

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

**TAUTACHROME INC.**

CIK: **1389067** | IRS No.: **205034780** | State of Incorporation: **DE** | Fiscal Year End: **1231**  
Type: **8-K** | Act: **34** | File No.: **000-55721** | Film No.: **201214177**  
SIC: **7372** Prepackaged software

Mailing Address

1846 E. INNOVATION PARK  
DRIVE  
ORO VALLEY AZ 85755

Business Address

1846 E. INNOVATION PARK  
DRIVE  
ORO VALLEY AZ 85755  
520-318-5578

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

**FORM 8-K**

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) **September 28, 2020**

**TAUTACHROME INC.**

(Exact name of registrant as specified in its charter)

<u>Delaware</u> (State or other jurisdiction of incorporation)	<u>333-141907</u> (Commission File Number)	<u>20-5034780</u> (IRS Employer Identification No.)
<u>1846 E. Innovation Park Drive, Oro Valley, Arizona</u> (Address of principal executive offices)		<u>85755</u> (Zip 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))
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**Item 1.01 Material Modification to Rights of Security Holders**

On September 28, 2020, Tautachrome Inc. (the “**Registrant**”) entered into a Note Purchase Agreement with Arknet Inc, an Arizona corporation (“**Arknet**”), whereby Arknet agrees to accept 290,397 and 0.763 shares of the Registrant’s Series F Preferred Stock in exchange for twelve promissory notes issued to Arknet by the Registrant with respect to \$610,500 in aggregate principal indebtedness plus accrued interest owing thereunder. Each share of Series F Preferred Stock may be converted into 1000 shares of the Registrant’s common stock at the option of the holder upon not less than 61 days’ notice.

Arknet is controlled by Dr. Jon N. Leonard and David LaMountain. Dr. Leonard is the President, CEO, CFO and a director of the Registrant, as well as being a controlling shareholder of the Registrant. Mr. LaMountain is the COO and a director of the Registrant.

The description of the terms and conditions of the Note Purchase Agreement set forth herein does not purport to be complete and is qualified in its entirety by reference to the terms of the Note Purchase Agreement, which is filed as Exhibit 10.1 to this Current Report.

### **Item 5.03 Amendments to Articles of Incorporation or Bylaws, Change in Fiscal Year**

On September 29, 2020, the Registrant filed a Certificate of Designations to its Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware, setting forth the terms of its Series F Preferred Stock. A copy of the Certificate of Designations relating to the Series B Preferred Stock is listed as Exhibit 3.1 to this Report on Form 8-K and is incorporated herein by reference.

### **Item 9.01 Financial Statements and Exhibits**

#### **(d) Exhibits**

[3.1 Certificate of Designations of the Registrant relating to Series F Preferred Stock](#)

[10.1 Note Purchase Agreement dated September 28, 2020, between the Registrant and Arknet Inc](#)

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### **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.

**TAUTACHROME INC.**

*/s/ Jon N. Leonard*

\_\_\_\_\_  
Jon N. Leonard

President & CEO

Date: September 29, 2020

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CERTIFICATE OF DESIGNATIONS,  
PREFERENCES, RIGHTS AND LIMITATIONS OF  
SERIES F CONVERTIBLE PREFERRED STOCK  
OF  
TAUTACHROME, INC.

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Pursuant to Section 151 of the  
General Corporation Law of the State of Delaware

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TAUTACHROME, INC., a Delaware corporation (the “**Corporation**”), hereby certifies that the following resolution was duly approved and adopted by the Board of Directors of the Corporation (the “**Board of Directors**”) by a unanimous written consent of the Board of Directors dated September 28, 2020, in lieu of a meeting in accordance with Section 141(f) of the Delaware General Corporation Law, which resolution remains in full force and effect on the date hereof:

RESOLVED, that pursuant to the authority expressly granted to and vested in the Board of Directors by the provisions of the Corporation’s Certificate of Incorporation, as amended (the “**Certificate of Incorporation**”) and in accordance with Section 151 of the General Corporation Law of the State of Delaware (the “**DGCL**”), there is hereby created, out of the 86,164,896 shares of Preferred Stock, par value \$0.0001 per share (the “**Preferred Stock**”) of the Corporation authorized, unissued and undesignated, a series of the Preferred Stock consisting of 290,400 shares, which series shall have the following powers, designations, preferences and relative, participating, optional or other rights, and the following qualifications, limitations and restrictions (in addition to any powers, designations, preferences and relative, participating, optional or other rights, and any qualifications, limitations and restrictions, set forth in the Certificate of Incorporation that are applicable to the Preferred Stock):

1. **Designation and Amount.** A series of Preferred Stock designated as Series F Preferred Stock is hereby created out of the authorized and unissued shares of Preferred Stock (the “**Series F Preferred Stock**”), and the number of shares of Series F Preferred Stock constituting such series shall be 290,400. The voting powers, designations, preferences and relative, participating, optional or other special rights, and other qualifications, limitations or restrictions of the Series F Preferred Stock shall be as set forth in this resolution.

2. **Definitions.** As used in this resolution, the following terms shall have the following meanings:

“**Bylaws**” means the bylaws of the Corporation, as amended.

“**Business Day**” means any day other than a Saturday, a Sunday, or any other day on which banking institutions in New York, New York are required or authorized to close by law or executive order.

“**Common Stock**” means the common stock, par value \$0.00001 per share, of the Corporation.

“**Person**” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

“**Series F Holder**” means a holder of record of one or more shares of Series F Preferred Stock, as reflected in the stock records of the Corporation, which may be treated by the Corporation as the absolute owner of such share or shares (as the case may be) for all purposes.

3. **Voting Rights.** Except as hereinafter referred to or as otherwise required by law or in accordance with any voting rights that may from time to time be attached to any series of Preferred Stock, the holders of the Series F Preferred Stock shall not be entitled, as such, to receive notice of, to attend or to vote at any meeting of the shareholders of the Corporation other than a meeting of the Series F Holders.

## 4. Conversion

### 4.1 Optional Conversion.

- (a) **Conversion Right.** Subject to Section 4.2 hereof, at any time and from time to time, each Series F Holder shall have the right, but not the obligation, to convert all or any portion of the Series F Holder's shares of Series F Preferred Stock into shares of Common Stock at the rate of 1000 shares of Common Stock for each share of Series F Preferred Stock so converted (any such conversion, an "**Optional Conversion**").
- (b) **Notice of Optional Conversion.** In order to effect an Optional Conversion, a Series F Holder shall (i) submit a written notice to the Corporation, duly executed by the Series F Holder and in the form attached hereto as Annex 1, stating that the Series F Holder irrevocably elects to convert the number of shares of Series F Preferred Stock specified in such notice effective on a date not less than 61 days from the date that such notice is submitted to the Corporation (such effective date, the "**Effective Date**"), and (ii) shall promptly surrender or cause to be surrendered to the Corporation an original certificate representing the shares of Series F Preferred Stock being converted, duly endorsed for transfer, or give notice to the Corporation that such certificates have been lost, stolen or destroyed and delivers the documentation required by Section 12 hereof to the Corporation (the "**Optional Conversion Documents**").
- (c) **Delivery of Common Stock.** Upon receiving the Optional Conversion Documents, the Corporation shall, on the Effective Date, issue and deliver (i.e., deposit with a nationally recognized overnight courier service postage prepaid) to the Series F Holder or its nominee (i) that number of shares of Common Stock issuable upon conversion of such shares of Series F Preferred Stock under the Optional Conversion, and (ii) a certificate representing the number of shares of Series F Preferred Stock not being converted, if any.

### 4.2 Automatic Conversion.

- (a) **Conversion Events.** Each outstanding share of Series F Preferred Stock shall automatically and immediately convert into 1000 shares of Common Stock upon the earlier of (i) a Change of Control, and (ii) 5:00 p.m. Eastern Time on December 31, 2030 (the "**Automatic Conversion**"). In this resolution, "**Change of Control**" means the occurrence of any of the following events:
  - (i) an acquisition after the date of this resolution by an individual or legal entity or "group" (as described in Rule 13d-5(b)(1) promulgated under the Exchange Act of 1934, as amended) of effective control (whether through legal or beneficial ownership of capital stock of the Corporation, by contract or otherwise) of in excess of 40% of the voting securities of the Corporation (other than by means of conversion of Series F Preferred Stock);
  - (ii) the Corporation merges into or consolidates with any other Person, or any Person merges into or consolidates with the Corporation and, after giving effect to such transaction, the stockholders of the Corporation immediately prior to such transaction own less than 60% of the aggregate voting power of the Corporation or the successor entity of such transaction;
  - (iii) the Corporation sells or transfers all or substantially all of its assets to another Person and the stockholders of the Corporation immediately prior to such transaction own less than 60% of the aggregate voting power of the acquiring entity immediately after the transaction; or
  - (iv) the Corporation executes or is bound by an agreement providing for any of the events set forth in clauses (i) through (iii) above.

- (b) **No Further Action.** The Automatic Conversion will occur automatically and without any further action by the Series F Holders, whether or not original certificates representing such shares of Series F Preferred Stock are surrendered to the Corporation or its transfer agent.
- (c) **Notice of Automatic Conversion.** The Corporation shall promptly deliver notice of the occurrence of an Automatic Conversion to each Series F Holder (an “**Automatic Conversion Notice**”). Upon receiving an Automatic Conversion Notice, each Series F Holder shall (i) promptly surrender or cause to be surrendered to the Corporation all original certificates representing the Series F Holder’s Series F Preferred Stock, duly endorsed for transfer, or (ii) give notice to the Corporation that such certificates have been lost, stolen or destroyed and deliver the documentation required by Section 12 hereof to the Corporation (the “**Automatic Conversion Documents**”).
- (d) **Delivery of Common Stock.** Upon receiving the Automatic Conversion Documents, the Corporation shall promptly issue and deliver (i.e., deposit with a nationally recognized overnight courier service postage prepaid) to the Series F Holder or its nominee that number of shares of Common Stock issuable upon conversion of such shares of Series F Preferred Stock under the Automatic Conversion.

#### 4.3 General Conversion Provisions.

- (a) **Effect of Conversion on Series F Preferred Stock.** All shares of Series F Preferred Stock that are converted pursuant to the Automatic Conversion or an Optional Conversion shall automatically, upon such conversion, be cancelled and retired and cease to exist, and shall not thereafter be reissued or sold and shall return to the status of authorized but unissued shares of Preferred Stock undesignated as to series. Upon the conversion of shares of Series F Preferred Stock pursuant to the Automatic Conversion or an Optional Conversion, all such shares shall thereupon cease to confer upon the Series F Holder thereof any rights (other than the right to receive the shares of Common Stock that such Series F Holder is entitled to receive pursuant to the Automatic Conversion or such Optional Conversion) of a Series F Holder of shares of Series F Preferred Stock, and the Person(s) in whose name the shares of Common Stock are to be issued upon the Automatic Conversion or such Optional Conversion shall be deemed to have become the Series F Holder(s) of record of such shares of Common Stock with all rights that a holder of such shares of Common Stock would have thereby.
- (b) **Status of Common Stock.** All shares of Common Stock delivered upon the Automatic Conversion or an Optional Conversion of shares of Series F Preferred Stock will, upon such conversion, be duly and validly authorized and issued, fully paid and non-assessable, free from all pre-emptive rights, free from all taxes, liens, security interests, charges and encumbrances (other than liens, security interests, charges or encumbrances created by or imposed upon the respective Series F Holder or taxes in respect of any transfer occurring contemporaneously therewith).
- (c) **No Charge or Payment.** The issuance of shares of Common Stock upon conversion of shares of Series F Preferred Stock pursuant to the Automatic Conversion or an Optional Conversion shall be made without payment of additional consideration by, or other charge, cost or tax to, the respective Series F Holder; except that, the Corporation shall not be required to pay any tax or other governmental charge that may be payable with respect to the issuance or delivery of any shares of Common Stock in the name of any Person other than the Series F Holder of the converted shares of Series F Preferred Stock, and no such delivery shall be made unless and until the Person requesting such issuance has paid to the Corporation the amount of any such tax or charge, or has established to the satisfaction of the Corporation that such tax or charge has been paid or that no such tax or charge is due.

- (d) **Reservation of Common Stock.** The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of issuance upon conversion of Series F Preferred Stock, such number of shares of Common Stock as would be issuable upon the conversion of all outstanding shares of Series F Preferred Stock. The Corporation shall take all such actions

as may be necessary to assure that all such shares of Common Stock may be so issued without violation of any applicable law or governmental regulation applicable to the Corporation or any requirements of any securities exchange upon which shares of Common Stock may be listed (except for official notice of issuance which shall be immediately delivered by the Corporation upon each such issuance). The Corporation shall not take any action that would cause the number of authorized but unissued shares of Common Stock to be less than the number of such shares required to be reserved hereunder for issuance upon conversion of the outstanding shares of Series F Preferred Stock.

- (e) **No Fractional shares of Common Stock.** No fractional shares of Common Stock shall be issued upon the Automatic Conversion or an Optional Conversion. In lieu of delivering a fractional share of Common Stock in connection with any such conversion, any fractional share of Common Stock shall be rounded up or down to the next whole number or zero, as applicable (with one-half being closer to the next lower whole number for this purpose).

#### 4.4 Adjustments for Stock Splits, Business Combinations, etc.

- (a) **Stock Splits, Subdivisions, Reclassifications or Combinations.** If the Corporation, (i) pays any dividends or distributions with respect to the Common Stock in the form of additional shares of Common Stock, or (ii) subdivides (by stock split, recapitalization or otherwise) the outstanding shares of Common Stock into a greater number of shares, the number of shares of Common Stock issuable upon the Automatic Conversion or an Optional Conversion shall be proportionately increased. If the Corporation combines (by reverse stock split, recapitalization or otherwise) the outstanding Common Stock into a smaller number of shares, the number of shares of Common Stock issuable upon the Automatic Conversion or an Optional Conversion shall be proportionately decreased. Any adjustment under this Section 4.4(a) hereof shall become effective at 5:00 p.m. Eastern Time on the date the dividend, subdivision or combination becomes effective, and successive adjustments shall be made whenever any such dividend, subdivision or combination occurs.
- (b) **Business Combinations.** In the event of any (i) reorganization, consolidation, merger, share exchange or similar business combination transaction involving the Corporation with any third party, or (ii) any sale, assignment, conveyance, transfer, lease or other disposition by the Corporation or any of its subsidiaries to a third party of all or substantially all of the Corporation's assets, or assets constituting all or substantially all of the assets of the Corporation and its subsidiaries on a consolidated basis (a "**Business Combination**"), lawful provision shall be made as part of the terms of such Business Combination whereby each Series F Holder shall have the right thereafter to convert each share of Series F Preferred Stock held by such Series F Holder only into the kind and amount of securities, cash and other property receivable upon the Business Combination by a holder of the number of shares of Common Stock that a Series F Holder of a share of Series F Preferred Stock would have received assuming such share was converted pursuant to an Optional Conversion immediately prior to such Business Combination. The Corporation or the Person formed by the consolidation or resulting from the merger or which acquires such assets or which acquires the shares of the Corporation's capital stock, as the case may be, shall make provisions in its certificate or articles of incorporation or other constituent documents (each, a "**Constituent Document**") to establish such rights and to ensure that the dividend, voting, conversion and other rights of the Series F Holders established herein are unchanged. Such Constituent Documents or any amendment thereof in accordance with this Section 4.4(b) shall contain terms as nearly equivalent as may be practicable to the terms provided for in this resolution, including adjustments, which, for events subsequent to the effective date of such Constituent Documents, shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 4.4(b).

- (c) **Other Adjustments.** If any transaction or event of the type contemplated by 4.4(a) or Section 4.4(b) hereof but not explicitly provided for in this Section 4.4 occurs with respect to the Common Stock, the Board of Directors shall take appropriate action as may be necessary or appropriate as determined in its reasonable good faith judgment to protect the rights of the Series F Holders of shares of Series F Preferred Stock in a manner consistent with the provisions of this Section 4.4.

- (d) **Statement Regarding Adjustments.** Promptly following any adjustment to the number of shares of Common Stock issuable upon an Automatic Conversion or an Optional Conversion as provided in Section 4.4(a) hereof or any other adjustment as provided in Section 4.4(b) or Section 4.4(c) hereof, the Corporation shall:
- (i) file, at the principal office of the Corporation, a statement showing in reasonable detail the facts requiring such adjustment, and, as applicable, the number of shares of Common Stock that would be issuable if an Automatic Conversion took place immediately after such adjustment; and
  - (ii) promptly deliver a copy of such statement to each Series F Holder.

**5. Protective Provisions.** While shares of Series F Preferred Stock are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without the unanimous written consent or unanimous affirmative vote of the Series F Holders, voting separately as a single class (in addition to any other vote required by law or the Certificate of Incorporation), and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect:

- (a) alter or change the rights, preferences or privileges of the Series F Preferred Stock;
- (b) alter or change the rights, preferences or privileges of any capital stock of the Corporation so as to affect adversely the Series F Preferred Stock;
- (c) amend, alter or repeal any provision of the Certificate of Incorporation or Bylaws in a manner that adversely affects the powers, preferences or rights of the Series F Preferred Stock;
- (d) liquidate, dissolve or wind-up the business and affairs of the Corporation;
- (e) enter into any agreement, commitment, understanding or other arrangement to take any of the foregoing actions, or cause or authorize any subsidiary of the Corporation to engage in any of the foregoing actions; or
- (f) take any other action which is required to be taken only with the consent or approval of the holders of the Corporation's capital stock, whether pursuant to the Certificate of Incorporation, the Bylaws or the provisions of the DGCL.

**6. Notices.** Any notice required or permitted by the provisions of this resolution to be given to a Series F Holder shall be mailed, postage prepaid, to the mailing address for such Series F Holder last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the DGCL, and shall be deemed sent upon such mailing or electronic transmission.

**7. No Redemption.** The shares of Series F Preferred Stock shall not be redeemable by the Corporation.

**8. Rank.** Unless otherwise provided in the Certificate of Incorporation or a certificate of designation relating to a subsequent series of preferred stock of the Corporation, the Series F Preferred Stock shall rank junior to all other series of the Preferred Stock as to the payment of dividends and the distribution of assets on liquidation, dissolution or winding-up, and on a parity with the Common Stock.

**9. Fractional Shares.** Series F Preferred Stock may be issued in fractions of a share (in one one-thousandths (1/1000th) of a share and integral multiples thereof) which shall entitle a Series F Holder, in proportion to such Series F Holder's fractional shares, to exercise voting rights, receive dividends, participate in distributions and to have the benefit of all other rights of Series F Holders.

**10. Waiver.** Notwithstanding any provision in this resolution to the contrary, any provision contained herein and any right of the Series F Holders granted hereunder may be waived as to all shares of Series F Preferred Stock (and



the Series F Holders thereof) only by the unanimous written consent or unanimous affirmative vote of the Series F Holders, voting separately as a single class.

11. **Severability.** Whenever possible, each provision hereof shall be interpreted in a manner as to be effective and valid under applicable law, but if any provision hereof is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating or otherwise adversely affecting the remaining provisions hereof. If a court of competent jurisdiction determines that a provision hereof would be valid or enforceable if a period of time were extended or shortened or a particular percentage were increased or decreased, then such court may make such change as shall be necessary to render the provision in question effective and valid under applicable law.

12. **Lost or Mutilated Preferred Stock Certificate.** Upon receipt of evidence reasonably satisfactory to the Corporation of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of Series F Preferred Stock, and in the case of any such loss, theft or destruction upon receipt of indemnity reasonably satisfactory to the Corporation or in the case of any such mutilation upon surrender of such certificate, the Corporation shall, at its expense, execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares of such class represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

13. **Headings.** The headings contained herein are for convenience only, do not constitute a part of this resolution and shall not be deemed to limit or affect any of the provisions hereof.

**IN WITNESS WHEREOF**, the Corporation has caused this resolution to be signed by Jon N. Leonard, its Chief Executive Officer, this 28<sup>th</sup> day of September, 2020.

**TAUTACHROME, INC.**

By: \_\_\_\_\_  
Name: Jon N. Leonard  
Title: Chief Executive Officer

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**ANNEX I**

**TAUTACHROME, INC.  
SERIES F PREFERRED STOCK**

**CONVERSION NOTICE**

The undersigned hereby irrevocably elects to convert \_\_\_\_\_ shares of Series F Preferred Stock (the "**Conversion**"), represented by Stock Certificate No(s). \_\_\_\_\_ (the "**Series F Certificates**"), into shares of common stock ("**Common Stock**") of Tautachrome, Inc. (the "**Corporation**") according to the conditions of the Certificate of Designations, Preferences, Rights and Limitations of Series F Preferred Stock, as of the date written below. If securities are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto. No fee will be charged to the holder for any conversion, except for transfer taxes, if any. Each Series F Certificate is attached hereto (or evidence of loss, theft or destruction thereof).

In the event of partial exercise, please reissue a new stock certificate for the number of shares of Series F Preferred Stock that are not converted.

The undersigned acknowledges and agrees that all offers and sales by the undersigned of the securities issuable to the undersigned upon conversion of the Series F Preferred Stock have been or will be made only pursuant to an effective

registration of the transfer of the Common Stock under the Securities Act of 1933, as amended (the “Act”), or pursuant to an exemption from registration under the Act.

Date of Conversion: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

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**NOTE PURCHASE AGREEMENT**

THIS NOTE PURCHASE AGREEMENT is made as of September 28, 2020 between Tautachrome Inc., a Delaware corporation (“**Tautachrome**”) and Arknet Inc, an Arizona corporation (“**Arknet**”).

WHEREAS, Arknet has loaned Tautachrome an aggregate principal amount of \$610,500 represented by a series of convertible promissory notes executed by Tautachrome as listed on Exhibit A attached hereto (the “**Notes**”); and

WHEREAS, Tautachrome and Arknet wish to convert all of the unpaid principal and accrued interest due under the Notes into preferred shares of the Issuer designated as Series F Convertible Preferred Stock, having the rights and obligations set forth in the Certificate of Designations attached hereto as Exhibit B (the “**Series F Shares**”);

NOW, THEREFORE, in consideration of the premises and the covenants set forth below, the parties hereby agree as follows:

**1. Exchange of Notes, Release of Security and Waivers**

**1.1 Exchange of Notes for Stock.** Subject to the terms and conditions of this Agreement, at the Closing (as defined herein) Arknet shall surrender and deliver the Notes to Tautachrome in exchange for the issuance to Arknet of 290,397.763 Series F Shares. Upon delivery and surrender of the Notes in exchange for the Series F Shares, each party acknowledges and agrees that, subject to and effective upon Closing,

- (a) the Notes will not be outstanding,
- (b) each party will be deemed to have released all claims held by such party against the other party with respect to the Notes and the payment of principal and interest thereon, and
- (c) Tautachrome shall have no further obligations to Arknet under the Notes.

**1.2 General Release.** It is the intention of the parties that, subject to and effective upon Closing, in executing this instrument, the same shall be effective as a bar to each and every claim, demand and cause of action, known or unknown as of the date hereof solely insofar as such claim, demand or cause of action relates to Notes. Each party expressly agrees that the above release shall be given full force and effect according to each and all of the express terms and provisions in the Notes, including those provisions in the Notes relating to the unknown and unsuspected claims, demands and causes of action hereinabove specified.

**1.3 Closing; Deliveries.**

- (a) The closing with respect to the transactions contemplated hereby (the “**Closing**”) shall take place at the offices of Tautachrome on the date hereof, or at such other location as the parties may agree upon.
- (b) At the Closing:
  - (i) Arknet shall deliver all of the Notes to Tautachrome, with each Note marked by Arknet as “Cancelled”; and
  - (ii) Tautachrome shall deliver to Arknet a certificate or a book entry statement from the Company’s transfer agent evidencing the Series F Shares issued to Arknet under this Agreement.

**2. Representations and Warranties of Tautachrome.** Tautachrome hereby represents and warrants the following to Arknet.

**2.1 Organization.** Tautachrome has been duly organized and is validly existing as a corporation in good standing under the laws of its jurisdiction of incorporation.

**2.2 Authority.** Tautachrome has the corporate power and authority to own its properties and conduct its business as currently being carried on, and is duly qualified to do business as a foreign corporation in good standing in each jurisdiction in which it owns or leases real property or in which the conduct of its business makes such qualification necessary. Tautachrome has the corporate power and authority to enter into this Agreement.

**2.3 Binding Obligation.** This Agreement has been duly authorized by all necessary corporate action (including such action as is required by Section 144 of the General Corporation Law of the State of Delaware (“**DGCL**”)) and constitutes a valid, legal and binding obligation of Tautachrome, enforceable in accordance with its terms, except as rights to indemnity hereunder may be limited by federal or state securities laws and except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting the rights of creditors generally and subject to general principles of equity.

**2.4 No Breach/Violation.** The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated will not:

- (a) result in a breach or violation of any of the terms and provisions of, or constitute a default under, any law, rule or regulation to which Tautachrome or any subsidiary is subject, or by which any property or asset of Tautachrome or any subsidiary is bound or affected;
- (b) conflict with, result in any violation or breach of, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any right of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, lease, credit facility, debt, note, bond, mortgage, indenture or other instrument (the “**Contracts**”) or obligation or other understanding to which Tautachrome or any subsidiary is a party of by which any property or asset of Tautachrome or any subsidiary is bound or affected; or
- (c) result in a breach or violation of any of the terms and provisions of, or constitute a default under, Tautachrome’s charter or bylaws, except in the case of clauses (a) and (b) such breaches, violations, defaults, or conflicts which are not, individually or in the aggregate, reasonably likely to have a material adverse effect upon Tautachrome.

**2.5 Consents/Approvals.** All consents, approvals, orders and authorizations required on the part of Tautachrome in connection with the execution, delivery or performance of this Agreement have been obtained.

**2.6 Shares.** All of the issued and outstanding shares of capital stock of Tautachrome are duly authorized and validly issued, fully paid and non-assessable, and have been issued in compliance with all applicable securities laws. The Series F Shares, when issued, will be duly authorized and validly issued, fully paid and non-assessable, issued in compliance with all applicable securities laws, and free of pre-emptive, registration or similar rights.

### **3. Representations and Warranties and Acknowledgments of Arknet.**

**3.1 Representations and Warranties.** Arknet hereby represents and warrants the following to Tautachrome.

- (a) **Authorization.** Arknet has full power and authority to enter into this Agreement. All corporate or other action on the part of Arknet, and if applicable, its officers, directors, stockholders and/or partners necessary for the authorization, execution and delivery of this Agreement, and the performance of all obligations of Arknet hereunder has been taken or will be taken prior to the Closing.
- (b) **Binding Obligation.** This Agreement, when executed and delivered by Arknet, will constitute valid and legally binding obligations of Arknet, enforceable in accordance with their terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or any other laws of general application affecting enforcement of creditors rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

- (c) **Purchase Entirely for own Account.** The Series F Shares and any securities into which the Series F Shares may be convertible (collectively, the “**Securities**”) are being acquired for investment for Arknet’s own account, not as a nominee or agent and not with a view to or for sale in connection with the distribution of any part thereof. Arknet has no present intention of selling or granting any participation in the Securities. Arknet 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
- (d) **Restricted Securities.** Arknet understands that the Securities are “restricted securities” and have not been registered under the Securities Act, or registered or qualified under any state securities law, in reliance on specific exemptions therefrom, which exemptions may depend upon, among other things, the representations made by Arknet in this Agreement.
- (e) **Transfer Restrictions.** Arknet shall not, directly or indirectly, offer, sell, pledge, transfer or otherwise dispose of (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of) any of the Securities except in compliance with applicable federal and state securities legislation and the respective rules and regulations promulgated thereunder.

**3.2 Legends.** Arknet acknowledges that any certificates evidencing the Series F Shares and the Common Shares may bear the following restrictive legend:

THESE SECURITIES HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OF 1933 OR THE SECURITIES OR BLUE SKY LAWS OF ANY STATE AND MAY BE OFFERED AND SOLD ONLY IF REGISTERED AND QUALIFIED PURSUANT TO THE RELEVANT PROVISION OF FEDERAL AND STATE SECURITIES OR BLUE SKY LAWS OR IF AN EXEMPTION FROM SUCH REGISTRATION OR QUALIFICATION IS APPLICABLE.

The Company may instruct its transfer agent not to register the transfer of any Securities until and unless the conditions specified in the legend are satisfied.

**4. Conditions to Arknet’s Obligations at the Closing.** The obligation of Arknet under Section 1.3 of this Agreement is subject to the fulfillment on or before the Closing of each of the following conditions:

- (a) the representations and warranties of Tautachrome contained in Section 2 being true and correct on and as of the date of the Closing with the same effect as though such representations and warranties had been made on and as of the date of the Closing;
- (b) Tautachrome having performed and complied with all agreements, obligations, and conditions contained in this Agreement that are required to be performed or complied with by it on or before the Closing;
- (c) Tautachrome having filed with the Secretary of State of the State of Delaware an amendment to the Certificate of Incorporation of Tautachrome in the form of Exhibit B;
- (d) all authorizations, approvals, or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Series F Shares to Arknet pursuant to this Agreement having been duly obtained and being effective on and as of the Closing other than those which are not required to be obtained before the Closing; and
- (e) all corporate and other proceedings in connection with the transactions contemplated at the Closing and all documents incident thereto being in form and substance reasonably satisfactory to Arknet and Arknet having received all such counterpart original and certified or other copies of such documents as Arknet may reasonably request.

**5. Conditions of Tautachrome's Obligations at the Closing.** The obligations of Tautachrome under Section 1.2 of this Agreement is subject to the fulfillment on or before the Closing of each of the following conditions:

- (a) the representations and warranties of Arknet contained in Section 3 being true and correct on and as of the date of the Closing with the same effect as though such representations and warranties had been made on and as of the date of the Closing; and
- (b) Arknet delivering to Tautachrome the original Notes to be converted into Series F Shares, marked by Arknet as cancelled.

**6. Miscellaneous.**

**6.1 Further Actions.** If at any time after the Closing any further action is necessary or desirable to carry out the purposes of this Agreement, each of the parties shall take such further action (including without limitation, the execution and delivery of such further instruments and documents) as any other party may reasonably request, provided that no party shall be required to undertake action that would reasonably be expected to result in material liability or (unless reimbursed) expense for such party without its consent.

**6.2 Survival of Representations.** The representations and warranties made herein or in any certificates or documents executed in connection herewith shall survive any investigation made by Arknet and the Closing for a period of one year from the date hereof; and all written statements contained in any certificate or other document delivered by Tautachrome hereunder or in connection herewith shall be deemed to constitute representations and warranties made by Tautachrome herein

**6.3 Incorporation by Reference.** All exhibits and schedules appended to this Agreement are herein incorporated by reference and made a part hereof.

**6.4 Parties in Interest.** All covenants, agreements, representations, warranties and undertakings in this Agreement made by and on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not.

**6.5 Amendment.** This Agreement may only be modified by a written amendment signed by all of the parties, and no waiver of any provision of this Agreement or the breach thereof shall be effective unless expressed in a writing signed by the waiving party. The waiver by any party of any of the provisions of this Agreement or the breach thereof shall not operate or be construed as a waiver of any subsequent or other breach.

**6.6 Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Arizona, without giving effect to principles of conflicts of law. The parties irrevocably submit to the exclusive jurisdiction of the courts of the State of Arizona.

**6.7 Notices.** All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given:

- (a) when delivered by hand (with written confirmation of receipt);
- (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested);
- (c) on the date sent by email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or
- (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid.

Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 6.7):

If to Tautachrome:

1846 East Innovation Park Drive  
Oro Valley, AZ 85755  
E-mail: jon@tautachrome.com  
Attention: Jon N. Leonard, President

If to Arknet:

1846 East Innovation Park Drive  
Oro Valley, AZ 85755  
E-mail: timdohse@hotmail.com  
Attention: Timothy Dohse, President

**6.8 Effect of Headings.** The section and paragraph headings herein are for convenience only and shall not affect the construction hereof.

**6.9 Entire Agreement.** This Agreement and the Exhibits constitute the entire agreement between the parties with respect to the subject matter hereof. There are no representations, warranties, covenants or undertakings with respect to the subject matter hereof other than those expressly set forth herein. This Agreement supersedes all prior agreements between the parties with respect to the shares purchased hereunder and the subject matter hereof.

**6.10 Severability.** The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

**6.11 Counterparts.** This Agreement may be executed in counterparts, all of which together shall constitute one and the same instrument.

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

**TAUTACHROME INC.**

By: \_\_\_\_\_  
Jon N. Leonard, CEO

**ARKNET INC.**

By: \_\_\_\_\_  
Timothy Dohse, CEO

**EXHIBIT A**

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**Summary of Convertible Notes Issued by Tautachrome Inc. to Arknet Inc.**

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	<b>Loan Date</b>	<b>Principal Amount of Loan</b>	<b>Conversion Price</b>	<b>Common Shares Issuable On Conversion</b>
1	2019-10-10	\$ 62,500	0.0050	12,500,000
2	2019-12-19	\$ 60,000	0.00400	15,000,000
3	2020-01-24	\$ 10,000	0.00400	2,500,000
4	2020-02-04	\$ 10,000	0.00400	2,500,000
5	2020-02-12	\$ 15,000	0.00250	6,000,000
6	2020-03-10	\$ 250,000	0.00200	125,000,000
7	2020-04-27	\$ 15,000	0.00175	8,571,429
8	2020-05-12	\$ 100,000	0.00128	78,125,000
9	2020-05-20	\$ 50,000	0.00200	25,000,000
10	2020-06-24	\$ 10,000	0.00315	3,174,603
11	2020-06-30	\$ 18,000	0.00308	5,844,156
12	2020-07-15	\$ 10,000	0.00406	2,463,054
	<b>Total</b>	<b>\$ 610,500</b>		<b>284,215,188</b>

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**EXHIBIT B**

See Attached.

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