becomes effective. If I wish to revoke my signature, I should do so in writing addressed and delivered to Brian Ross, the Chief Executive Officer of CFN before the end of the seven-day revocation period.

This release is intended to operate as a contract under seal and shall be governed by and construed in accordance with the laws of the State of New York. I agree that all disputes arising under or out of this General Release shall be brought exclusively in courts of competent jurisdiction within the State of New York and I hereby consent to jurisdiction in such courts with respect to all matters arising out of or related to this General Release of Claims.

\_\_\_\_\_ Dated: \_\_\_\_\_, \_\_\_\_

Agreed and Acknowledged,  
**CFN Enterprises, Inc.**

By: \_\_\_\_\_

Name:

Title:

**Document and Entity  
Information**

**Aug. 31, 2021**

**Details**

<a href="#"><u>Registrant CIK</u></a>	0001352952
<a href="#"><u>Registrant Name</u></a>	CFN ENTERPRISES INC.
<a href="#"><u>SEC Form</u></a>	8-K
<a href="#"><u>Period End date</u></a>	Aug. 31, 2021
<a href="#"><u>Tax Identification Number (TIN)</u></a>	20-3858769
<a href="#"><u>Emerging Growth Company</u></a>	false
<a href="#"><u>Entity Incorporation, State or Country Code</u></a>	DE
<a href="#"><u>Entity File Number</u></a>	000-52635
<a href="#"><u>Entity Address, Address Line One</u></a>	600 E. 8th Street
<a href="#"><u>Entity Address, City or Town</u></a>	Whitefish
<a href="#"><u>Entity Address, State or Province</u></a>	MT
<a href="#"><u>Entity Address, Postal Zip Code</u></a>	59937
<a href="#"><u>City Area Code</u></a>	833
<a href="#"><u>Local Phone Number</u></a>	420-2636
<a href="#"><u>Written Communications</u></a>	false
<a href="#"><u>Soliciting Material</u></a>	false
<a href="#"><u>Pre-commencement Tender Offer</u></a>	false
<a href="#"><u>Pre-commencement Issuer Tender Offer</u></a>	false
<a href="#"><u>Amendment Flag</u></a>	false







