

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2022-04-18** | Period of Report: **2022-04-12**

SEC Accession No. [0001731122-22-000725](#)

([HTML Version](#) on [secdatabase.com](#))

FILER

GBT Technologies Inc.

CIK: [1471781](#) | IRS No.: **270603137** | State of Incorp.: **NV** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: [000-54530](#) | Film No.: **22830961**
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities and Exchange Act of 1934

Date of Report (Date of earliest event reported): April 12, 2022

GBT TECHNOLOGIES INC.

(Exact name of small business issuer as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or
organization)

000-54530

Commission File
Number

27-0603137

(I.R.S. Employer Identification No.)

2500 Broadway, Suite F-125, Santa Monica, CA 90404

(Address of principal executive offices) (Zip code)

Registrant's telephone number including area code: **888-685-7336**

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 (see General Instructions A.2. below):

- ☐ 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))

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. ☐

Securities registered pursuant to Section 12(b) of the Act: Not applicable.

Title of each class	Trading Symbol	Name of each exchange on which registered
Not applicable.		

Item 1.01 Entry Into a Material Definitive Agreement

Item 3.02 Unregistered Sales of Equity Securities

Item 5.01 Change in Control of Registrant

GTX Agreement

On April 12, 2022, GBT Tokenize Corp (“Tokenize”), a Nevada corporation which GBT Technologies, Inc. (the “Company”) owns 50% of the outstanding shares of common stock, entered into a series of agreements with GTX Corp (“GTX”) and various note holders of GTX pursuant to which Tokenize acquire convertible promissory notes of GTX in the principal amount of \$100,000 (the “GTX Notes”). In addition, Tokenize acquired 5,000,000 shares of common stock of GTX for a purchase price of \$150,000.

The GTX Notes bear 10% interest per annum and 50% of the principal may be converted into shares of common stock on a one-time basis at a conversion price of \$0.01 per share. The remaining 50% of the principal must be paid in cash.

The closing occurred on April 12, 2022.

Magic Agreement

The Company, through its wholly owned subsidiary, Greenwich International Holdings, a Costa Rica corporation (“Greenwich”), entered into a Master Joint Venture and Territorial License Agreement (the “Tokenize Agreement”) with Magic Internacional Argentina FC, S.L. (“Magic”) and Tokenize which replaced a prior joint venture entered between the parties.

The purpose of Tokenize is to develop, maintain and support source codes for its proprietary technologies including advanced mobile chip technologies, tracking, radio technologies, AI core engine, electronic design automation, mesh, games, data storage, networking, IT services, business process outsourcing development services, customer service, technical support and quality assurance for business, customizable and dedicated inbound and outbound calls solutions, as well as digital communications processing for enterprises and startups (“Technology Portfolio”), throughout the world, which Technology Portfolio was previously licensed to the Company for the State of California.

The Tokenize Agreement provides that the Company shall contribute 150,000,000 shares of common stock of the Company (“GBT Shares”) to Tokenize. Sergio Fridman is the manager of Magic and the beneficial owner of all outstanding securities of Magic. Magic will contribute cash of \$250,000 into Tokenize in consideration of a promissory note and agreed to further fund Tokenize with all funds reasonably needed for implementation of the business purposes as described in the Tokenize Agreement. The GBT Shares will not be transferable for a period of five years.

Magic and the Company each own 50% of the outstanding shares of common stock of Tokenize. The Company pledged its 50% ownership in Tokenize and its 100% ownership of Greenwich (the “Pledged Securities”) to Magic for providing that Magic may take possession of such Pledged Securities in the event the Company executes, delivers and performs any future agreement or document or judgement resulting in the creation of any lien, pledge, mortgage, claim, charge or encumbrance upon any assets of the Company. The Company shall appoint two directors and Magic shall appoint one director of Tokenize.

The offer, sale and issuance of the above securities was made to an accredited investor and the Company relied upon the exemptions contained in Section 4(a)(2) of the Securities Act of 1933, as amended, and/or Rule 506 of Regulation D promulgated there under with regard to the sale. No advertising or general solicitation was employed in offering the securities. The offer and sales were made to an accredited investor and transfer of the common stock will be restricted by the Company in accordance with the requirements of the Securities Act of 1933, as amended.

The foregoing descriptions of the terms of the above transactions do not purport to be complete and are qualified in their entirety by reference to the provisions of such agreements, the forms of which are filed as exhibits to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

Exhibit Number	Description
10.1	Form of Claim Purchase Agreement– dated April 12, 2022
10.2	Master Joint Venture and Territorial License Agreement by and between GBT Technologies Inc. and Magic Internacional Argentina FC, S.L.
10.3	Pledge Agreement by and between GBT Tokenize Corp. and Magic Internacional Argentina FC, S.L.

SIGNATURES

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

GBT TECHNOLOGIES INC.

By: /s/ Mansour Khatib

Name: Mansour Khatib

Title: Chief Executive Officer

Date: April 18, 2022

CLAIM PURCHASE AGREEMENT

This Claim Purchase Agreement (this “**Agreement**”) is entered into effective as of April __, 2022 (the “**Effective Date**”), by and between GBT Tokenize Corp., a Nevada Corporation (the “**Purchaser**”) and the Creditor identified below (the “**Creditor**”). The Purchaser and the Creditor (each, a “**Party**”; and, together, the “**Parties**”) agree as follows with respect to the outstanding debt owed to Creditor by the Company named below (“**Company**”):

Company Name: GTX CORP.

Creditor Name:

Claim Amount: \$

Purchase Price: \$ ¹

The Claim Amount and Purchase Price set forth above are good thru the Effective Date, and consists of all amounts payable from Company to Creditor, which amounts include outstanding principal, accrued and unpaid interest, other charges and fees owing by the Company to Creditor, including legal fees, and obligations relating to shares of the Company’s common stock held by or owing to the Creditor. Documentation of Claim (complete copies of all documentation attached):

☒ Written Contract(s) / Promissory Notes attached as Exhibit A

MANAGEMENT CONVERTIBLE PROMISSORY NOTE issued by GTX CORP, with an issuance date of

- i. September 30, 2016, in the original face amount of \$, with a current outstanding balance of \$ of principal plus accrued and unpaid interest; and

1. Purchase and Sale. Purchaser hereby purchases from Creditor, and Creditor hereby sells, transfers, conveys, and assigns to Purchaser, for the consideration set forth herein, all right, title, and interest of Creditor in and to one or more claims of Creditor against Company described herein and attached hereto (the “**Claim**”). Creditor hereby sells, transfers, and assigns all right, title, and interest of Creditor in the Claim to Purchaser. Creditor confirms that Company has no other obligations to Global TechLink Consultants, Inc. pursuant to the attached Convertible Promissory Note, other than those that are being sold to Purchaser pursuant to this Agreement.

2. Intentionally omitted.

3. Payment of Purchase Price. Purchaser shall tender the sum of \$15,000.00 (which represents the Purchase Price for the Claim) to Creditor as of the Effective Date.

4. Cooperation. Creditor will furnish Purchaser with all reasonably requested documentation and evidence supporting the Claim, and reasonably cooperate in providing any other information in Creditor’s possession and taking any other reasonable and lawful action that Purchaser deems reasonably necessary or appropriate to obtain the Approval.

¹ GTX CORP tendered \$ to as of the date hereof, which consisted of (x) \$ in unpaid principal (note 1 Listed above) and (y) \$0.00 in accrued but unpaid interest through the date hereof (which remains owing by the Company to GBT Tokenize Corp. under the Convertible Promissory Note of the Company initially in favor of , which Promissory Note is amended and restated in favor of GBT Tokenize Corp. as of the date hereof).

5. Intentionally omitted.

6. Representations, Warranties and Covenants. Creditor hereby represents, warrants, and covenants to Purchaser as follows:

(a) (i) The Claim is a bona fide outstanding claim against Company, and is an enforceable obligation arising in the ordinary course of business, for money lent to Company by Creditor in good faith.

(ii) The Claim is secured by any security interest in any property of the Company or an affiliate of the Company or by a guarantee of the Company or of an affiliate of The Company.

(b) Creditor did not enter into the transaction giving rise to the Claim in contemplation of any sale or distribution of Company's common stock or other securities.

(c) The Claim Amount is the full amount due to Creditor (through the good thru date shown above) with respect to the Claim, net of any applicable discounts, allowances or other deductions to which Company is lawfully entitled. Any documents provided by the Creditor to the Company with respect to the Claim, if any, are true, correct, and complete copies of such documents.

(d) The Claim is not reasonably subject to dispute and Company is unconditionally obligated to pay the full Claim Amount without defense, counterclaim, or offset.

(e) Creditor is the sole owner of the Claim, free and clear of all liens, encumbrances, and rights of third parties. Creditor has not previously sold, transferred, encumbered, or released any part of the Claim.

(f) There has been no modification, compromise, forbearance, or waiver (written or oral) entered into or given by Creditor with respect to the Claim. There is no action commenced by Creditor and based on the Claim that is currently pending in any court or other legal venue, and no judgments based upon the Claim have been previously entered in favor of Creditor in any legal proceeding.

(g) Creditor has all necessary power and authority to (i) execute, deliver and perform all of its obligations under this Agreement and (ii) sell, convey, transfer, and assign the Claim to Purchaser. Creditor has such knowledge and experience in business and financial matters that it is able to protect its own interests and evaluate the risks and benefits of entering into this Agreement. Creditor acknowledges and agrees that it has had an opportunity to conduct its own due diligence and consult with its own legal counsel, and tax, financial, and other advisors, and that Creditor is not relying in that regard on Purchaser. Creditor acknowledges that except as specifically set forth herein, Purchaser is not making any representations or warranties whatsoever, including, without limitation, about the Company.

(h) The execution, delivery, and performance of this Agreement by Creditor have been duly authorized by all requisite action on the part of Creditor. This Agreement has been duly executed and delivered by Creditor.

(i) Creditor is not and within the past ninety (90) days has not been directly or indirectly through one or more intermediaries in control, controlled by, or under common control with, the Company and is not an affiliate of the Company as defined in Rule 144 promulgated under the Securities Act of 1933, as amended.

(j) To the best of Creditor's knowledge, the execution and delivery of this Agreement by Creditor and the performance of all of its obligations hereunder (i) do not and will not violate, conflict with, breach, or constitute a default under, any material contract, agreement or commitment binding upon such Creditor, and (ii) do not and will not conflict with or violate any applicable law, rule, regulation, judgment, order or decree of any court or other government authority having jurisdiction over such Creditor or the Claim.

(k) There is no action, suit, inquiry, notice of violation, proceeding, or investigation pending or, to the knowledge of Creditor, threatened against or affecting Creditor or any of its assets before or by any court, arbitrator, governmental or administrative agency, or regulatory authority that adversely affects or challenges the legality, validity or enforceability of the Claim or this Agreement, or that could have or reasonably be expected to result in a material adverse effect on this Agreement.

(l) Creditor has no present intention to utilize any of the proceeds to be received from Purchaser to directly or indirectly, provide any consideration to or invest in any manner in the Company or any affiliate of the Company.

(m) Creditor will not, directly or indirectly, receive any consideration from or be compensated in any manner by the Company, or any affiliate of the Company, in exchange for or in consideration for selling the Claim.

(n) Creditor will immediately advise Purchaser if any of the foregoing cease to be fully true and accurate at any time up to and including the Approval Date.

7. Representations and Warranties of Purchaser. Purchaser hereby represents and warrants to Creditor as follows:

(a) Purchaser has all necessary power and authority to (i) execute, deliver and perform all of its obligations under this Agreement, and (ii) purchase and accept the Claim from Creditor. Purchaser has such knowledge and experience in business and financial matters that it is able to protect its own interests and evaluate the risks and benefits of entering into this Agreement. Purchaser acknowledges and agrees that it has had an opportunity to conduct its own due diligence and consult with its own legal counsel, and tax, financial and other advisors, and that Purchaser is not relying in that regard on Creditor. Purchaser acknowledges that except as specifically set forth herein, Creditor is not making any representations or warranties whatsoever, including, without limitation, about the Company.

(b) The execution, delivery, and performance of this Agreement by Purchaser has been duly authorized by all requisite action on the part of Purchaser. This Agreement has been duly executed and delivered by Purchaser.

8. Fees and Expenses. Except for fees that may be included in the Purchase Price, each party shall pay the fees and expenses of its advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of this Agreement. Creditor understands that Purchaser shall not be liable for any commissions, selling expenses, orders, purchases, contracts, taxes, withholding, or obligations of any kind resulting from any or arising out of settlement of the Claim.

9. Choice of Law. This Agreement shall be governed by and construed according to the laws of the State of California, without giving effect to its choice of law principles.

10. Limitation of Damages. Each of the Parties hereby waives any right which it may have to claim or recover any incidental, special, exemplary, punitive, or consequential damages, or any damages other than, or in addition to, actual damages.

11. Notices. All notices and other communications shall be in writing and shall be provided to the recipient Party to the addresses set forth on the signature page hereof. All notices and communications shall be deemed made and effective as follows: (a) if transmitted for overnight delivery via a nationally recognized delivery service, the first business day after being delivered by the transmitting Party to such overnight delivery service, (b) if faxed, when transmitted in legible form by facsimile machine to the recipient Party's correct facsimile machine number, (c) if by e-mail, when transmitted by e-mail, or (d) if mailed via regular U.S. mail, upon delivery. Any Party may designate a superseding notice contact name, street address, e-mail address or fax number by providing the other Parties with written notice pursuant to the provisions hereof.

12. Amendments and Waivers. No provision of this Agreement may be waived or amended except in a written instrument signed, in the case of an amendment, by the Parties, or, in the case of a waiver, by the Party against whom enforcement of such waiver is sought. No waiver of any default shall be deemed to be a continuing or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any Party to exercise any right hereunder in any manner impair the exercise of any such right.

13. Construction Survival. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof. The language used in this Agreement will be deemed to be the language chosen by the Parties to express their mutual intent, and no rules of strict construction will be applied against any party.

14. No Third Party Beneficiaries. This Agreement is intended for the benefit of Creditor and Purchaser and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by any other person.

15. Entire Agreement. This Agreement, together with the exhibits hereto, contains the entire agreement and understanding of the Parties, and supersedes all prior and contemporaneous agreements, letters, discussions, communications and understandings, both oral and written, concerning the sale, transfer, conveyance and assignment of the Claim, which the Parties acknowledge have been merged into this Agreement.

16. Signature. This Agreement may be executed in counterparts and by facsimile, portable document format or other electronic means, each of which shall constitute an original and all of which when taken together shall constitute one document.

17. "AS IS" Nature of Transaction. Except for the express representations and warranties made by Creditor in this Agreement, the sale, conveyance, and assignment of the Claim is made AS IS, WHERE IS and WITH ALL FAULTS, and subject to no other representations or warranties of any nature or kind, express or implied, including, without limitation, any warranties of merchantability or warranties that the Claim is fit for a particular purpose. Neither party has relied upon, and there have been no, promises, understandings or agreements made by the other party, or any agent or representative of such party, with respect to the Claim, the Company, or any other matter, except as expressly set forth herein. Notwithstanding anything contained in this Agreement to the contrary, the Claim shall not be deemed sold, transferred, assigned, or conveyed to Purchaser unless and until Creditor receives the Purchase Price, and until Creditor receives the full amount of the Purchase Price hereunder, nothing contained herein shall be deemed or construed as a waiver by Creditor of any defaults, or any of its rights or remedies under the documents underlying the Claim, nor be deemed or construed as an amendment or modification of any of the documents underlying the Claim.

IN WITNESS WHEREOF, the parties hereto have caused this Claim Purchase Agreement to be duly executed, to be effective as of the Effective Date set forth above.

CREDITOR:

By: _____

Address:

5

PURCHASER:

GBT Tokenize Corp.

By: _____

Michael Murray, Director and CEO
2450 Colorado Avenue, Suite 100E
Santa Monica, CA 90404

6

Exhibit A
Written Contract(s) / Promissory Notes

7

MASTER JOINT VENTURE AND TERRITORIAL LICENSE AGREEMENT

by and between

GBT TECHNOLOGIES INC. (the “Company” or GBT) and GREENWICH INTERNATIONAL HOLDINGS (a wholly owned subsidiary of the Company formed in Costa Rica) (“Greenwich”)

and

MAGIC INTERNACIONAL ARGENTINA FC, S.L (“Magic”)

made as of April 11, 2022,

and

GBT TOKENIZE CORP. (“GBT Tokenize” or the “Joint Venture”)

BACKGROUND:

WHEREAS, on March 6, 2020, the Company through Greenwich entered into a Joint Venture and Territorial License Agreement (the “Tokenize Agreement”) with Tokenize-It, S.A. (“Tokenize”).

WHEREAS, under the Tokenize Agreement, the parties formed GBT Tokenize and Tokenize contributed the Technology Portfolio as described in the Tokenize Agreement.

WHEREAS, the purpose of GBT Tokenize is to develop, maintain and support source codes for its proprietary technologies including advanced mobile chip technologies, tracking, radio technologies, AI core engine, electronic design automation, mesh, games, data storage, networking, IT services, business process outsourcing development services, customer service, technical support and quality assurance for business, customizable and dedicated inbound and outbound calls solutions, as well as digital communications processing for enterprises and startups (“Technology Portfolio” or “TP”), throughout the State of California.

WHEREAS, upon generating revenue from the Technology Portfolio, the Joint Venture will earn the first right of refusal for other territories.

WHEREAS, Tokenize contributed the services and resources for the development of the Technology Portfolio to GBT Tokenize.

WHEREAS, the Company contributed 2,000,000 shares of common stock of the Company (“GBT Shares”) to GBT Tokenize.

WHEREAS, Tokenize and the Company each own 50% of GBT Tokenize.

WHEREAS, on May 28, 2021, the parties agreed to amend the Tokenize Agreement to expand the territory granted for the Technology Portfolio under the license to GBT Tokenize to include the entire continental United States.

WHEREAS, the Company issued GBT Tokenize an additional 14,000,000 shares of common stock of the Company (the “Additional GBT Shares”).

WHEREAS, the Company booked the issuance of the GBT shares and the Additional GBT Shares at \$15,400,000 and impaired it, as per US GAAP, provided that in any event this investment would be eliminated per consolidation.

WHEREAS, the Company pledged its 50% ownership in GBT Tokenize and its 100% ownership of Greenwich to Tokenize to secure its Technology Portfolio investment.

WHEREAS, on June 30, 2021 Tokenize and its shareholder assigned all their rights under the Tokenize Agreement, including the Company’s pledged 50% ownership in GBT Tokenize to Magic.

WHEREAS, as of the date hereof, GBT TOKENIZE developed a vital device based on the Technology Portfolio that is ready for commercialization, as well as certain derivative technologies, which positioned GBT Tokenize to further develop or license certain code sources.

WHEREAS, as such, GBT Tokenize is strategically re-positioning its business and poised to commence transactions with third parties.

WHEREAS, the parties have negotiated amended terms to the Tokenize Agreement which are incorporated herein and this Agreement shall restate and replace the Tokenize Agreement.

NOW THEREFORE, for valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

1. Definitions

1.1. “**Affiliate**” means any Person, other than the Company, that: (a) is controlled by, controls, or is under common control with a Party (collectively, a “Controlled Person”); or (b) is controlled by, controls, or is under common control with any such Controlled Person, in each case for so long as such control continues.

1.2. “**Annual Plan**” means a business operations plan detailing the Company’s goals and procedures for technical, financial, and administrative activities for the Company’s next succeeding fiscal year, as approved each year and revised from time to time by the Board.

1.3. “**Applicable Law**” means, as to any Person, any statute, law, rule, regulation, directive, treaty, judgment, order, decree or injunction of any Governmental Authority that is applicable to or binding upon such Person or any of its properties.

1.4. “**Articles**” means the articles of incorporation of the Company substantially in the form attached hereto, as amended from time to time.

1.5. “**Board**” means the board of directors of the Company.

1.6. “**Business**” means the business of the Company as described in Section 2, as amended from time to time.

1.7. “**Business Day**” means a day on which commercial banks in New York, United States are generally open to conduct their regular banking business.

1.8. “**Closing Date**” is defined in Section 3.2(a).

1.9. “**Corporations Code**” means the Nevada Revised Statutes, Chapter 78 et seq. as amended and in effect from time to time.

1.10. “**Company**” is defined in Section 3.1.

1.11. “**Company Interest**” means, as to any Person, the percentage interest of the total capital stock of the Company represented by the Securities then held by such Person divided by all then outstanding Securities (on an as-converted to Common Stock basis and, to the extent warrants or options to purchase stock have vested, as exercised for Common Stock basis).

1.12. “**Confidential Information**” is defined in Section 5. 1 (a).

1.13. “**Common Stock**” means Common Stock of the Company as authorized by the Memorandum.

1.14. “**Director**” means a director of the Company with the powers and duties as specified in the Corporations Code and the Articles.

1.15. “**Disclosing Party**” is defined in Section 5.1 (a).

1.16. “**Effective Date**” means the date of this Agreement.

1.17. “**Establishment Date**” is defined in Section 3.1.

1.18. “**Governmental Authority**” means any domestic or foreign government, governmental authority, court, tribunal, agency or other regulatory, administrative or judicial agency, commission or organization, and any subdivision, branch or department of any of the foregoing.

1.19. “**Memorandum**” means the memorandum of association of the Company substantially in the form of the attached Exhibit 1.19, as amended from time to time.

1.20. “**Party**” and “**Parties**” are defined in the opening paragraph of this Agreement.

1.21. “**Person**” means a natural individual, Governmental Authority, partnership, firm, corporation, or other business association.

1.22. “**Receiving Party**” is defined in Section 5.1(a).

1.23. “**Securities**” means all outstanding Common Stock, and any other equity securities of the Company or instruments exercisable for or convertible into Common Stock.

1.24. “**Territory**” means the world.

1.25. “**Term**” is defined in Section 7.1.

1.26. “**Transaction Documents**” means this Agreement, the Articles and the Memorandum, and their related documents.

2. Purpose of Joint Venture

2.1. The Parties hereby associate themselves in a joint venture relationship which shall have as its principal purpose: (1) developing, maintaining and supporting Technology Portfolio; (2) integrating TP into the Company’s platforms and/or products to be developed; (3) sales and licensing and other activities incidental thereto; and (4) investing in affiliated or derivative technologies

3. Establishment and Capitalization of the Company

3.1. **Establishment.** The Parties agree that the joint venture contemplated by this Agreement shall be carried out exclusively through GBT TOKENIZE.

3.2. Services and Duties; Licenses.

As set forth under Section 3.3 of this Agreement, Magic shall be responsible for licensing the Technology Portfolio to GBT Tokenize for use throughout the Territory. In addition, Magic shall provide the required funding as set forth under 3.3(b)(i) of this Agreement.

This Agreement provides a license to the Company a right to use and commercialize the Technology Portfolio in the Territory. To clarify, the Company will be allowed to use the Technology Portfolio for developing technologies or product and commercializing such technologies or product without GBT Tokenize, as long as this Technology Portfolio does not compete in good faith with GBT Tokenize.

In consideration of the above, the Company will issue 150,000,000 shares of common stock to GBT Tokenize (the “April 2022 Issuance”). The Parties acknowledge that following this issuance, the Company will own 50% of the outstanding equity of GBT Tokenize. GBT Tokenize hereby agrees that the GBT Shares, the Additional GBT Shares and the April 2022 Issuance will bear a restrictive legend prohibiting GBT Tokenize for a period of five years from selling, assigning, pledging or transferring such securities in any way.

3.3. Capitalization and Further Capitalization.

(a) **GBT TOKENIZE Capitalization** – GBT Tokenize will have authorized capital stock consisting of one class of shares designated as Common Stock with the rights set forth in the Articles. The Articles provide for 100,000 authorized shares of Common Stock with par value of US\$0.001 per share. The Company's equity prior to this Agreement is as follows:

(i) MAGIC, as successor to Tokenize, it holds 10,000 shares of Common Stock, representing one half (50%) GBT TOKENIZE.

(ii) The Company holds 10,000 shares of Common Stock, representing a one-half (50%) GBT TOKENIZE Interest.

(b) Further Capitalization and Certain Deliveries.

In prior agreements, the Company had agreed to pledge the Company interests in of GBT Tokenize to Magic's predecessor. The Parties agree to enter a new Pledge Agreement to secure Magic's interest and investment as described in Section 6.2 (d) of this Agreement as more fully detailed in that certain Pledge Agreement dated the date hereof.

(i) Magic agrees to fund GBT TOKENIZE with \$250,000 immediately in consideration of A Note of GBT TOKENIZE; and

(ii) Magic will further fund GBT TOKENIZE with all funds reasonably needed for implementation of the Business purposes as described in the Agreement entitled "Purpose of Joint Venture."

(iii) As the license from GBT Tokenize to the Company for use of the Technology Portfolio was extended as per this Agreement to the Territory, which is defined as the whole world (see Section 1.24) and for the use by the Company as set forth under Section 3.2 above, which represents an asset that the Company did not own prior to this Agreement, , the Company will issue the April 2022 Shares as contemplated herein.

(iii) Other than the above, the Company will not be required to further fund GBT TOKENIZE in any manner.

(c) **Acknowledgment of Agreement, Delivery of Share Certificates.** Promptly after the Closing Date, the Parties shall cause GBT TOKENIZE to deliver to each Party its written acknowledgment of its agreement to abide by, the terms of this Agreement, and (ii) at the request of either MAGIC or the Company, to promptly issue and deliver to MAGIC, or the Company, share certificates representing the shares of Common Stock purchased pursuant to this Section 3 (i), and

(d) **Additional Investors.** The Parties acknowledge that including additional strategic investors with expertise or strategic positions relevant to the Company's Business may be beneficial to the Company and, accordingly, agree that MAGIC or GBT may, in its discretion, introduce additional parties to acquire Common Stock, in the form of newly issued shares. The selection of the strategic investors, and the terms and conditions of any such investors' purchase of Company shares shall be documented as determined by the Company at such time.

3.4. Financial Assistance.

(a) Each Party shall at all times have the preemptive right to purchase Common Stock or other equity interests as set forth in the Articles. The preemptive rights granted pursuant to this Section 3.4(a) shall cease to be of any further force or effect upon the closing of an initial public offering of Securities.

(b) At the request of the Company, MAGIC shall invest additional funds in the Company. MAGIC shall make such additional investment in the Company; provided that the Parties shall have no obligation to invest such funds in excess of \$10,000.00 for the Parties in the aggregate.

(c) From time to time, MAGIC may mutually agree to provide additional financial assistance to the Company, including in the form of promissory notes, and, in such event, GBT shall make such financial assistance available to the Company.

3.5. **Incentive Stock Option Plan.** The Parties agree that an incentive stock option plan, or other agreed to method, providing for reasonable incentive to management of Company that are directly involved in the Business would be beneficial to the Company, and agree to cooperate in good faith with a view towards establishing such a plan within ninety (90) days after the Closing Date on terms mutually agreed by the Parties.

4. Operation and Management of the Company

4.1. **Operation of the Company.** Each Party agrees to take all actions necessary to ensure that the Company shall be operated in accordance with the terms of this Agreement and the other Transaction Documents, including, without limitation, to vote all Securities held by it (and to cause all Securities held by its permitted transferees under Section 8 to be voted) and to cause the Directors nominated by it to vote to effect the terms hereof.

4.2. **Board of Directors.** The Company will be managed by the Board in accordance with the terms of this Agreement and Applicable Law. The Board shall initially consist of three (3) Directors, two of whom shall be appointed by Company and one shall be appointed by MAGIC. The Chairman of the Board and President of the Company shall be appointed by the Directors appointed by GBT. Initially, Mr. Michael Murray served as the Initial Director, Chairman of the Board and as the President.

4.3. **Removal; Reappointment of Directors.** Any Director may be removed for cause in accordance with Applicable Law. In addition, each Party having the right to appoint a Director pursuant to this Section 4 shall also have the right, in its sole discretion, to remove such Director at any time, effective upon delivery of written notice to the Company, the Director to be removed and to the other Party. In the case of a vacancy in the office of a Director for any reason (including removal pursuant to the preceding sentence), the vacancy shall be filled by the Party that appointed the Director in question.

4.4. **Board Meetings.** The Chairman of the Board shall have the authority to convene Board meetings, including the authority to specify the time and place of such meetings. Directors may attend Board meetings in person or by any other means of attendance permitted under the Corporations Code, provided, however, that (a) the Board shall meet at least two (2) times during each semi-annual fiscal period and (b) written notice of all Board meetings shall be given not less than 15 days in advance of each meeting (which 15-day period may be shortened by written waiver of Directors or actual attendance by Directors, without objection, at a Board meeting). Board meetings shall be conducted in the English language and minutes of such meetings shall be prepared by the Company in English and distributed to each Director promptly following each meeting. Proposals or reports brought before any Board meeting for information or action (including without limitation the Company's annual and quarterly financial statements) shall be prepared in English.

4.5. **Board Quorum, Resolutions.** The quorum necessary for the transaction of business at a meeting of the Board shall be two (2) Directors. Any action, determination or resolution of the Board shall require the affirmative vote of a majority of Directors present at a meeting at which a valid quorum pursuant to this Section 4.5 is present.

4.6. **Other Offices.** In addition to the President, senior management of the Company will consist of such other officers as are deemed to be necessary or appropriate by the Board.

4.7. **Shareholders' Meetings.** Shareholders of the Company shall receive notice of each shareholders' meeting at least fifteen (15) days before the scheduled date of such meeting. The Company shall have at least one shareholder's meeting each calendar year. Such meeting will take place at such time and place as is determined by the Board. Meetings shall be conducted in the English language, and minutes of such meetings shall be prepared by the Company in English.

4.8. **Annual Plan.** The President shall prepare, and the Board shall approve, an Annual Plan with respect to each fiscal year of the Company no later than 45 days prior to the commencement of the fiscal year.

4.9. **Financial Statements and Accounting Records.** Financial statements for the Company, including, without limitation, a balance sheet, income statement, statement of cash flows and statement of shareholders' equity, shall be submitted by the Company to each of the Parties (a) within 60 days after the end of the quarter of each fiscal year for such quarterly period, and (b) within 45 days after the end of each fiscal year for such year. Each of the annual financial statements shall be audited and certified by a reputable accounting firm retained by the Company, selected by MAGIC. All financial statements shall be prepared in accordance with generally accepted accounting principles in the United States and in reasonable detail, and shall contain such financial data as MAGIC may deem necessary in order to keep the Parties advised of the Company's financial status (although such statements need not include footnotes and may be subject to year-end adjustments). The Company shall, at MAGIC's request, provide MAGIC with such financial information as MAGIC may reasonably deem necessary for purposes of complying with its periodic reporting obligations under U.S. securities law and shall cooperate with MAGIC in connection therewith, including in the preparation of quarterly financial statements if required by MAGIC; provided, that Company shall bear any costs incurred in preparing or providing such information, including, without limitation, in preparing additional financial statements and reconciling the Company's financial statements with U.S. generally accepted accounting principles for such purposes.

5. Additional Covenants

5.1. Confidentiality.

(a) The Parties recognize that, in connection with the performance of this Agreement, each Party (in such capacity, the “Disclosing Party”) may disclose “Confidential Information” (as defined below) to the other Party (the “Receiving Party”). For purposes of this Agreement, the term “Confidential Information” means (i) proprietary information (whether owned by the Disclosing Party or a third party to whom the Disclosing Party owes a non-disclosure obligation) regarding the Disclosing Party’s business or (ii) information which is marked as confidential at the time of disclosure to the Receiving Party, or if in oral form, is identified as confidential at the time of oral disclosure and reduced in writing or other tangible (including electronic) form including a prominent confidentiality notice and delivered to the Receiving Party within 10 days of disclosure or (iii) technical information including but not limited to source code, documents, and product plans. “Confidential Information” shall not include information which: (A) was known to the Receiving Party at the time of the disclosure by the Disclosing Party; (B) has become publicly known through no wrongful act of the Receiving Party; (C) has rightfully been received by the Receiving Party from a third party without breach of this provision; or (D) has been independently developed by the Receiving Party without using any Confidential Information of the other Party. The Receiving Party agrees (x) not to use any such Confidential Information for any purpose other than in the performance of its obligations under this Agreement or any Transaction Document and (y) not to disclose any such Confidential Information, except (1) to its employees who are reasonably required to have the Confidential Information in connection herewith or with any of the other Transaction Documents, (2) to its agents, representatives, lawyers and other advisers that have a need to know such Confidential Information and (3) pursuant to, and to the extent of, a request or order by a Governmental Authority. The Receiving Party agrees to take all reasonable measures to protect the secrecy and confidentiality of, and avoid disclosure or unauthorized use of, the Disclosing Party’s Confidential Information.

(b) Each Party acknowledges and agrees that (i) its obligations under this Section 5.1 are necessary and reasonable to protect the other Party and its business, (ii) any violation of these provisions could cause irreparable injury to the other Party for which money damages would be inadequate, and (iii) as a result, the other Party shall be entitled to obtain injunctive relief against the threatened breach of the provisions of this Section 5.1 without the necessity of proving actual damages. The Parties agree that the remedies set forth in this Section 5.1 are in addition to and in no way preclude any other remedies or actions that may be available at law or under this Agreement.

5.2. **Confidentiality of Agreement, Publicity.** Each Party agrees that the terms and conditions of this Agreement and the Transaction Documents shall be treated as confidential information and that no reference thereto shall be made thereto without the prior written consent of the other Party (which consent shall not be unreasonably withheld) except (a) as required by Applicable Law including, without limitation, by the U.S. Securities and Exchange Commission and other applicable countries’ Governmental Authorities, (b) to its accountants, banks, financing sources, lawyers and other professional advisors, provided that such parties undertake in writing (or are otherwise bound by rules of professional conduct) to keep such information strictly confidential, (c) in connection with the enforcement of this Agreement, (d) in connection with a merger, acquisition or proposed merger or acquisition, or (e) pursuant to joint press releases prepared in good faith. The Parties will consult with each other, in advance, with regard to the terms of all proposed press releases, public announcements and other public statements with respect to the transactions contemplated hereby.

6. Warranties of the Parties

6.1. **Warranties of MAGIC.** MAGIC hereby represents and warrants to GBT that, as of the Effective Date and as of the Closing Date, the following statements are and shall be true and correct:

(a) **Organization.** MAGIC is a corporation duly organized and validly, and has the corporate power and authority to enter into and perform this Agreement.

(b) **Authorization.** All corporate action on the part of MAGIC necessary for the authorization, execution and delivery of this Agreement and for the performance of all of its obligations hereunder and thereunder has been taken, and this Agreement when fully executed and delivered, shall each constitute a valid, legally binding and enforceable obligation of MAGIC.

(c) **Government and Other Consents.** Other than any licenses, permits, certifications or authorizations which may be required in connection with the Business, as to which MAGIC makes no representation, no consent, authorization, license, permit, registration or approval of, or exemption or other action by, any Governmental Authority, or any other Person, is required in connection with MAGIC's execution, delivery and performance of this Agreement, or if any such consent is required, MAGIC has satisfied the applicable requirements.

(d) **Effect of Agreement.** MAGIC's execution, delivery and performance of this Agreement will not (i) violate the Articles of Incorporation of MAGIC or any provision of Applicable Law, (ii) violate any judgment, order, writ, injunction or decree of any court applicable to MAGIC, (iii) have any effect on the compliance of MAGIC with any applicable licenses, permits or authorizations which would materially and adversely affect MAGIC, (iv) result in the breach of, give rise to a right of termination, cancellation or acceleration of any obligation with respect to (presently or with the passage of time), or otherwise be in conflict with any term of, or affect the validity or enforceability of, any agreement or other commitment to which MAGIC is a party and which would materially and adversely effect MAGIC, or (v) result in the creation of any lien, pledge, mortgage, claim, charge or encumbrance upon any assets of MAGIC; provide, however, that regulatory approval may be required in connection with conducting the Business and MAGIC makes no representation with respect to any such approvals.

(e) **Litigation.** There are no actions, suits or proceedings pending or, to MAGIC's knowledge, threatened, against MAGIC before any Governmental authority which question MAGIC's right to enter into or perform this Agreement, or which question the validity of this Agreement or any of the other Transaction Documents.

6.2. **Warranties of GBT.** GBT hereby represents and warrants to TOKENIZE that, as of the Effective Date and as of the Closing Date, the following statements are and shall be true and correct:

(a) **Organization.** GBT is a corporation duly organized and validly existing under the laws of Nevada. GBT has the corporate power and authority to enter into and perform this Agreement.

(b) **Authorization.** All corporate action on the part of GBT necessary for the authorization, execution and delivery of this Agreement and for the performance of all of its obligations hereunder and thereunder has been taken, and this Agreement when fully executed and delivered, shall each constitute a valid, legally binding and enforceable obligation of GBT.

(c) **Government and Other Consents.** Other than any licenses, permits or authorizations which may be required in connection with the Business, as to which GBT makes no representation, no consent, authorization, license, permit, registration or approval of, or exemption or other action by, any Governmental Authority, or any other Person, is required in connection with GBT's execution, delivery and performance of this Agreement, or if any such consent is required, GBT has satisfied any applicable requirements.

(d) **Effect of Agreement.** GBT's execution, delivery and performance of this Agreement will not (i) violate the Certificate of Incorporation of GBT or any provision of Applicable Law, (ii) violate any judgment, order, writ, injunction or decree of any court applicable to GBT, (iii) have any effect on the compliance of GBT with any applicable licenses, permits or authorizations which would materially and adversely affect GBT, (iv) result in the breach of, give rise to a right of termination, cancellation or acceleration of any obligation with respect to (presently or with the passage of time), or otherwise be in conflict with, any term of, or affect the validity or enforceability of any agreement or other commitment to which GBT is a party and which would materially and adversely affect GBT, or (v) result in the creation of any lien, pledge, mortgage, claim, charge or encumbrance upon any assets of GBT; provided, however, that regulatory approvals may be required in connection with conducting the Business and GBT makes no representation with respect to any such approvals.

(e) **Litigation.** Other than litigation/arbitration as disclose to MAGIC via Mansour Khatib, GBT's CMO, and/or via public filing by GBT, there are no actions, suits or proceedings pending or, to GBT's knowledge, threatened, against GBT before any Governmental Authority which question GBT 's right to enter into or perform this Agreement, or which question the validity of this Agreement or any of the other Transaction Documents.

7. Term and Termination

7.1. **Term.** This Agreement shall be effective as of the Effective Date, and shall continue in effect until terminated pursuant to Section 7.2 (the "Term").

7.2. **Termination.** This Agreement may be terminated as follows:

(a) Upon the mutual written agreement of the Parties.

(b) By either Party, effective immediately upon written notice to the other Party(ies), if the other Party(ies) breach(es) any material provision of this Agreement or of any of the other Transaction Documents and such breach continues for a period of fifteen (15) days after the delivery of written notice of the default, describing the default in reasonable detail.

(c) By either Party, effective immediately upon written notice to the other Party and the Company, in the event that the other Party is dissolved, liquidated or declared bankrupt or a voluntary or involuntary bankruptcy filing is made by such Party.

7.3. **Effect.** Upon termination of this Agreement, the Parties shall negotiate in good faith a possible purchase by one or more Parties of all outstanding Securities held by the other Parties or the sale of the Company to a third party. In the event that, notwithstanding their good faith negotiations, the Parties are unable to agree upon such a purchase or sale within thirty (30) days of the notice of termination, the Parties shall cooperate to cause the Company to be liquidated as promptly as practical in accordance with Applicable Law. The rights and obligations of the Parties under Sections 5.1, 5.2, this Section 7.3, and Sections 7.4, 7.5, 9 and 10 shall survive any termination of this Agreement.

7.4. **Return of Confidential Information.** Upon the termination of this Agreement, each Party, at its own cost, shall promptly return to the Disclosing Party any and all documents and materials constituting or containing Confidential Information of the Disclosing Party which are in its possession or control, or at its option, shall destroy such documents and materials and certify such destruction in writing to the Disclosing Party.

7.5. **Continuing Liability.** Termination of this Agreement for any reason shall not release any Party from any liability or obligation which has already accrued as of the effective date of such termination, and shall not constitute a waiver or release of, or otherwise be deemed to prejudice or adversely affect, any rights, remedies or claims, whether for damages or otherwise, which a Party may have hereunder, at law, equity or otherwise or which may arise out of or in connection with such termination.

8. Transfer Restrictions

8.1. **General Restriction.** Each Party agrees to hold its Securities during the Term and, except as otherwise specifically provided in this Agreement or agreed to in writing by the other Party, not to sell, transfer, assign, hypothecate or in any way alienate any of such Party's Securities or any right or interest therein except to an Affiliate of such Party in accordance with the Articles. In the case of any transfer permitted hereunder, the transferring Party shall deliver to the other Party (a) at least fifteen (15) days prior to such transfer, a written notice stating its intention to transfer the Securities to be transferred, the name of the transferee, whether such transferee is an Affiliate, the number of Securities to be transferred, and the price and other material terms and conditions of the transfer, and (b) except as otherwise specifically provided herein, on or prior to the effective date of the transfer and in a form reasonably acceptable to the other Party and its counsel, the transferee's written acknowledgement of and agreement to be bound by, and to vote the transferred Securities at all times in accordance with, the terms of this Agreement.

8.2. **Legends.** Each share certificate of the Company shall bear a legend, consistent with Applicable Law, providing that any transfer of the Securities evidenced by such certificate is subject to approval by the Board.

8.3. **Initial Public Offering.** The foregoing restrictions shall cease to be of any further force or effect upon the closing date of an initial public offering of Securities.

8.4. **Board Approval.** Each Party shall cause each Director that it has appointed pursuant hereto to vote to approve any transfer of Securities that complies with the terms of this Section 8.

9. **Distributions.** Subject to restrictions set forth in any financing document entered into by the Company, upon completion of each Company's business venture, the Company shall distribute its available cash (net cash generated from sale of the business venture and/or its units less disbursements and appropriate reserves), to the Parties based on their relative equity interest in the Company.

10. **Indemnification.** The Company shall indemnify and hold harmless its directors, officers, to the fullest extent permitted by law, from and against any and all liabilities and damages (including legal expenses) imposed on or incurred by them in any way relating to or arising out of their services to the Company, but not including costs in connection with a dispute(s) between the parties to this Agreement. The Company shall purchase an insurance policy providing directors' and officers' liability insurance.

11. General Provisions

11.1. **Governing Law, Dispute Resolution.** The validity, construction and enforceability of this Agreement shall be governed by and construed in accordance with the laws of the State of Nevada. All disputes between the Parties arising out of this Agreement shall be settled by the Parties amicably through good faith discussions upon the written request of either Party. In the event that any such dispute cannot be resolved thereby within a period of thirty (30) days after such notice has been given, such dispute shall be finally settled by arbitration in Clark County, California, using the English language, and in accordance with the rules then in effect of the American Arbitration Association. The arbitrator(s) shall have the authority to grant specific performance, and to allocate between the Parties the costs of arbitration in such equitable manner as the arbitrator(s) may determine. The prevailing Party in the arbitration shall be entitled to receive reimbursement of its reasonable expenses incurred in connection therewith. Judgment upon the award so rendered may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of any award and an order of enforcement, as the case may be. Notwithstanding the foregoing, either Party shall have the right to institute a legal action in a court of proper jurisdiction for injunctive relief and/or a decree for specific performance pending final settlement by arbitration.

11.2. **Notices and Other Communications.** Any and all notices, requests, demands and other communications required or otherwise contemplated to be made under this Agreement shall be in writing and in English and shall be provided by one or more of the following means and shall be deemed to have been duly given (a) if delivered personally, when received, (b) if transmitted by facsimile, on the first Business Day following receipt of a transmittal confirmation, or (d) if by international courier service, on the second business day following the date of deposit with such courier service, or such earlier delivery date as may be confirmed in writing to the sender by such courier service. All such notices, requests, demands and other communications shall be addressed as follows:

If to MAGIC:

MAGIC INTERNACIONAL ARGENTINA FC, S.L
Attention: Sergio Fridman, Manger
Calle isla Formentera 135, el casar, Guadalajara, Spain

If to GBT:

GBT TECHNOLOGIES INC.
Attention: Mansour Khatib, CEO
2450 Colorado Ave., Suite 100E
Santa Monica, CA 90404 USA

or to such other address or facsimile number as a Party may have specified to the other Party in writing delivered in accordance with this Section 11.2.

11.3. **Language.** This Agreement is in the English language only, which language shall be controlling in all respects, and all versions hereof in any other language shall be for accommodation only and shall not be binding upon the Parties. All communications and notices to be made or given pursuant to this Agreement shall be in the English language.

11.4. **Severability.** If any provision in this Agreement shall be found or be held to be invalid or unenforceable then the meaning of said provision shall be construed, to the extent feasible, so as to render the provision enforceable, and if no feasible interpretation would save such provision, it shall be severed from the remainder of this Agreement which shall remain in full force and effect unless the severed provision is essential and material to the rights or benefits received by any Party. In such event, the Parties shall use best efforts to negotiate, in good faith, a substitute, valid and enforceable provision or agreement which most nearly affects the Parties' intent in entering into this Agreement.

11.5. **References, Subject Headings.** Unless otherwise indicated, references to Sections and Exhibits herein are to Sections of, and exhibits to, this Agreement. The subject headings of the Sections of this Agreement are included for the purpose of convenience of reference only, and shall not affect the construction or interpretation of any of its provisions.

11.6. **Further Assurances.** The Parties shall each perform such acts, execute and deliver such instruments and documents, and do all such other things as may be reasonably necessary to accomplish the transactions contemplated in this Agreement.

11.7. **Expenses.** Each of the Parties will bear its own costs and expenses, including, without limitation, fees and expenses of legal counsel, accountants, brokers, consultants and other representatives used or hired in connection with the negotiation and preparation of this Agreement and consummation of the transactions contemplated hereby. All such expenses incurred by the Company shall be borne by GBT to the maximum extent permitted by Applicable Law including, without limitation, expenses relating to the formation of the Company, any transfer taxes for transfer of the Company stock to the Parties, registration charges, taxes, fees and expenses relating to required governmental or regulatory approvals, notary fees and legal fees and expenses.

11.8. **No Waiver.** No waiver of any term or condition of this Agreement shall be valid or binding on a Party unless the same shall have been set forth in a written document, specifically referring to this Agreement and duly signed by the waiving Party. The failure of a Party to enforce at any time any of the provisions of this Agreement, or the failure to require at any time performance by one or both of the other Parties of any of the provisions of this Agreement, shall in no way be construed to be a present or future waiver of such provisions, nor in any way affect the ability of a Party to enforce each and every such provision thereafter.

11.9. **Entire Agreement; Amendments.** The terms and conditions contained in this Agreement (including the Exhibits hereto) and the Transaction Documents constitute the entire agreement between the Parties and supersede all previous agreements and understandings, whether oral or written, between the Parties with respect to the subject matter hereof. No agreement or understanding amending this Agreement shall be binding upon any Party unless set forth in a written document which expressly refers to this Agreement and which is signed and delivered by duly authorized representatives of each Party.

11.10. **Assignment.** The Parties shall have the right to assign its rights or obligations under this Agreement except in connection with a transfer of all of such Party's Securities in a manner permitted hereunder, under terms reasonably acceptable to the non-assigning Party and providing for the assignee to be bound by the terms hereof, and for the assigning Party to remain liable for the assignee's performance of its obligations hereunder. This Agreement shall inure to the benefit of, and shall be binding upon, the Parties and their respective successors and permitted assigns. MAGIC advise GBT and GBT TOKENIZE that it intend to incorporate a wholly owned subsidiary - an entity within the USA and assign all its rights to this designated corporation.

11.11. **No Agency.** The Parties are independent contractors. Nothing contained herein or done in pursuance of this Agreement shall constitute any Party the agent of any other Party for any purpose or in any sense whatsoever.

11.12. **No Beneficiaries.** Nothing herein express or implied, is intended to or shall be construed to confer upon or give to any person, firm, corporation or legal entity, other than the Parties and their Affiliates who hold Securities, any interests, rights, remedies or other benefits with respect to or in connection with any agreement or provision contained herein or contemplated hereby.

11.13. **Effective Date of Transaction Documents.** The Transaction Documents (other than this Agreement and the Articles) shall become effective concurrently with consummation, on the Closing Date, of the transactions described in Section 3.2(a).

11.14. **Counterparts.** This Agreement may be executed in any number of counterparts, and each counterpart shall constitute an original instrument, but all such separate counterparts shall constitute only one and the same instrument.

11.15. **Incidental and Consequential Damages.** No Party will be liable to the other Party(ies) under any contract, negligence, strict liability or other theory for any indirect, incidental or consequential damages (including without limitation lost profits) with respect to a breach of this Agreement or any Transaction Document.

IN WITNESS WHEREOF, the Parties have caused their respective duly authorized representatives to execute this Agreement as of the Effective Date.

GBT TECHNOLOGIES INC.

Dated: April 11, 2022

By _____
Mansour Khatib
Its: Chief Executive Officer

MAGIC INTERNACIONAL ARGENTINA FC S.L.

Dated: April 11, 2022

By _____
Sergio Fridman
Its: Director and CEO

GREENWICH INTERNTATIONAL HOLDINGS

Dated: April 11, 2022

By _____
Mauricio Lara
Its: Manager

GBT TOKENIZE CORP.

Dated: April 11, 2022

By _____
Michael Murray
Its: Chief Executive Officer

STOCK PLEDGE AGREEMENT

THIS STOCK PLEDGE AGREEMENT (“Agreement”), executed April 11, 2022 and by GBT Technologies Inc., a Nevada corporation with a business address located at 2450 Colorado Ave, Suite 100E, Santa Monica, CA 90404 (the “Pledgor”) **in favor of** MAGIC INTERNACIONAL ARGENTINA FC, S.L with a business address located at Calle isla Formentera 135, el casar, Guadalajara, Spain (“MAGIC”).

RECITALS

MAGIC is an accredited investor, doing business in Spain, California and Nevada, investing in technologies and other investments.

A. In light of entering Master Joint Venture and License Agreement (“Master Agreement”) with respect to the creation of GBT Tokenize Corp. (“JV”), MAGIC has agreed to provide funding to JV.

B. MAGIC has funded said technology without any investment from Pledgor, other than the contribution of Pledgor’s own shares of common stock which has limited monetary value as such shares of common stock are being issued to an affiliate and are restricted by law.

C. Pledgor, in order to allow MAGIC to limit its exposure as well as support its investment in its technology being licensed to JV, Pledgor has agreed to pledge all of its shares of JV issued to Pledgor base on the Master Agreement, representing 50% of all shares outstanding of JV and 100% of all shares outstanding of Greenwich International Holdings, a Costa Rica corporation (“Pledged Securities”).

D. MAGIC, in consideration of Pledgor providing such pledge, Magic has agreed to provide Pledgor with a license to its technology platform on a worldwide basis.

NOW, THEREFORE, in consideration of the foregoing and the terms and conditions hereafter set forth, Pledgor agrees as follows:

1. Pledge. In accordance with the term of this Agreement, Pledgor hereby grants to MAGIC a security interest in, and hereby assigns to MAGIC all right, title and interest of Pledgor in and to Pledged Securities, including without limitation, all evidence of the same. (hereafter referred to as “**Collateral**”).

MAGIC shall be deemed to, and shall have, title to the any share certificate from this date. MAGIC may at its unilateral and absolute discretion have the shares represented by the certificate transferred into its own name. Title is herein granted for purposes of security.

Upon the Pledgor execution, delivery and performance of any future agreement or document or judgement resulting in the creation of any lien, pledge, mortgage, claim, charge or encumbrance upon any assets of the Pledgor, Magic will be entitled to foreclose on the Collateral.

2. Representations and Warranties. Pledgor represents and warrants to MAGIC that:

- (a) Pledgor has, and has duly exercised, all requisite power and authority to enter into this Agreement, to pledge its interest in the Collateral and to carry out the transactions contemplated by this Agreement.
- (b) Pledgor is the legal and beneficial owner of all of the Collateral.
- (c) All of the Collateral is free of any pledge, mortgage, hypothecation, lien, charge, encumbrance or security interest or the proceeds thereof, except for that granted hereunder.

(d) The execution and delivery of this Agreement, and the performance of its terms, will not violate or constitute a default under the terms of any other agreement, indenture or other instrument, license, judgment, decree, order, law, statute, code, ordinance or other governmental rule or regulation, applicable to Pledgor or any of Pledgor's property or the consent to this Agreement and the performance of its terms has been obtained from all necessary third parties.

(e) The execution and delivery of this Agreement, and the performance of its terms, will not result in any violation of any provision of the articles of incorporation, bylaws and shareholder agreements, if any, pertaining to Pledgor or Borrower or the consent to this Agreement and the performance of its terms has been obtained from all necessary third parties.

3. Covenants. Pledgor agrees upon the receipt by MAGIC of notice or written pay-off demand notice from MAGIC, MAGIC is permitted to sell the Collateral or any portion of the Collateral only in an amount to ensure that the Company can satisfy the required Demand. Pledgor must consent to such sale of the Collateral, which may not be unreasonably withheld. In addition, MAGIC will provide Pledgor with further notice once sales are finalized. All sales of the Collateral will be made in accordance with the Securities Act of 1933, as amended. Upon expiration of this Agreement, the remaining Collateral shall be returned to the Pledgor free and clear of all liens.

4. Fees. Not applicable as there are none.

5. Termination. The term of this Agreement shall be three (3) years from the date hereof. MAGIC in its sole discretion may terminate the Agreement at any time.

6. Law and Jurisdiction. The laws of the State of Nevada apply to this Agreement, without deference to the principles of conflicts of law. Both jurisdiction and venue for any litigation pursuant to this Agreement shall be proper in the courts of the county of Clark, State of Nevada.

2

7. Assignment. This Agreement may not be assigned by either party without the prior written consent of the non-assigning party. MAGIC will be entitled to assign this agreement to its wholly owned subsidiary without the needs of GBT approval or consent.

8. Notices. Any notice, consent or authorization required or permitted to be given pursuant to this Agreement shall be in writing and sent to the party for or to whom intended, at the address of such party set forth above, by registered or certified mail (if available), postage paid, or at such other address as either party shall designate by notice given to the other in the manner provided herein.

IN WITNESS WHEREOF, the undersigned has caused this Stock Pledge Agreement to be duly executed as of the day and year first above written.

PLEDGOR

GBT Technologies Inc.

By: _____
Name: Mansour Khatib
Title: CMO, Director & Secretary

MAGIC INTERNACIONAL ARGENTINA FC S.L.

By: _____
Name: Sergio Fridman
Title: Manager

3

Cover

Apr. 12, 2022

Cover [Abstract]

<u>Document Type</u>	8-K
<u>Amendment Flag</u>	false
<u>Document Period End Date</u>	Apr. 12, 2022
<u>Entity File Number</u>	000-54530
<u>Entity Registrant Name</u>	GBT TECHNOLOGIES INC.
<u>Entity Central Index Key</u>	0001471781
<u>Entity Tax Identification Number</u>	27-0603137
<u>Entity Incorporation, State or Country Code</u>	NV
<u>Entity Address, Address Line One</u>	2500 Broadway
<u>Entity Address, Address Line Two</u>	Suite F-125
<u>Entity Address, City or Town</u>	Santa Monica
<u>Entity Address, State or Province</u>	CA
<u>Entity Address, Postal Zip Code</u>	90404
<u>City Area Code</u>	888
<u>Local Phone Number</u>	685-7336
<u>Written Communications</u>	false
<u>Soliciting Material</u>	false
<u>Pre-commencement Tender Offer</u>	false
<u>Pre-commencement Issuer Tender Offer</u>	false
<u>Title of 12(b) Security</u>	Not applicable.
<u>Entity Emerging Growth Company</u>	false

