

**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 10, 2026

CID HoldCo, Inc.

(Exact name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction
of Incorporation)

001-42711

(Commission File Number)

99-2578850

(IRS Employer
Identification No.)

**5661 S Cameron St, Suite 100,
Las Vegas, Nevada**

(Address of Principal Executive Offices)

89118

(Zip Code)

(303)-332-4122

(Registrant's telephone number, including area code)

(Former Name or Former Address, if Changed Since Last Report)

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

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value of \$0.0001 per share	DAIC	The Nasdaq Stock Market LLC
Warrants, each exercisable for one share of Common Stock at an exercise price of \$287.50 per share*	DAICW	The Nasdaq Stock Market LLC

* Reflects giving effect to the reverse stock split as of 4:01 p.m. Eastern Time on May 29, 2026 as described in the 8-K filed by CID HoldCo, Inc. with the Securities and Exchange Commission on May 28, 2026.

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

Emerging growth company ☒

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

Item 1.01. Entry into a Material Definitive Agreement.

Convertible Promissory Note

On September 10, 2026, CID HoldCo, Inc., a Delaware corporation (the “**Company**”), issued an unsecured convertible promissory note (the “**H Capital Note**”) to H Capital Ventures Management Consultancies Co. LLC., a UAE entity (Licence No. 1162929) (the “**Holder**”). The H Capital Note was issued in connection with the transactions contemplated by the Binding Summary of Principal Terms, dated as of September 14, 2026, between the Company, BladeRanger (as defined below) and Envoy (as defined below) (the “**Term Sheet**”).

The H Capital Note has an original principal amount of Five Hundred Fifty Thousand Dollars (\$550,000.00). The Holder delivered \$500,000.00 in cash upon issuance of the H Capital Note, reflecting a 10% original issue discount. The H Capital Note bears interest at a rate of 8% per annum on the outstanding principal amount; provided, that the interest for the first six months on the principal shall accrue immediately and be guaranteed. The H Capital Note matures on the six (6) month anniversary of the issue date (the “**Maturity Date**”).

The H Capital Note is convertible, at the option of the Holder, into shares of Common Stock of the Company, par value \$0.0001 per share (the “**Common Stock**”), at any time and from time to time. The conversion price (the “**Conversion Price**”) is equal to the lower of (a) \$1.50 per share of Common Stock and (b) 90% of the ten (10) Trading Day volume-weighted average price of the Common Stock (the “**VWAP**”) ending on the Trading Day immediately prior to the applicable conversion date; provided, however, that in no event shall the Conversion Price be less than \$0.50 per share of Common Stock (the “**Floor Price**”).

The H Capital Note is subject to a beneficial ownership limitation of 4.99% of the outstanding shares of Common Stock (the “**Ownership Limitation**”), which the Holder may increase to 9.99% upon sixty-one (61) days’ prior written notice to the Company. In addition, the H Capital Note may not be converted into more than 9.99% of the outstanding shares of Common Stock as of the issue date (the “**Exchange Cap**”), unless and until the Company obtains the approval of its stockholders as may be required by the applicable rules and regulations of the principal securities market on which the Common Stock is then listed.

The H Capital Note contains customary events of default, including, among others: failure to pay principal or interest when due, failure by the Company to timely deliver conversion shares, breach of any representation, warranty, covenant or agreement in the H Capital Note or the Term Sheet, the bankruptcy or insolvency of the Company or the entry of judgments against the Company in excess of \$50,000, delisting of the Common Stock from Nasdaq, and the Company's failure to comply with the reporting requirements of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). Upon the occurrence of an event of default, the Conversion Price shall be reduced to \$0.01 per share.

The H Capital Note provides for liquidated damages of \$500 per day in the event the Company fails to timely deliver conversion shares. The H Capital Note may be prepaid by the Company at any time, in whole or in part, without the consent of the Holder.

The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the full text of the H Capital Note, a copy of which is filed as Exhibit 10.2 to this Current Report on Form 8-K and is incorporated herein by reference.

Binding Summary of Principal Terms for the Acquisition of Envoy Technologies, Inc.

On September 14, 2026, the Company entered into a legally binding and enforceable Binding Summary of Principal Terms (the "**Term Sheet**") with BladeRanger Ltd. (TASE: BLRN) ("**BladeRanger**") and Envoy Technologies, Inc. ("**Envoy**"), pursuant to which the Company will acquire 100% of Envoy's outstanding capital stock (the "**Acquisition**"). BladeRanger holds 100% of Envoy's outstanding capital stock. Blink Charging Co. ("**Blink**") holds a \$12.5 million convertible note in Envoy that will convert into 20% of Envoy's equity prior to closing.

Valuation and Consideration. Under the terms of the Term Sheet, at the closing of the Acquisition (the "**Closing**"), the Company will issue shares equal to an aggregate of 10,833,333 shares of Common Stock (the "**Envoy-Side Shares**"), representing approximately 67.3% of the post-closing fully diluted capitalization of the Company (based on 15,986,606 post-closing fully diluted shares). The consideration issued at Closing will consist of (i) 233,543 shares of Common Stock to BladeRanger (representing 9.99% of the Company's shares of Common Stock outstanding immediately prior to Closing, and after taking into account the shares issuable upon conversion of the H Capital Note), and (ii) the balance of the consideration will be shares of a newly authorized Series C Convertible Preferred Stock (the "**Series C Preferred**"), of which 2,166,667 shares will be issued to Blink (representing 20% of the Envoy-Side Shares) and 8,433,123 shares will be issued to BladeRanger (representing the balance of the Envoy-Side Shares). The Series C Preferred will have a stated value of \$6.00 per share and be non-voting (except with respect to protective provisions) and will be convertible on a one-for-one basis into shares of Common Stock automatically upon the receipt of stockholder approval, but may not be converted into more than 19.99% of the outstanding shares of Common Stock as of the issue date, including the shares of Common Stock issuable upon conversion of the H Capital Note and the shares of Common Stock issued to BladeRanger at the Closing (the "**Series C Blocker**"). The Series C Preferred will have a liquidation preference equal to the greater of its stated value and its as-converted value, and will not be redeemable.

BladeRanger-Funded Obligations. To the extent BladeRanger incurs, pays or otherwise satisfies any fees, costs, expenses or other amounts from the date of the Term Sheet through the Closing, including any amounts incurred by BladeRanger in connection with the operation or funding of Envoy during such period and any indebtedness of the Company or Envoy paid or funded by BladeRanger, BladeRanger shall receive additional shares of Common Stock or Series C Preferred, as applicable, equal to the aggregate amount so incurred at price per share of \$6.00; provided, however, that the aggregate amount so funded by BladeRanger in connection with the operation or funding or indebtedness of Envoy shall not exceed \$500,000 and an aggregate of 400,000 shares of Series C Preferred shall not be issued in respect of amounts funded by BladeRanger in connection with the operation or funding or indebtedness of the Company. Any such additional shares shall not affect the Envoy-Side Shares to be issued at the Closing. The Company is solely responsible for all costs, fees, expenses and other liabilities incurred or accrued by it through the Closing in connection with the operation, maintenance and run-off of the Company and its business.

Closing and Conditions. The Closing of the Acquisition is targeted for October 6, 2026 (the “**Outside Date**”), and the definitive agreements are to be entered into on or before September 25, 2026. The Closing is subject to customary conditions, including, as conditions to the Company’s obligation to consummate the Acquisition, the accuracy in all material respects of BladeRanger’s and Envoy’s representations and warranties and compliance with their covenants, the absence of a material adverse effect, and the receipt of all required Israeli and Tel Aviv Stock Exchange approvals. Conditions to BladeRanger’s obligation to consummate the Acquisition include the accuracy in all material respects of the Company’s representations and warranties and compliance with its covenants, the filing of the Series C Certificate and issuance of the shares of Series C Preferred, and the execution of Voting and Support Agreements. Stockholder approval will be required under applicable Nasdaq rules, including Nasdaq Rules 5635(a), (b) and (d), in connection with the contemplated change of control and prior to the issuance of shares of Common Stock upon conversion of the Series C Preferred or the H Capital Note, or pursuant to any equity line of credit entered into in connection with the Closing, in each case to the extent such issuances exceed applicable Nasdaq limitations. Stockholder approval is not a condition to Closing and is targeted for January 2027.

Termination. The Term Sheet may be terminated upon mutual consent of the parties, the Closing not occurring by the Outside Date, exercise of the Company’s fiduciary out (subject to expense reimbursement to BladeRanger of up to \$150,000), an uncured material breach by the other party, or if the Nasdaq continued listing condition has become incapable of being satisfied on or prior to the Outside Date.

Post-Closing Covenants. Following the Closing, BladeRanger will have the right to designate one (1) director to the Company’s Board of Directors. The Board will continue to consist of seven (7) directors, of which four (4) shall be independent directors. In addition, BladeRanger will have the right to designate one (1) member to the Company’s executive management team. Following the Closing, the Company will assume BladeRanger’s obligation to backstop certain Envoy vehicle leases guaranteed by Blink, representing approximately \$700,000 of obligations, including by providing a letter of credit within thirty (30) days following the Closing. In addition, Envoy will extend its existing transition services arrangement with Blink for an additional six (6) months to support the completion of the Rule 3-05 audit.

BladeRanger’s shares of Common Stock issued upon conversion of the Series C Preferred will be subject to a six (6) month lock-up, followed by leak-out provisions limiting sales to no more than 10% of daily trading volume or, if available, volume under Rule 144.

Blink’s shares of Common Stock issuable upon conversion of the Series C Preferred will be subject to a twelve (12) month lock-up, subject to a carve-out for a registered pro rata distribution to Blink’s stockholders. The Company will be required to file a resale registration statement on Form S-1 within sixty (60) days following receipt of Envoy’s financial statements required by Rule 3-05 of Regulation S-X. H Capital, BladeRanger and Blink will also have customary piggyback registration rights and up to two demand registration rights in any twelve-month period. From the Closing until the Series C Preferred is convertible in full into Common Stock following receipt of stockholder approval, the Company shall not, without the prior written consent of BladeRanger, issue or sell any shares of capital stock or other equity securities, or any options, warrants, convertible or exchangeable securities or other rights to acquire capital stock, or enter into any financing or other transaction that would result in dilution to BladeRanger’s ownership interest in the Company; provided that the foregoing shall not apply to issuances expressly contemplated by the Term Sheet or equity compensation pursuant to the Company’s existing equity incentive plans.

The Company and Envoy will be subject to a three (3) year non-compete in the U.S. residential, hospitality and campus shared electric vehicle mobility markets, as well as customary non-solicitation provisions.

Indemnification. Representations and warranties of BladeRanger and Envoy will survive for 18 months (with fundamental representations to survive for 6 years). Any claims for indemnification will be subject to a \$100,000 deductible, a pre-Closing cap of \$250,000 and a post-Closing cap of 25% of the Envoy-Side Shares value at \$6.00 per share. Following the Closing, any indemnification obligations of BladeRanger that are subject to the general cap will be satisfied solely from shares of Series C Preferred or Common Stock held by BladeRanger, valued at \$6.00 per share, and BladeRanger will have no cash liability with respect thereto.

The Term Sheet is attached to this Current Report on Form 8-K to provide investors with information regarding its terms. The Term Sheet is not intended to provide any other factual information about the Company, its subsidiaries or BladeRanger or Blink or any of their respective subsidiaries or affiliates. The representations, warranties and covenants contained in the Term Sheet were made only for purposes of the Term Sheet as of the specific dates set forth therein, were solely for the benefit of the parties thereto, may be subject to important qualifications and limitations agreed upon by the parties for the purposes of allocating contractual risk among such parties instead of establishing these matters as facts and may be subject to standards of materiality applicable to such contracting parties that differ from those applicable to investors. Investors should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of the parties or any of their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the Term Sheet, which subsequent information may or may not be fully reflected in the Company's public disclosures.

The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the full text of the Term Sheet, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Settlement Agreement

On September 15, 2026, the Company, See ID, Inc., a Nevada corporation, ShoulderUp Technology Acquisition Corp., a Delaware corporation, and Dot Works, Inc., a Puerto Rico corporation (collectively, the **"Debtors"**), entered into a Settlement Agreement (the **"Settlement Agreement"**) with LHT I, LLC (the **"Lender"**). The Settlement Agreement resolves the defaults and all outstanding obligations to the Lender under (a) that certain Loan Agreement dated December 4, 2025 (as amended, the **"Loan Agreement"**), originally entered into with J.J. Astor & Co., a Utah corporation, and assigned to the Lender pursuant to a Note Purchase and Assignment Agreement dated June 22, 2026, and (b) that certain Junior Secured Convertible Promissory Note dated June 23, 2026, in the principal amount of \$500,000 (the **"Phillips Note"**), originally issued to Phillips Equities & Trust, LLC, an affiliate of the Lender, and subsequently assigned to the Lender.

Pursuant to the Settlement Agreement, the Lender will convert (the “**Note Conversion**”) \$924,615.88 of outstanding principal, together with \$132,169.41 of accrued and unpaid interest and \$30,000.00 of attorney’s fees and costs, totaling \$1,086,785.29, into 2,815,506 shares of Common Stock (the “**Conversion Shares**”) at a Conversion Price of \$0.386 per share, as set forth in the Notice of Conversion dated September 15, 2026. In full and complete discharge of all obligations of the Debtors under the Phillips Note, See ID, Inc. and Dot Works, Inc. will transfer, assign, and convey to the Lender certain assets (the “**Asset Transfer**”) identified in the Settlement Agreement pursuant to Bills of Sale. Upon the issuance of the Conversion Shares and the Asset Transfer, all obligations of the Debtors under the Loan Agreement and the Phillips Note will be fully satisfied and cancelled, and the Debtors will have no further obligations to the Lender arising thereunder. In addition, all liens, security interests, pledges, charges, and encumbrances on all assets, properties, and collateral of the Company, See ID, Inc., ShoulderUp Technology Acquisition Corp., and Dot Works, Inc. will be released and the Lender will file, or cause to be filed, UCC-3 termination statements and such other instruments as may be necessary to evidence such release. The Lender releases the Debtors from any and all claims, demands, damages, actions, causes of action, or suits of any kind or nature whatsoever, whether known or unknown, in connection with the Loan Agreement.

Transition Services. In connection with the Asset Transfer, the Company and the Lender will enter into a Transition Services Agreement, to be executed contemporaneously with or promptly following the Settlement Agreement, pursuant to which the Company and its subsidiaries will provide such services, access, information, and support as may be reasonably necessary to enable the Lender to operate the transferred assets.

The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the full text of the Settlement Agreement, a copy of which is filed as Exhibit 10.3 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 3.02. Unregistered Sales of Equity Securities.

The information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference. This Current Report on Form 8-K reports the following unregistered sales of equity securities:

- (a) The shares of Common Stock issuable upon conversion of the H Capital Note;
- (b) the shares to be issued by the Company at the Closing of the Acquisition consisting of (i) the 233,543 shares of Common Stock to be issued to BladeRanger, (ii) 8,433,123 shares of Series C Preferred to BladeRanger, and (iii) 2,166,667 shares of Series C Preferred to Blink, which shares of Series C Preferred will have a stated value of \$6.00 per share, and will be convertible on a one-for-one basis into shares of Common Stock automatically upon receipt of stockholder approval, subject to the Series C Blocker;
- (c) the 2,815,506 Conversion Shares to be issued to LHT I, LLC upon conversion of the Senior Secured Convertible Note dated December 4, 2025 pursuant to the Settlement Agreement and the Notice of Conversion dated September 15, 2026; and

(d) any additional shares of Common Stock or Series C Preferred that may be issued to BladeRanger in respect of amounts funded by BladeRanger for the operation or funding of Envoy or indebtedness of the Company or Envoy during the period from the date of the Term Sheet through the Closing, at a price of \$6.00 per share, subject to the limitations described in Item 1.01 above.

The securities described above were, or will be, issued without registration under the Securities Act of 1933, as amended (the “Securities Act”), in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act and/or Rule 506 of Regulation D promulgated thereunder, as transactions by an issuer not involving any public offering. Each recipient of such securities represented that it is an “accredited investor” as defined in Rule 501(a) of Regulation D and that the securities are being acquired for investment purposes only and not with a view toward distribution. The securities will bear restrictive legends and will be subject to restrictions on transfer.

Item 8.01. Other Events.

On September 15, 2026, the Company appeared before a Nasdaq Hearings Panel (the “**Hearings Panel**”) and presented a compliance plan (the “**Compliance Plan**”) addressing the previously disclosed deficiencies in Nasdaq’s continued listing requirements for failure to satisfy the minimum Market Value of Listed Securities requirement of \$50 million pursuant to Nasdaq Listing Rule 5450(b)(2)(A), the minimum market value of publicly held shares of \$15 million required under Nasdaq Listing Rule 5450(b)(2)(C) as a further basis for delisting, and the Company’s failure to file its Quarterly Report on Form 10-Q for the period ended June 30, 2026.

There can be no assurance that the Hearings Panel will grant the Company’s request for continued listing, that the Company will be able to regain compliance with Nasdaq’s continued listing requirements within any period of time that may be granted by the Hearings Panel, or that the Hearings Panel will decide in the Company’s favor. If the Company fails to regain compliance during any compliance period that may be granted by the Hearings Panel, or if the Hearings Panel denies the Company’s request for continued listing, the Company’s Common Stock will be subject to delisting from Nasdaq, which could materially and adversely affect the liquidity and trading of the Company’s securities.

The Common Stock remains listed on Nasdaq under the symbol “DAIC” pending the outcome of the hearing and the issuance of the Hearings Panel’s written decision.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
10.1	Binding Summary of Principal Terms, dated September 14, 2026, by and among CID HoldCo, Inc., BladeRanger Ltd. and Envoy Technologies, Inc.
10.2	Convertible Promissory Note, dated September 10, 2026, issued by CID HoldCo, Inc. to H Capital Ventures Management Consultancies Co. LLC.
10.3*	Settlement Agreement, dated September 15, 2026, by and among LHT I, LLC, CID HoldCo, Inc., See ID, Inc., ShoulderUp Technology Acquisition Corp. and Dot Works, Inc.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Certain exhibits and schedules to this Exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5). The Company agrees to furnish supplementally a copy of any omitted exhibit or schedule to the Commission upon request.

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.

CID HoldCo, Inc.

Date: September 16, 2026

By: /s/ Edmund Nabrotzky
Edmund Nabrotzky
Chief Executive Officer

BINDING SUMMARY OF PRINCIPAL TERMS

Acquisition of Envoy Technologies, Inc. by CID HoldCo, Inc.

This summary of principal terms (this “**Term Sheet**”) summarizes the binding terms upon which CID HoldCo, Inc. (Nasdaq: DAIC) (“**DAIC**”) will acquire all of the outstanding capital stock of Envoy Technologies, Inc. (“**Envoy**”) from BladeRanger Ltd. (TASE: BLRN) (“**BladeRanger**”). Blink Charging Co. (“**Blink**”) is the holder of Envoy’s \$12,500,000 convertible note. This Term Sheet is intended to be, and upon execution by DAIC, Envoy and BladeRanger (each, a “**Party**” and collectively, the “**Parties**”), shall constitute, a legally binding and enforceable agreement between the Parties with respect to the matters set forth herein. The Parties intend to enter into the Definitive Agreements (as herein defined) to further document and effect the transactions contemplated hereby; however, the absence of executed Definitive Agreements shall not affect the binding nature of this Term Sheet, and in the event Definitive Agreements are not executed (but subject to any termination of this Term Sheet on the terms set forth herein), the terms of this Term Sheet shall govern the transactions contemplated herein.

1. PARTIES AND OTHER RELEVANT PERSONS

Party	Role
DAIC	Acquirer of Envoy
BladeRanger	Seller of 100% of Envoy’s outstanding capital stock (135 shares); controlling shareholder Shmuel Yannay
Envoy	Target that will become a wholly owned subsidiary of DAIC
Blink and Envoy Mobility Inc.	Holder of a \$12.5M convertible note issued by Envoy (the “ Envoy Convertible Note ”) that is convertible into not less than 20% of Envoy in connection with the closing of certain liquidity events of Envoy; providers of certain transition-services to Envoy; and guarantors of approximately \$700,000 of Envoy vehicle leases
LHT I, LLC (Don Phillips)	Holder of DAIC’s senior secured note, to be settled for 2,815,506 shares of DAIC Common pre-Closing
H CAPITAL VENTURES MANAGEMENT CONSULTANCIES CO. LLC	Holder of a \$500,000 convertible unsecured note issued by DAIC
YA II PN, Ltd. (Yorkville)	To fund a \$15 million standby equity purchase agreement and \$3.0 million promissory notes pursuant to a standby equity purchase agreement to be entered into with DAIC
DAIC Special Committee	Independent directors of DAIC

2. TRANSACTION AND CONSIDERATION – TERMS OF STOCK PURCHASE AGREEMENT

Term	Provision
Transaction Description	Immediately prior to the consummation of the transactions contemplated by the Stock Purchase Agreement among DAIC, BladeRanger and Envoy (the “SPA”) (such closing, the “ Closing ”), the Envoy Convertible Note will be converted into shares representing 20% of Envoy’s outstanding common stock.
	At the Closing: (i) DAIC shall acquire 100% of the outstanding capital stock of Envoy from BladeRanger and Blink. (ii) DAIC will issue to (i) BladeRanger 233,543 shares of DAIC Common, representing the maximum number of shares of that may be issued without obtaining Stockholder Approval under applicable Nasdaq rules (after taking into account the shares of DAIC Common issuable upon conversion of the H Capital Convertible Note), and (ii) BladeRanger and Blink the balance of the Envoy-Side Shares in the form of Series C Convertible Preferred Stock, which will automatically convert into DAIC Common upon receipt of Stockholder Approval.
Valuation	The Envoy-Side Shares (as below defined) will be valued at \$65,000,000 and at a Reference Price of \$6.00 per DAIC share. BDO previously valued Envoy at \$60M in March of 2026. Blink’s note (not less than 20% for \$12.5M) implies a post-money value of \$62,500,000 on conversion. The Reference Price is not a valuation of DAIC common stock. All consideration will be recorded at fair value under U.S. GAAP.
Envoy-Side Shares	The “ Envoy-Side Shares ” mean a fixed 10,833,333 shares ($\$65,000,000 \div \6.00) of common stock, par value \$0.0001 per share, of DAIC (“ DAIC Common ”) (after conversion of all shares of Series C Convertible Preferred Stock as provided for herein) and will not be subject to adjustment for changes in DAIC’s outstanding number of shares or fluctuations in the market price of DAIC Common, representing 67.3% of the post-closing fully diluted capitalization of 15,986,606 shares of DAIC Common.

Existing-Holder Side Shares	The “Existing-Holder Side Shares” mean 2,337,767 shares outstanding plus the 2,815,506 shares of DAIC Common issued to LHT for a total of 5,268,067 shares of DAIC Common, or 32.7% of the post-closing fully diluted capitalization of 15,986,606 shares of DAIC Common. The shares of DAIC Common issuable upon conversion of the H Capital Convertible Note (as defined in Section 6 of this Term Sheet), the Yorkville SEPA shares, notes and warrants, and transfer-agent reserves are outside the formula and dilute both the Envoy-Side Shares and Existing-Holder Side Shares pro rata.
Post-Closing Allocation of DAIC Common	Blink: 20% of the Envoy-Side Shares = 2,166,667. BladeRanger: balance = 8,433,123. (See Appendix A hereto for an illustration of the anticipated post-Closing capitalization of DAIC.)
Consideration (Envoy-Side Shares)	The Envoy-Side Shares will be newly authorized shares of Series C Convertible Preferred Stock of DAIC, in each case, issued and delivered in full at the Closing. Until receipt of stockholder approval under Nasdaq Rule 5635, the Series C Convertible Preferred Stock will be convertible into no more than 19.99% of outstanding DAIC Common (including the shares of DAIC Common issued to BladeRanger at the Closing and the shares of DAIC Common issuable upon conversion of the H Capital Convertible Note (the “Series C Blocker”)) as of the date of issuance (if at all).
Series C Convertible Preferred Stock terms	10,833,333 shares to be designated with a stated value \$6.00. The Series C Convertible Preferred Stock will be non-voting (other than in respect of certain protective provisions whereby the holders of the Series C Convertible Preferred Stock will have the right to consent with respect to adverse amendments and the authorization or issuance of senior stock). Series C Convertible Preferred Stock will be convertible on a one-for-one basis into DAIC Common automatically on the first trading day after Stockholder Approval, subject to the Series C Blocker. The Series C Convertible Preferred Stock liquidation preference will be at the greater of stated value and as-converted value and will not be subject to redemption by the holders thereof. DAIC shall use its reasonable best efforts to file the preliminary proxy statement to obtain Stockholder Approval as promptly as practicable following the Closing, and in any event no later than 30 days following receipt of Envoy’s audited financial statements for the fiscal years ended December 31, 2025 and unaudited reviewed interim financial statements for 2026 to be included in the proxy statement. If Stockholder Approval is not obtained at the initial stockholder meeting, DAIC shall resubmit the proposal for Stockholder Approval at each subsequent meeting of stockholders and, in any event, no less frequently than once every three months, until Stockholder Approval is obtained.

3. BLINK CONVERSION AND RELATED MATTERS

Term	Provision
Lock-up and registration	12-month lock-up with a carve-out for a registered pro rata distribution to Blink's stockholders; DAIC files a resale registration statement on Form S-1 within 60 days after the Rule 3-05 financials. H CAPITAL VENTURES MANAGEMENT CONSULTANCIES CO. LLC, BladeRanger and Blink will have customary piggyback registration rights and up to two demand rights in any 12-month period.
Lease guarantees; TSA	DAIC assumes BladeRanger's obligation to backstop the Blink-guaranteed Envoy vehicle leases (letter of credit within 30 days after closing); Envoy extends the Blink transition services agreement six months to support the audit.

4. OTHER TERMS OF THE STOCK PURCHASE AGREEMENT

Term	Provision
BladeRanger-Funded Obligations	To the extent BladeRanger incurs, accrues, pays, funds or otherwise satisfies, during the period from the date of this Term Sheet through the Closing, any fees, costs, expenses or other amounts, whether or not related to the transactions contemplated hereby, including any amounts incurred or accrued by BladeRanger in connection with the operation or funding of Envoy during such period and any indebtedness of DAIC or Envoy paid, funded or otherwise satisfied by BladeRanger, BladeRanger shall receive additional shares of DAIC Common or Series C Convertible Preferred Stock, as applicable, equal to the aggregate amount so incurred, accrued, paid, funded or satisfied divided by the Reference Price of \$6.00 per share; provided, however, that the aggregate amount so incurred, accrued, paid, funded by BladeRanger in connection with the operation or funding or indebtedness of Envoy shall not exceed \$500,000 and an aggregate of 400,000 shares of Series C Convertible Preferred Stock shall not be issued in respect of amounts by BladeRanger in connection with the operation or funding or indebtedness of DAIC. Any such additional shares shall be in addition to, and shall not reduce, the Envoy-Side Shares otherwise issuable to BladeRanger.
DAIC Run-Off Expenses	DAIC shall be solely responsible for, and shall pay or otherwise satisfy, all costs, fees, expenses and other liabilities incurred or accrued by DAIC through the Closing in connection with the operation, maintenance and run-off of DAIC and its business, including legal, accounting, audit, SEC reporting, Nasdaq, transfer agent, D&O insurance and other public-company costs and expenses, and no such amounts shall be borne by BladeRanger or Envoy or reduce the consideration payable to BladeRanger in the transaction.

Board	At Closing, BladeRanger shall be entitled to designate one director to the DAIC Board. The DAIC Board will consist of seven directors, of which four shall be independent directors. The Board will always comply with applicable Nasdaq independence requirements, including with respect to the composition of the audit, compensation and nominating and corporate governance committees.
Management	At Closing, BladeRanger shall be entitled to designate one additional member to the executive management team.
Interim Anti-Dilution Protection	From the Closing until the Series C Convertible Preferred Stock is convertible in full into DAIC Common following receipt of Stockholder Approval, DAIC shall not, without the prior written consent of BladeRanger, directly or indirectly issue, offer, sell or agree to issue or sell any shares of capital stock or other equity securities, or any options, warrants, convertible or exchangeable securities or other rights to acquire capital stock, or enter into any financing or other transaction that would result in dilution to BladeRanger's ownership interest in DAIC; provided that the foregoing shall not apply to issuances expressly contemplated by this Term Sheet and reflected in the agreed pro forma capitalization delivered to BladeRanger prior to Closing or equity compensation pursuant to DAIC's existing equity incentive plans in the ordinary course and within the limits reflected in such agreed capitalization or compensatory equity awards issued pursuant to the 2024 Equity Incentive Plan.
Lock-up; non-compete	BladeRanger's shares of DAIC Common issued upon conversion of the Series C Convertible Preferred Stock will be subject to a 6-month lock-up, and then a leak-out of the lesser of not more than 10 % of daily volume or, if available, volume under Rule 144. DAIC and Envoy will be subject to a three-year non-compete in U.S. residential/hospitality/campus shared EV mobility; non-solicit.

Representations	Customary representations of BladeRanger and Envoy including title, capitalization (135 shares; the Blink note as the only convertible), the Blink SPA and note, financial statements (with the July 31, 2026 re-basing disclosure), grants and government contracts, fleet and leases, property partners, and affiliate relationships. Buyer representations include customary representations and warranties for a public-company acquirer issuing equity consideration, including due organization and authority; authorization, valid issuance and enforceability of the Series C Convertible Preferred Stock and the DAIC Common issuable upon conversion thereof; capitalization on a fully diluted basis, including all outstanding and contemplated options, warrants, convertible securities and other rights to acquire DAIC securities (including pursuant to this Term Sheet); SEC reporting status and the accuracy and completeness of DAIC's SEC filings; compliance with applicable Nasdaq listing requirements and the status of any pending Nasdaq deficiency, delisting or Hearings Panel proceedings; absence of undisclosed liabilities; and absence of any material adverse change since the date of DAIC's most recent SEC filing.
Indemnification	Representations and warranties of BladeRanger and Envoy to survive 18 months; with fundamental representations and warranties as to authorization, execution, title, and capitalization and taxes surviving for 6 years. All claims against BladeRanger, whether arising prior to or following the Closing, will be subject to a deductible of \$100,000. Prior to the Closing, BladeRanger's liability for any breach of this Term Sheet or otherwise in connection with the transactions contemplated hereby will be subject to an aggregate cap of \$250,000. Following the Closing, with respect to claims subject to the general cap, BladeRanger's aggregate liability will not exceed 25% of the value of the Envoy-Side Shares (the "Seller Shares") at the Reference Price. Any indemnification obligations following the Closing that are subject to the general cap will be satisfied solely from shares of Series C Convertible Preferred Stock or DAIC Common held by BladeRanger (valued at \$6.00 per share), and BladeRanger will have no cash liability with respect thereto.
Financial statements	Seller and Envoy cooperate with the Rule 3-05 audit of Envoy's 2024 and 2025 financials and 2026 interim reviews.

5. CONDITIONS, TIMING AND TERMINATION

Item	Provision
Buyer conditions	Seller representations and warranties and covenants materially true and correct; no material adverse effect; all Israeli/TASE approvals obtained with a certificate of Israeli counsel.
Seller conditions	Buyer reps and covenants; Series C Certificate filed and shares issued; Voting and Support Agreements executed.
Stockholder approval	Nasdaq Rules 5635(a), (b) and (d): conversion of Series C, change of control, H Capital Convertible Note and SEPA issuances above the 19.99% pool, and any reverse split for the \$4 initial-listing bid price. Not a condition to closing; to be sought after the Rule 3-05 financials, targeted for January 2027.
Timing	The Parties shall negotiate in good faith and use their reasonable best efforts to execute and deliver the Definitive Agreements on or before September 25, 2026. Subject to the satisfaction or waiver of the applicable conditions to Closing set forth herein and in the Definitive Agreements, the Closing shall occur on or before October 6, 2026 (the “ Outside Date ”).
Termination	The SPA will be subject to termination upon the following: - mutual consent of the Parties; - the Closing not occurring by the Outside Date; - Buyer’s fiduciary out (expense reimbursement to Seller up to \$150,000); - by either party for an uncured material breach by the other; - by either party if the Nasdaq continued listing condition set forth above has become incapable of being satisfied on or prior to the Outside Date.
Governing law	Delaware; Court of Chancery.
Remedies	Specific performance and waiver of jury trial

6. RELATED AGREEMENTS

Agreement	Summary
LHT / Phillips Settlement	Astor/LHT senior note (~\$1.08M) note cancelled for 2,815,506-shares of DAIC Common retained by LHT; liens released; scheduled non-core assets conveyed in cancellation of Phillips \$500,000 note; SEE ID patent retained; closes by September 30, 2026, unconditionally.
H Capital Convertible Note	In order to induce the other Parties to enter into this Term Sheet, DAIC will issue to H Capital an unsecured convertible note for the original principal amount of \$550,000 at an original issue discount of 10% (or \$50,000) (the “H Capital Convertible Note”). The H Capital Convertible Note will convert at the lower of \$1.50 and 90% of 10-day VWAP, but subject in all cases to \$0.50 per share of DAIC Common floor price. The H Capital Convertible Note is convertible into no more than 9.99% of outstanding DAIC Common as of the date of entry into the H Capital Convertible Note until receipt of DAIC stockholder approval.
Yorkville	\$15 million SEPA (97% of lowest 3-day VWAP) after S-1 effectiveness; \$3 million notes at 95% (to be funded upon effectiveness of the applicable registration statement), 6%, ten monthly installments, repayable by SEPA advances; 100% warrant coverage at 120% of VWAP; the 70/30 sweep of excess advances to be waived.
White Lion	Plan is that post-Closing DAIC will utilize remaining Equity Line of Credit and White Lion Warrant shares once 10-Q is filed and post-effective amendment to White Lion S-1 is effective.

7. GENERAL PROVISIONS

(a) **Exclusivity.** From the date of execution of this Term Sheet through the earlier of (i) the Closing and (ii) the termination of this Term Sheet in accordance with its terms (the “**Exclusivity Period**”), BladeRanger and Envoy shall not solicit, negotiate or enter into any agreement for a sale of Envoy or a material portion of its assets or equity to any person other than DAIC.

(b) **Expenses.** Each party bears its own expenses.

(c) **Governing law.** Delaware.

(d) **Binding Effect; Remedies.** This Term Sheet constitutes a legally binding and enforceable agreement of the Parties, and is not merely an expression of intent or an agreement to agree. Each Party acknowledges that monetary damages may be inadequate to remedy a breach hereof, and that each Party shall be entitled to seek specific performance and other equitable relief to enforce this Term Sheet, in addition to any other remedy available at law or in equity, without the necessity of posting a bond.

(e) **Expiration.** This Term Sheet shall remain in full force and effect until the earliest to occur of (i) the Closing, (ii) termination of the Definitive Agreements in accordance with their terms, following execution thereof, (iii) October 6, 2026 (the “**Outside Date**”), if the Closing has not occurred by such date, and (iv) the mutual written agreement of the Parties to terminate this Term Sheet. Upon execution of the Definitive Agreements, the Definitive Agreements shall supersede this Term Sheet with respect to the subject matter thereof, and thereafter the rights and obligations of the Parties shall be governed by the Definitive Agreements.

(f) **Sophisticated Parties; Information Asymmetry; Waiver.** Each party acknowledges and agrees that it is a sophisticated party, familiar with transactions similar to those contemplated hereby and possessing such knowledge and experience in financial, business and investment matters that it is capable of evaluating, and has independently evaluated, the merits, risks and suitability of the transactions contemplated by this Term Sheet, and is able to bear the economic risk thereof. Each party has had the opportunity to consult its own financial, legal, tax and other professional advisors and has made its own analysis and decision to enter into the transactions contemplated by this Term Sheet independently and without reliance upon the other parties or their respective Representatives, other than the express terms of this Term Sheet and, if executed, the Definitive Agreements. Each party acknowledges that neither the other parties nor any of their respective affiliates is acting as a fiduciary or as a financial, legal, tax or investment advisor to it.

(g) **Transaction Process and Definitive Agreements.** The parties will negotiate in good faith and enter into a Stock Purchase Agreement and related agreements necessary to effect the transactions contemplated hereby (the “**Definitive Agreements**”), in each case on terms consistent with this Term Sheet. The Definitive Agreements will contain, among other things, customary representations, warranties and covenants by the parties (including representations and warranties consistent with the terms set forth herein). For the avoidance of doubt, the binding obligations of the parties set forth in this Term Sheet shall remain in effect whether or not the Definitive Agreements are executed.

Remainder of page intentionally left blank.

The undersigned have caused this Term Sheet to be executed by their duly authorized representatives as of the date first written above.

CID HOLDCO, INC.

By: /s/ Ed Nabrotzky
Name: Ed Nabrotzky
Title: CEO

BLADERANGER LTD.

By: /s/ Shmulik Yannay
Name: shmulik yannay
Title: CEO

ENVOY TECHNOLOGIES, INC.

By: /s/ Shmulik Yannay
Name: shmulik yannay
Title: CEO

APPENDIX A — At closing (before H Capital note, SEPA, White Lion notes)

Holder	Instrument	Shares (as-converted)	% of 15,986,606	9.99% pre-vote carve-out
Existing stockholders	Common	2,337,767	14.62%	—
				— (note conversion shares; outside the cap)
LHT I LLC	Common	2,815,506	17.61%	
BladeRanger	Common	233,543	1.46%	233,543 issued at closing
BladeRanger	Series C	8,433,123	52.75%	—
Blink	Series C	2,166,667	13.55%	—
H Capital	\$550K convertible note	0	0.00%	233,543
Total		15,986,606	100.00%	467,086 (≈19.98%)

NEITHER THE ISSUANCE NOR SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE CONVERTIBLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES FILED PURSUANT TO THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

THIS NOTE HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") OF 10%. PURSUANT TO TREASURY REGULATION §1.1275-3(b)(1). CHARLES MADDOX, A REPRESENTATIVE OF THE COMPANY, WILL, BEGINNING TEN DAYS AFTER THE ISSUANCE DATE OF THIS NOTE, PROMPTLY MAKE AVAILABLE TO THE HOLDER UPON REQUEST THE INFORMATION DESCRIBED IN TREASURY REGULATION §1.1275-3(b)(1)(i). CHARLES MADDOX MAY BE REACHED AT THE TELEPHONE NUMBER HERETOFORE PROVIDED TO THE HOLDER.

Original Principal Amount: \$550,000

Issue Date: September 10, 2026

UNSECURED CONVERTIBLE PROMISSORY NOTE

FOR VALUE RECEIVED, as of **September 10, 2026** (the "Issue Date"), **CID HOLDCO, INC.**, a Delaware corporation (hereinafter called the "Borrower" or "Company"), hereby promises to pay to the order of **H CAPITAL VENTURES MANAGEMENT CONSULTANCIES CO. LLC.**, a UAE entity – Licence No. 1162929, or its registered assigns (the "Holder"), the amount set forth above as the Original Principal Amount (as reduced pursuant to the terms hereof pursuant to redemption, conversion or otherwise, the "Principal Amount"), payable upon the earlier of maturity or upon prepayment of this Note as set forth herein. The term "Note" and all references thereto, as used throughout this instrument, shall mean this instrument as originally executed, or if later amended or supplemented, then as so amended or supplemented. This Note has been issued with an original issue discount of ten percent (10%). Interest shall accrue hereunder at the rate of 8% per annum on the Principal Amount of this Note; provided, however, that the interest for the first six months on the Principal shall accrue immediately and be guaranteed. **The maturity date of this Note shall be the six (6) month anniversary of the Issue Date (the "Maturity Date"), and is the date upon which the Principal Amount, as well as any accrued and unpaid interest and other fees, shall be due and payable.** This Note may be prepaid in whole or in part as explicitly set forth herein. All payments due hereunder (to the extent not converted into common stock of the Company, \$0.0001 par value per share (the "Common Stock") in accordance with the terms hereof) shall be made in lawful money of the United States of America. All payments shall be made at such address as the Holder shall hereafter give to the Borrower by written notice made in accordance with the provisions of this Note. Whenever any amount expressed to be due by the terms of this Note is due on any day which is not a business day, the same shall instead be due on the next succeeding day which is a business day and, in the case of any interest payment date which is not the date on which this Note is paid in full, the extension of the due date thereof shall not be taken into account for purposes of determining the amount of interest due on such date. As used in this Note, the term "business day" shall mean any day other than a Saturday, Sunday or a day on which commercial banks in New York, New York are authorized or required by law or executive order to remain closed. Each capitalized term used herein, and not otherwise defined, shall have the meaning ascribed thereto in that certain Binding Summary of Principal Terms between the Company, the Lender and the other parties thereto, pursuant to which this Note was originally issued (as amended and/or restated or superseded by a definitive stock purchase agreement from time to time, the "Purchase Agreement"). The consideration delivered to the Borrower at the closing for the issuance of this Note is the delivery of \$500,000 of cash, as contemplated by the Purchase Agreement.

This Note is free from all taxes, liens, claims and encumbrances with respect to the issue thereof and shall not be subject to preemptive rights or other similar rights of shareholders of the Borrower and will not impose personal liability upon the Holder thereof.

The Company hereby affirms all of its obligations to the Holder under this Note and the Purchase Agreement (collectively, the “Transaction Documents”) and agrees and affirms as follows: (i) that as of the Issue Date, the Company has performed, satisfied and complied in all material respects with all the covenants, agreements and conditions under each of the Transaction Documents to be performed, satisfied or complied with by the Company; (ii) that the Company shall continue to perform each and every covenant, agreement and condition set forth in each of the Transaction Documents and this Note, and continue to be bound by each and all of the terms and provisions thereof and hereof; (iii) that as of the Issue Date, no default or Event of Default has occurred or is continuing under the Purchase Agreement, the Note or any other Transaction Documents, and no event has occurred that, with the passage of time, the giving of notice, or both, would constitute a default or an Event of Default under this Note or any other Transaction Document; and (iv) that as of the Issue Date, no event, fact, or other set of circumstances has occurred which could reasonably be expected to have, cause, or result in a Material Adverse Effect. “Material Adverse Effect” means any effect on the business, operations, properties, or financial condition of the Company and/or its Subsidiaries that is material and adverse to the Company and/or such Subsidiaries and/or any condition, circumstance, or situation that prohibits or otherwise materially interferes with the ability of the Company and/or its subsidiaries to enter into and/or perform its obligations under any Transaction Document; provided, however, that no event, fact, or other set of circumstances disclosed in any filing made by the Company under the 1934 Act or the discharge of the obligations of the Company to LHT I, LLC or Phillips Equities & Trust Securities, LLC or any other transactions as contemplated by the Purchase Agreement and related agreements specified therein (the “Related Transaction Agreements”).

The Company hereby acknowledges, represents, warrants and confirms to the Holder that: (i) each of the Transaction Documents executed by the Company are valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms; and (ii) no oral representations, statements, or inducements have been made by Holder, or any agent or representative of Holder, with respect to this Note, any other Note, the Purchase Agreement, and all other Transaction Documents.

This Note shall be an unsecured obligation of the Borrower.

The following additional terms shall also apply to this Note:

ARTICLE I CONVERSION RIGHTS

1.1 Conversion Right. The Holder shall have the right at any time, and from time to time, on or after the Issue Date until the complete satisfaction by the Borrower of all amounts owed under this Note to convert all or any part of the outstanding and unpaid Principal Amount, interest, fees, or any other obligation owed pursuant to this Note into fully paid and non-assessable shares of Common Stock, as such Common Stock exists on the Issue Date, or any shares of capital stock or other securities of the Borrower into which such Common Stock shall hereafter be changed or reclassified, at the Conversion Price (as defined below) selected by the Holder for any particular conversion, determined as provided herein (a “Conversion”); provided, however, that (x) in no event shall the Holder be entitled to convert any portion of this Note in excess of that portion of this Note upon conversion of which the sum of (1) the number of shares of Common Stock beneficially owned by the Holder and its affiliates (other than shares of Common Stock which may be deemed beneficially owned through the ownership of the unconverted portion of this Note or the unexercised or unconverted portion of any other security of the Borrower subject to a limitation on conversion or exercise analogous to the limitations contained herein) and (2) the number of shares of Common Stock issuable upon the Conversion of the portion of this Note with respect to which the determination of this proviso is being made, would result in beneficial ownership by the Holder and its affiliates of more than 4.99% of the outstanding shares of Common Stock (the “Ownership Limitation”), provided that, the Holder may increase the Ownership Limitation up to 9.99% at its sole discretion upon sixty-one (61) days prior written notice to the Company, and (y) in no event shall this Note be convertible into more than 9.99% of the outstanding shares of Common Stock as of the Issue Date (the “Exchange Cap”), unless and until the Company obtains the approval of its stockholders as may be required by the applicable rules and regulations of the principal securities market on which the Common Stock is then quoted, listed or traded (such approval, the “Stockholder Approval”). For purposes of the proviso to the first sentence of this Section 1.1, beneficial ownership shall be determined in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended (the “1934 Act”), and Regulations 13D-G thereunder, except as otherwise provided in clause (1) of such proviso. The number of shares of Common Stock to be issued upon each Conversion of this Note shall be determined by dividing the Conversion Amount (as defined below) (the numerator) by the applicable Conversion Price then in effect on the date specified in the notice of conversion (the denominator), in the form attached hereto as Exhibit A (the “Notice of Conversion”), delivered to the Company by the Holder in accordance with Section 1.4 below; provided that the Notice of Conversion is submitted by facsimile or e-mail (or by other means resulting in, or reasonably expected to result in, notice) to the Borrower before 8:00 p.m., New York, New York time on such conversion date (the “Conversion Date”). The term “Conversion Amount” means, with respect to any Conversion of this Note, the sum of (1) the Principal Amount of this Note to be converted in such Conversion plus (2) at the Holder’s option, accrued and unpaid interest, if any, on such Principal Amount at the interest rates provided in this Note to the Conversion Date.

1.2 Conversion Price. Subject to the adjustments described herein, this Note shall be convertible into shares of Common Stock at any time, and from time to time, in any portion at the Conversion Price. The “Conversion Price” shall mean the lower of (a) \$1.50 per share of Common Stock and (b) 90% of the ten (10) Trading Day volume-weighted average price of the Common Stock (the “VWAP”) ending on the Trading Day immediately prior to the applicable Conversion Date; provided, however, that in no event shall the Conversion Price be less than \$0.50 per share of Common Stock (the “Floor Price”). The Conversion Price shall be automatically adjusted equitably for stock splits, stock dividends or rights offerings by the Borrower relating to the Borrower’s securities or the securities of any subsidiary of the Borrower, as well as combinations, recapitalization, reclassifications, extraordinary distributions and similar events:

(a) Trading Day; VWAP. “Trading Day” shall mean any day on which the Common Stock is tradable for any period on The NASDAQ Stock Market, LLC or on the principal securities exchange or other securities market on which the Common Stock is then being quoted or traded (the “Principal Securities Exchange”). “VWAP” means, for any Trading Day, the volume-weighted average price of the Common Stock for such Trading Day on the Principal Securities Exchange or trading market where the Common Stock is quoted, listed or traded, as reported by Bloomberg L.P. (or an equivalent reporting service).

(b) Additional Conversion Considerations. In no event shall the Conversion Price of the Borrower's Common Stock be reduced below the Floor Price. If the shares of the Borrower's Common Stock closed below the Floor Price or otherwise have not been delivered within two (2) business days to the Holder after its transmittal of the Notice of Conversion, the Notice of Conversion may be rescinded by the Holder in its sole discretion. If the VWAP cannot be calculated for such security on such date in the manner provided above, the VWAP shall be the fair market value as mutually determined by the Borrower and the Holder.

(c) Pro Rata Conversion; Disputes. In the event of a dispute as to the number of shares of Common Stock issuable to the Holder in connection with a conversion of this Note, the Borrower shall issue to the Holder the number of shares of Common Stock not in dispute and resolve such dispute in accordance with this Note.

1.3 Authorized Shares. The Borrower covenants that during the period the Conversion right exists, the Borrower will reserve from its authorized and unissued Common Stock a sufficient number of shares, free from preemptive rights, to provide for the issuance of Common Stock upon the full conversion of this Note issued pursuant to the Purchase Agreement. The Borrower is required at all times to have authorized and reserved two times (2x) the number of shares that is actually issuable upon full conversion of the Note (based on the Conversion Price of the Note in effect from time to time) (the "Reserved Amount"). Notwithstanding the foregoing, the Borrower shall be permitted to reduce the Reserved Amount in connection with a transaction where the use of proceeds is to repay the Notes in full and if no further Notes may be issued pursuant to the Purchase Agreement. The Borrower represents that upon issuance, such shares of Common Stock will be duly and validly issued, fully paid and non-assessable. In addition, if the Borrower shall issue any securities or make any change to its capital structure which would change the number of shares of Common Stock into which this Note shall be convertible at the then current Conversion Price, the Borrower shall at the same time make proper provision so that thereafter there shall be a sufficient number of shares of Common Stock authorized and reserved, free from preemptive rights, for conversion of the outstanding Note. The Borrower (i) represents that it has irrevocably instructed its transfer agent to issue certificates for the Common Stock issuable upon conversion of this Note, and (ii) agrees that its issuance of this Note shall constitute full authority to its officers and agents who are charged with the duty of executing stock certificates to execute and issue the necessary certificates for shares of Common Stock in accordance with the terms and conditions of this Note.

Borrower's failure to maintain or to replenish the Reserved Amount within three (3) business days of a request of the Holder, shall be an Event of Default under this Note.

1.4 Method of Conversion.

(a) Mechanics of Conversion. Subject to Section 1.1, this Note may be converted by the Holder in whole or in part at any time from time to time on or after the Issue Date, by (i) submitting to the Borrower a Notice of Conversion (by facsimile, e-mail or other reasonable means of communication dispatched on the Conversion Date prior to 8:00 p.m., New York, New York time) and (ii) subject to Section 1.4(b), surrendering this Note at the principal office of the Borrower.

(b) Surrender of Note Upon Conversion. Notwithstanding anything to the contrary set forth herein, upon conversion of this Note in accordance with the terms hereof, the Holder shall not be required to physically surrender this Note to the Borrower unless the entire unpaid Principal Amount of this Note is so converted. The Holder and the Borrower shall maintain records showing the Principal Amount so converted and the dates of such conversions or shall use such other method, reasonably satisfactory to the Holder and the Borrower, so as not to require physical surrender of this Note upon each such conversion. In the event of any dispute or discrepancy, such records of the Holder shall, *prima facie*, be controlling and determinative in the absence of manifest error. The Holder and any assignee, by acceptance of this Note, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of a portion of this Note, the unpaid and unconverted Principal Amount of this Note represented by this Note may be less than the amount stated on the face hereof.

(c) Delivery of Common Stock Upon Conversion. Upon receipt by the Borrower from the Holder of a facsimile transmission or e-mail (or other reasonable means of communication) of a Notice of Conversion meeting the requirements for conversion as provided in this Section 1.4, the Borrower shall issue and deliver or cause to be issued and delivered to or upon the order of the Holder certificates (or electronic shares via DWAC transfer, at the option of Holder) for the Common Stock issuable upon such conversion within one (1) business day after such receipt (the “Deadline”) (and, solely in the case of conversion of the entire unpaid Principal Amount hereof, surrender of this Note) in accordance with the terms hereof. Notwithstanding the foregoing, if the Notice of Conversion is received by Borrower prior to (i) an effective registration statement being declared effective or (ii) an exemption from registration being available, the securities issued to Holder shall be “restricted” (as such term is defined under the Securities Act of 1933, as amended (the “1933 Act”)).

(d) Obligation of Borrower to Deliver Common Stock. Upon receipt by the Borrower of a Notice of Conversion, the Holder shall be deemed to be the holder of record of the Common Stock issuable upon such conversion, the outstanding Principal Amount and the amount of accrued and unpaid interest on this Note shall be reduced to reflect such conversion, and, unless the Borrower defaults on its obligations under this Article I, all rights with respect to the portion of this Note being so converted shall forthwith terminate except the right to receive the Common Stock or other securities, cash or other assets, as herein provided, on such conversion. If the Holder shall have given a Notice of Conversion as provided herein and not rescinded such Notice of Conversion in connection with Section 1.2(b) herein, the Borrower’s obligation to issue and deliver the certificates for Common Stock shall be absolute and unconditional, irrespective of the absence of any action by the Holder to enforce the same, any waiver or consent with respect to any provision thereof, the recovery of any judgment against any person or any action to enforce the same, any failure or delay in the enforcement of any other obligation of the Borrower to the holder of record, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder of any obligation to the Borrower, and irrespective of any other circumstance which might otherwise limit such obligation of the Borrower to the Holder in connection with such conversion. The Conversion Date specified in the Notice of Conversion shall be the Conversion Date so long as the Notice of Conversion is received by the Borrower before 8:00 p.m., New York, New York time, on such date.

(e) Delivery of Common Stock by Electronic Transfer. In lieu of delivering physical certificates representing the Common Stock issuable upon conversion, provided the Borrower is participating in the Depository Trust Company (“DTC”) Fast Automated Securities Transfer (“FAST”) program and subject to Section 1.5 below, upon request of the Holder and its compliance with the provisions contained in Section 1.1 and in this Section 1.4, the Borrower shall cause its transfer agent to electronically transmit the Common Stock issuable upon conversion to the Holder by crediting the account of Holder’s Prime Broker with DTC (as designated by the Holder in a Notice of Conversion) through its Deposit Withdrawal At Custodian (“DWAC”) system.

(f) Failure to Deliver Common Stock Prior to Delivery Deadline. Without in any way limiting the Holder's right to pursue other remedies, including actual damages and/or equitable relief, the parties agree that if delivery of the Common Stock issuable upon conversion of this Note is not delivered by the Deadline the Borrower shall pay to the Holder \$500.00 per day in cash, for each day beyond the Deadline that the Borrower fails to deliver such Common Stock until the Borrower issues and delivers a certificate to the Holder or credit the Holder's balance account with DTC for the number of shares of Common Stock to which the Holder is entitled upon such Holder's conversion of any Conversion Amount (under Holder's and Borrower's expectation that any damages will tack back to the Issue Date). Such cash amount shall be paid to Holder by the fifth day of the month following the month in which it has accrued or, at the option of the Holder (by written notice to the Borrower by the first day of the month following the month in which it has accrued), shall be added to the Principal Amount of this Note, in which event interest shall accrue thereon in accordance with the terms of this Note and such additional Principal Amount shall be convertible into Common Stock in accordance with the terms of this Note. The Borrower agrees that the right to convert is a valuable right to the Holder. The damages resulting from a failure, attempt to frustrate, interference with such conversion right are difficult if not impossible to qualify. Accordingly, the parties acknowledge that the liquidated damages provision contained in this Section 1.4(f) are justified. Notwithstanding the foregoing, the Company shall not be obligated to make any payment or provide any remedy under this Section 1.4(f) to the extent that the Transfer Agent's failure to timely transmit the shares of Common Stock is directly attributable to a delay or failure by the Transfer Agent or is otherwise outside the reasonable control of the Borrower, including any delay arising from a systems failure, force majeure event, or other circumstance affecting the Transfer Agent over which the Borrower has no authority or influence, so long as the Company has used commercially reasonable efforts to cause the Transfer Agent to timely deliver such shares of Common Stock.

(g) Rescindment of a Notice of Conversion. If (i) the Borrower fails to respond to Holder within one (1) business day from the Conversion Date confirming the details of Notice of Conversion, (ii) the Borrower fails to provide any of the shares of the Borrower's Common Stock requested in the Notice of Conversion within one (1) business day from the date of receipt of the Notice of Conversion, (iii) the Holder is unable to procure a legal opinion required to have the shares of the Borrower's Common Stock issued unrestricted and/or deposited to sell for any reason related to the Borrower's standing, (iv) the Holder is unable to deposit the shares of the Borrower's Common Stock requested in the Notice of Conversion for any reason related to the Borrower's standing, or (v) if there is a trading restriction on the Common Stock on the day of or any day after the Conversion Date, the Holder maintains the option and sole discretion to rescind the Notice of Conversion with a "Notice of Rescindment."

1.5 Concerning the Shares. Until such time as the shares of Common Stock issuable upon conversion of this Note have been registered under the 1933 Act or otherwise may be sold pursuant to Rule 144 without any restriction as to the number of securities as of a particular date that can then be immediately sold, each certificate for shares of Common Stock issuable upon conversion of this Note that has not been so included in an effective registration statement or that has not been sold pursuant to an effective registration statement or an exemption that permits removal of the legend, shall bear a legend substantially in the following form, as appropriate:

"NEITHER THE ISSUANCE OR SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES."

The legend set forth above shall be removed and the Borrower shall issue to the Holder a new certificate therefore free of any transfer legend if (i) the Borrower or its transfer agent shall have received an opinion of counsel, in form, substance and scope customary for opinions of counsel in comparable transactions, to the effect that a public sale or transfer of such Common Stock may be made without registration under the 1933 Act, which opinion shall be reasonably accepted by the Company so that the sale or transfer is effected or (ii) in the case of the Common Stock issuable upon conversion of this Note, such security is registered for sale by the Holder under an effective registration statement filed under the 1933 Act or otherwise may be sold pursuant to Rule 144 without any restriction as to the number of securities as of a particular date that can then be immediately sold. In the event that the Company does not accept the opinion of counsel provided by the Holder with respect to the transfer of securities pursuant to an exemption from registration, such as Rule 144 or Regulation S, at the Deadline, and does not provide a suitable replacement opinion to the Holder within five (5) business days, it will be considered an Event of Default pursuant to Section 3.2 of the Note.

1.6 Effect of Certain Events.

(a) Adjustment Due to Merger, Consolidation, Etc. If, at any time when this Note is issued and outstanding and prior to conversion of all of the Notes, there shall be any merger, consolidation, exchange of shares, recapitalization, reorganization, or other similar event, as a result of which shares of Common Stock of the Borrower shall be changed into the same or a different number of shares of another class or classes of stock or securities of the Borrower or another entity, or in case of any sale or conveyance of all or substantially all of the assets of the Borrower other than in connection with a plan of complete liquidation of the Borrower, then the Holder of this Note shall thereafter have the right to receive upon conversion of this Note, upon the basis and upon the terms and conditions specified herein and in lieu of the shares of Common Stock immediately theretofore issuable upon conversion, such stock, securities or assets which the Holder would have been entitled to receive in such transaction had this Note been converted in full immediately prior to such transaction (without regard to any limitations on conversion set forth herein), and in any such case appropriate provisions shall be made with respect to the rights and interests of the Holder of this Note to the end that the provisions hereof (including, without limitation, provisions for adjustment of the Conversion Price and of the number of shares issuable upon conversion of the Note) shall thereafter be applicable, as nearly as may be practicable in relation to any securities or assets thereafter deliverable upon the conversion hereof. The Borrower shall not affect any transaction described in this Section 1.6(a) unless (a) it first gives, to the extent reasonably practicable, thirty (30) days prior written notice (but in any event at least fifteen (15) days prior written notice) of the record date of the special meeting of shareholders to approve, or if there is no such record date, the consummation of, such merger, consolidation, exchange of shares, recapitalization, reorganization or other similar event or sale of assets (during which time the Holder shall be entitled to convert this Note) and (b) the resulting successor or acquiring entity (if not the Borrower) assumes by written instrument the obligations of this Section 1.6(a). The above provisions shall similarly apply to successive consolidations, mergers, sales, transfers or share exchanges.

(b) Adjustment Due to Dilutive Issuance. If, at any time when this Note is issued and outstanding, the Borrower issues or sells, or in accordance with this Section 1.6(b) hereof is deemed to have issued or sold, any shares of Common Stock for no consideration or for a consideration per share less than the Conversion Price in effect on the date of such issuance (or deemed issuance) of such shares of Common Stock (a “Dilutive Issuance”), then immediately upon the Dilutive Issuance, the Conversion Price will be reduced to the amount of the consideration per share received by the Borrower in such Dilutive Issuance, subject to the Holder’s other rights under Section 1.2 to select its Conversion Price; provided, however, that a Dilutive Issuance shall not include any issuance or sale (or deemed issuance or sale) of securities pursuant to or in connection with (i) the Borrower’s 2024 Equity Incentive Plan, as such plan may be amended, restated, supplemented, or otherwise modified from time to time, (ii) a secondary offering of shares of Common Stock or other equity securities of the Company, provided that the aggregate amount of such offering does not to exceed \$10,000,000, (iii) a private placement of convertible preferred stock or other securities convertible or exercisable, as applicable, into Common Stock at a fixed conversion or exercise price, as applicable, provided that the aggregate amount of such offering does not to exceed \$10,000,000, (iv) a bona fide purchase order that qualifies for factoring by a traditional commercial factor at a factoring rate of less than 3% per month and has a face value of no less than \$5,000,000; or (v) the issuance of securities pursuant to the Transaction Documents or any Related Transaction Agreement.

The Borrower shall be deemed to have issued or sold shares of Common Stock if the Borrower in any manner issues or grants any warrants, rights or options that constitute a Dilutive Issuance, whether or not immediately exercisable, to subscribe for or to purchase Common Stock or other securities convertible into or exchangeable for Common Stock ("Convertible Securities") (such warrants, rights and options to purchase Common Stock or Convertible Securities are hereinafter referred to as "Options") and the price per share for which Common Stock is issuable upon the exercise of such Options is less than the Conversion Price then in effect, then the Conversion Price shall be equal to such price per share. For purposes of the preceding sentence, the "price per share for which Common Stock is issuable upon the exercise of such Options" is determined by dividing (i) the total amount, if any, received or receivable by the Borrower as consideration for the issuance or granting of all such Options, plus the minimum aggregate amount of additional consideration, if any, payable to the Borrower upon the exercise of all such Options, plus, in the case of Convertible Securities issuable upon the exercise of such Options, the minimum aggregate amount of additional consideration payable upon the conversion or exchange thereof at the time such Convertible Securities first become convertible or exchangeable, by (ii) the maximum total number of shares of Common Stock issuable upon the exercise of all such Options (assuming full conversion of Convertible Securities, if applicable). No further adjustment to the Conversion Price will be made upon the actual issuance of such Common Stock upon the exercise of such Options or upon the conversion or exchange of Convertible Securities issuable upon exercise of such Options.

Additionally, the Borrower shall be deemed to have issued or sold shares of Common Stock that is a Dilutive Issuance if the Borrower in any manner issues or sells any Convertible Securities, whether or not immediately convertible (other than where the same are issuable upon the exercise of Options), and the price per share for which Common Stock is issuable upon such conversion or exchange is less than the Conversion Price then in effect, then the Conversion Price shall be equal to such price per share. For the purposes of the preceding sentence, the "price per share for which Common Stock is issuable upon such conversion or exchange" is determined by dividing (i) the total amount, if any, received or receivable by the Borrower as consideration for the issuance or sale of all such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Borrower upon the conversion or exchange thereof at the time such Convertible Securities first become convertible or exchangeable, by (ii) the maximum total number of shares of Common Stock issuable upon the conversion or exchange of all such Convertible Securities. No further adjustment to the Conversion Price will be made upon the actual issuance of such Common Stock upon conversion or exchange of such Convertible Securities.

For the avoidance of doubt, notwithstanding any other terms of this Note, if, at any time when this Note is issued and outstanding, but excluding any transactions pursuant to a Related Transaction Agreement, the Borrower issues or sells any shares of Common Stock under an "equity line" common stock purchase agreement, or other agreement similar in function thereto, with the Borrower or other investor, for a purchase price per share less than the Conversion Price in effect on the date of such issuance of such shares of Common Stock, then such issuance shall constitute a Dilutive Issuance and the Conversion Price will be reduced to the amount of the purchase price per share received by the Borrower in such Dilutive Issuance, subject to the Floor Price.

(c) Purchase Rights. If, at any time when any Notes are issued and outstanding, the Borrower issues any Convertible Securities or rights to purchase stock, warrants, securities or other property (the “Purchase Rights”) pro rata to the record holders of any class of Common Stock, then the Holder of this Note will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which such Holder could have acquired if such Holder had held the number of shares of Common Stock acquirable upon complete conversion of this Note (without regard to any limitations on conversion contained herein) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights.

(d) Notice of Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Price as a result of the events described in this Section 1.6, or under Section 1.2 (regarding stock splits, combinations, etc.), the Borrower, at its expense, shall promptly compute such adjustment or readjustment and prepare and furnish to the Holder a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Borrower shall, upon the written request at any time of the Holder, furnish to such Holder a like certificate setting forth (i) such adjustment or readjustment, (ii) the Conversion Price at the time in effect and (iii) the number of shares of Common Stock and the amount, if any, of other securities or property which at the time would be received upon conversion of the Note.

1.7 Trading Market Limitations. Unless permitted by the applicable rules and regulations of the principal securities market on which the Common Stock is then quoted, listed or traded, in no event shall the Borrower issue upon conversion of or otherwise pursuant to this Note more than the maximum number of shares of Common Stock that the Borrower can issue pursuant to any rule of the principal United States securities market on which the Common Stock is then traded (the “Maximum Share Amount”), which shall in no event exceed the Exchange Cap prior to receipt of Stockholder Approval, subject to equitable adjustment from time to time for stock splits, stock dividends, combinations, capital reorganizations and similar events relating to the Common Stock occurring after the Issue Date. For the avoidance of doubt, the Borrower shall not be obligated to take any actions to eliminate any prohibitions under applicable law or the rules or regulations of any stock exchange, interdealer quotation system or other self-regulatory organization with jurisdiction over the Borrower or any of its securities on the Borrower’s ability to issue shares of Common Stock in excess of the Maximum Share Amount, other than as required under the Purchase Agreement and, so long as the Borrower is in compliance with the Purchase Agreement, the failure to obtain the Stockholder Approval will not be considered an Event of Default under Section 3.2 of the Note.

1.8 Status as Shareholder. Upon submission of a Notice of Conversion by a Holder, (i) the shares covered thereby (other than the shares, if any, which cannot be issued because their issuance would exceed such Holder’s allocated portion of the Reserved Amount or Maximum Share Amount) shall be deemed converted into shares of Common Stock and (ii) the Holder’s rights as a Holder of such converted portion of this Note shall cease and terminate, excepting only the right to receive certificates for such shares of Common Stock and to any remedies provided herein or otherwise available at law or in equity to such Holder because of a failure by the Borrower to comply with the terms of this Note. Notwithstanding the foregoing, if a Holder has not received certificates or transmission of such shares pursuant to Section 1.4(e) for all shares of Common Stock prior to the tenth (10th) business day after the expiration of the Deadline with respect to a conversion of any portion of this Note for any reason, then (unless the Holder otherwise elects to retain its status as a holder of Common Stock by so notifying the Borrower) the Holder shall regain the rights of a Holder of this Note with respect to such unconverted portions of this Note and the Borrower shall, as soon as practicable, return such unconverted Note to the Holder or, if this Note has not been surrendered, adjust its records to reflect that such portion of this Note has not been converted. In all cases, the Holder shall retain all of its rights and remedies (including, without limitation, (i) the right to receive liquidated damages pursuant to Section 1.4(f) to the extent required thereby for such Conversion default and any subsequent Conversion default and (ii) the right to have the Conversion Price with respect to subsequent conversions determined in accordance with Section 1.2) for the Borrower’s failure to convert this Note.

1.9 Prepayment. The Borrower may, at any time and without the prior written consent of the Holder, prepay any Note in full for an amount equal to the *sum of*: (a) the Original Principal Amount of such Note or the Default Amount (as applicable), at such time, *less* (b) all payments previously made, *plus* (c) accrued and unpaid interest on the unpaid Principal Amount of this Note at such time (including all guaranteed interest), *plus* (d) all other amounts, costs, expenses, and liquidated damages due under or in respect of such Note.

ARTICLE II CERTAIN COVENANTS

2.1 Section 3(a)(9) or 3(a)(10) Transaction. So long as this Note is outstanding, the Borrower shall not enter into any transaction or arrangement structured in accordance with, based upon, or related or pursuant to, in whole or in part, either Section 3(a)(9) of the 1933 Act (a “3(a)(9) Transaction”) or Section 3(a)(10) of the 1933 Act (a “3(a)(10) Transaction”), provided, however, that the foregoing restriction shall not apply to any 3(a)(9) Transaction or 3(a)(10) Transaction undertaken solely with respect to any Existing Instrument. For purposes of this Section 2.1, “Existing Instrument” means any instrument, security, or obligation of the Borrower that is outstanding as of the Issue Date and includes, without limitation, the Transaction Documents and the Related Transaction Agreements regardless of the dates when executed (a “Permitted Transaction”). In the event that the Borrower does enter into, or makes any issuance of Common Stock related to a 3(a)(9) Transaction or a 3(a)(10) Transaction that is not a Permitted Transaction while this Note is outstanding, a liquidated damages charge of 25% of the outstanding Principal Amount balance of this Note, but not more than Fifteen Thousand Dollars (\$15,000.00), will be assessed and will become immediately due and payable to the Holder at its election in the form of cash payment or addition to the balance of this Note.

2.2 Preservation of Existence, etc. The Borrower shall maintain and preserve, and cause each of its subsidiaries to maintain and preserve, its existence, rights and privileges, and become or remain, and cause each of its subsidiaries to become or remain, duly qualified and in good standing in each jurisdiction in which the character of the properties owned or leased by it or in which the transaction of its business makes such qualification necessary.

2.3 Non-circumvention. The Borrower hereby covenants and agrees that the Borrower will not, by amendment of its Certificate of Incorporation or Bylaws, or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Note, and will at all times in good faith carry out all the provisions of this Note and take all action as may be required to protect the rights of the Holder.

2.4 Legal Opinions. If the Holder provides the Company with (i) an opinion of counsel in form, substance and scope customary for opinions in comparable transactions, to the effect that a public sale or transfer of the shares may be made without registration under the 1933 Act and such sale or transfer is effected and upon which the Transfer Agent may rely, or (ii) the Holder provides reasonable assurances that the Shares can be sold pursuant to Rule 144 and provides the Company with an opinion of counsel upon which the Transfer Agent may rely, the Company shall permit the transfer, and, in the case of the Shares, promptly instruct its transfer agent to issue one or more certificates, free from restrictive legend, in such name and in such denominations as specified by the Holder or, in the sole discretion of the Holder, the Company shall take all action necessary to ensure that such Shares are transferred electronically as DWAC shares. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder, by vitiating the intent and purpose of the transactions contemplated hereby. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Section may be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Section, that the Holder shall be entitled, in addition to all other available remedies (including without limitation consequential damages), to an injunction restraining any breach and requiring immediate transfer, without the necessity of showing economic loss and without any bond or other security being required.

ARTICLE III
EVENTS OF DEFAULT

The occurrence of any of the following shall each constitute an “Event of Default” with no right to notice or the right to cure except as specifically stated:

3.1 Failure to Pay Principal or Interest. The Borrower fails to pay the Principal Amount hereof or interest thereon when due on this Note, whether at the Maturity Date, or upon any granted optional prepayment date, upon acceleration or otherwise.

3.2 Conversion and the Shares. The Borrower fails to instruct the Transfer Agent to issue shares of Common Stock to the Holder (or announces or threatens in writing that it will not honor its obligation to do so) upon exercise by the Holder of the Conversion rights of the Holder in accordance with the terms of this Note, fails to transfer or cause its transfer agent to transfer (issue) (electronically or in certificated form) any certificate for shares of Common Stock issued to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note, the Borrower directs its transfer agent not to transfer or delays, impairs, and/or hinders its transfer agent in transferring (or issuing) (electronically or in certificated form) any certificate for shares of Common Stock to be issued to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note, or fails to direct its transfer agent not to remove or impairs, delays, and/or hinders its transfer agent from removing any restrictive legend (or to withdraw any stop transfer instructions in respect thereof) on any certificate for any shares of Common Stock issued to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note (or makes any written announcement, statement or threat that it does not intend to honor the obligations described in this paragraph) and any such failure shall continue uncured (or any written announcement, statement or threat not to honor its obligations shall not be rescinded in writing) for two (2) business days after the Holder shall have delivered a Notice of Conversion. It is an obligation of the Borrower to remain current in its obligations to its transfer agent. It shall be an “Event of Default” of this Note, if a conversion of this Note is delayed, hindered or frustrated due to a balance owed by the Borrower to its transfer agent. If at the option of the Holder, the Holder advances any funds to the Borrower’s transfer agent in order to process a conversion, such advanced funds shall be paid by the Borrower to the Holder within forty-eight (48) hours of a demand from the Holder. Notwithstanding the foregoing, it shall not be an Event of Default if the Transfer Agent’s failure to timely transmit the shares of Common Stock is directly attributable to a delay or failure by the Transfer Agent or is otherwise outside the reasonable control of the Borrower, including any delay arising from a systems failure, force majeure event, or other circumstance affecting the Transfer Agent over which the Borrower has no authority or influence, so long as the Borrower has used commercially reasonable efforts to cause the Transfer Agent to timely deliver such shares of Common Stock.

3.3 Breach of Agreement. The Borrower breaches any covenant or other term or condition contained in this Note or in any of the Transaction Documents, including but not limited to the Purchase Agreement.

3.4 Breach of Representations and Warranties. Any representation or warranty of the Borrower made herein or in any agreement, statement or certificate given in writing pursuant hereto or in connection herewith (including, without limitation, the Purchase Agreement), shall be false or misleading in any material respect when made.

3.5 Receiver or Trustee. The Company or any subsidiary of the Company shall make an assignment for the benefit of creditors, or apply for or consent to the appointment of a receiver or trustee for it or for a substantial part of its property or business, or such a receiver or trustee shall otherwise be appointed.

3.6 Judgments. Except with respect to any claims filed by LHT I, LLC, a Delaware limited liability company or otherwise disclosed in the Company's filings made pursuant to the 1934 Act, as amended, in each case, prior to the Issue Date, if any money judgment, writ or similar process shall be entered or filed against the Borrower or any subsidiary of the Borrower or any of its property or other assets for more than \$50,000.00, and shall remain unvacated, unbonded or unstayed for a period of twenty (20) days unless otherwise consented to by the Holder, which consent will not be unreasonably withheld.

3.7 Bankruptcy; Liquidation. (i) Bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings, voluntary or involuntary, for relief under any bankruptcy law or any law for the relief of debtors shall be instituted by or against the Company or any subsidiary of the Company or the Borrower admits in writing its inability to pay its debts generally as they mature, or have filed against it an involuntary petition for bankruptcy; or (ii) any dissolution, liquidation, or winding up of Borrower or any substantial portion of its business occurs.

3.8 Delisting of Common Stock. The Borrower shall fail to maintain the listing of the Common Stock on the Principal Securities Exchange.

3.9 Failure to Comply with the 1934 Act. If the Borrower shall fail to file all filings with which it has become delinquent prior to the Issue Date within 15 days after the Issue Date and, thereafter, shall fail to comply timely with the reporting requirements of the 1934 Act; and/or the Borrower shall cease to be subject to the reporting requirements of the 1934 Act; and/or the Borrower shall not have publicly available all information required by paragraph (b) of Rule 15c2-11 of the 1934 Act (as effective on September 26, 2021), as amended, such that brokers or dealers attempting to publish any quotation for the Common Stock or, directly or indirectly, to submit any such quotation for publication, shall be able to comply with Rule 15c2-11(a).

3.10 DTC. In the event that the Company (i) loses its ability to deliver shares via "DWAC/FAST" electronic transfer, or (ii) loses its status as "DTC Eligible."

3.11 Cessation of Operations. Any cessation of operations by Borrower or Borrower admits it is otherwise generally unable to pay its debts as such debts become due, provided, however, that any disclosure of the Borrower's ability to continue as a "going concern" shall not be an admission that the Borrower cannot pay its debts as they become due.

3.12 Maintenance of Assets. The failure by Borrower to maintain any material intellectual property rights, personal, real property or other assets which are necessary to conduct its business (whether now or in the future) or any disposition or conveyance of any material asset of the Borrower; provided, however, that any transfers of assets or other transactions contemplated by the Related Transaction Agreements shall not be an Event of Default under this Section 3.12.

3.13 Financial Statement Restatement. The restatement of any financial statements filed by the Borrower with the SEC for any date or period from two years prior to the Issue Date of this Note and until this Note is no longer outstanding, if the result of such restatement would, by comparison to the unrestated financial statement, have constituted a material adverse effect on the rights of the Holder with respect to this Note or the Purchase Agreement.

3.14 Replacement of Transfer Agent. In the event that the Borrower proposes to replace its transfer agent, the Borrower fails to provide, prior to the effective date of such replacement, a fully executed Transfer Agent Instruction Letter in a form as initially delivered pursuant to the Purchase Agreement (including but not limited to the provision to irrevocably reserve shares of Common Stock in the Reserved Amount) signed by the successor transfer agent to Borrower and the Borrower.

3.15 Cessation of Trading. Any cessation of trading of the Common Stock on the Principal Securities Exchange, and such cessation of trading shall continue for a period of five consecutive (5) Trading Days.

3.16 Inside Information. Any attempt by the Borrower or its officers, directors, and/or affiliates to transmit, convey, disclose, or any actual transmittal, conveyance, or disclosure by the Borrower or its officers, directors, and/or affiliates of, material non-public information concerning the Borrower, to the Holder or its successors and assigns, where (i) the Holder has not consented in writing to the receipt of such information and agreed with the Borrower to keep such information confidential or (ii) which is not immediately cured by Borrower's filing of a Form 8-K pursuant to Regulation FD on that same date.

Upon the occurrence of any Event of Default specified above, exercisable through the delivery of written notice to the Borrower by such Holders (the "Default Notice") the Note shall become immediately due and payable and the Borrower shall pay to the Holder, in full satisfaction of its obligations hereunder, an amount equal to (x) the then outstanding Principal Amount of this Note plus (y) accrued and unpaid interest on the unpaid Principal Amount of this Note to the date of payment on the amounts referred to in clauses (x) and/or (y) plus (z) any amounts owed to the Holder pursuant to Section 1.4(f) hereof (the then outstanding Principal Amount of this Note to the date of payment plus the amounts referred to in clauses (x), (y) and (z) shall collectively be known as the "Default Amount"). Notwithstanding anything herein to the contrary, upon delivery by the Holder to the Borrower of a Default Notice (as defined herein) setting forth the Event of Default under the Note and if not cured within ten (10) business days if curable, at the sole option of the Holder the Default Conversion Price (as defined below) can be used by the Holder as the Conversion Price, at any time, and from time to time, thereafter while the Note remains outstanding. The "Default Conversion Price" shall mean \$0.01 per share.

The Holder shall have the right at any time after the date that is ten (10) days following the occurrence of an Event of Default that has not been cured, to require the Borrower to immediately issue, in lieu of the Default Amount, the number of shares of Common Stock of the Borrower equal to the Default Amount divided by the Conversion Price then in effect, subject to the terms of this Note. This requirement by the Borrower shall automatically apply upon the occurrence of such ten (10) day period without the need for any party to give any notice or take any other action.

If the Holder shall commence an action or proceeding to enforce any provisions of this Note, including, without limitation, engaging an attorney, then if the Holder prevails in such action, the Holder shall be entitled to reimbursement by the Borrower for its attorneys' fees and other costs and expenses incurred in the investigation, preparation and prosecution of such action or proceeding.

**ARTICLE IV
MISCELLANEOUS**

4.1 Failure or Indulgence Not Waiver. No failure or delay on the part of the Holder in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privileges. All rights and remedies existing hereunder are cumulative to, and not exclusive of, any rights or remedies otherwise available.

4.2 Notices. All notices, demands, requests, consents, approvals, and other communications required or permitted hereunder shall be delivered as contemplated by the notice provisions under Section 9(g) of the Purchase Agreement.

4.3 Amendments. This Note and any provision hereof may only be amended by an instrument in writing signed by the Borrower and the Holder.

4.4 Assignability. This Note shall be binding upon the Borrower and its successors and assigns, and shall inure to the benefit of the Holder and its successors and assigns. The Borrower shall not assign this Note or any rights or obligations hereunder without the prior written consent of the Holder. Notwithstanding anything in this Note to the contrary, this Note may be pledged as collateral in connection with a bonafide margin account or other lending arrangement. The Holder and any assignee, by acceptance of this Note, acknowledge and agree that following conversion of a portion of this Note, the unpaid and unconverted Principal Amount of this Note represented by this Note may be less than the amount stated on the face hereof.

4.5 Cost of Collection. If default is made in the payment of this Note, the Borrower shall pay the Holder hereof reasonable costs of collection, including reasonable attorneys' fees.

4.6 Governing Law; Dispute Resolution. This Note shall be governed by and interpreted in accordance with the laws of the State of Delaware without regard to the principles of conflicts of law. THE COMPANY AND THE HOLDER HEREBY WAIVE A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER IN RESPECT OF ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS NOTE. Any dispute, controversy, difference or claim that may arise between the Company and the Holder in connection with this Note; and all claims arising out of or relating to the validity, construction, interpretation, enforceability, breach, performance, application or termination of this Note, shall be submitted to binding arbitration governed by the rules of the American Arbitration Association. The seat of the arbitration shall be in the State of Delaware in the City of Wilmington. There shall be only one arbitrator selected in accordance with the rules of the American Arbitration Association. The arbitration shall be conducted in English and may be conducted in a virtual setting. The arbitrator's decision shall be final and binding and judgment may be entered thereon. Provided a party has made a sufficient showing under applicable law, the arbitrator shall have the freedom to invoke, and the parties agree to abide by, injunctive measures that either party submits in writing for arbitration claims requiring immediate relief. Additionally, nothing in this Section shall preclude either party from seeking equitable relief or interim or provisional relief from a court of competent jurisdiction, including a temporary restraining order, preliminary injunction or other equitable relief, concerning a dispute either prior to or during arbitration if necessary to protect the interests of such party or to preserve the status quo pending the arbitration proceeding. Each side must bear its own costs and legal fees during the pendency of the arbitration. A party's failure to pay any costs or fees required to proceed in the arbitration, as they timely come due, shall result in an immediate default against that party. The prevailing party in the arbitration shall be entitled to recoup all its reasonable attorneys' fees and costs from the nonprevailing, including, without limitation, all of its costs relating to the arbitration. The arbitrator's final award shall include this assessment of costs and fees.

4.7 Certain Amounts. Whenever pursuant to this Note the Borrower is required to pay an amount in excess of the outstanding Principal Amount (or the portion thereof required to be paid at that time) plus accrued and unpaid interest, the Borrower and the Holder agree that the actual damages to the Holder from the receipt of cash payment on this Note may be difficult to determine and the amount to be so paid by the Borrower represents stipulated damages and not a penalty.

4.8 Purchase Agreement. By its acceptance of this Note, each party agrees to be bound by the applicable terms of the Purchase Agreement.

4.9 Notice of Corporate Events. Except as otherwise provided in this Note, the Holder of this Note shall have no rights as a Holder of Common Stock unless and only to the extent that it converts this Note into Common Stock. The Borrower shall provide the Holder with prior notification of any meeting of the Borrower's shareholders. In the event of any taking by the Borrower of a record of its shareholders for the purpose of determining shareholders who are entitled to receive payment of any dividend or other distribution, any right to subscribe for, purchase or otherwise acquire (including by way of merger, consolidation, reclassification or recapitalization) any share of any class or any other securities or property, or to receive any other right, or for the purpose of determining shareholders who are entitled to vote in connection with any proposed sale, lease or conveyance of all or substantially all of the assets of the Borrower or any proposed liquidation, dissolution or winding up of the Borrower, the Borrower shall mail a notice to the Holder, at least twenty (20) days prior to the record date specified therein (or thirty (30) days prior to the consummation of the transaction or event, whichever is earlier), of the date on which any such record is to be taken for the purpose of such dividend, distribution, right or other event, and a brief statement regarding the amount and character of such dividend, distribution, right or other event to the extent known at such time. The Borrower shall make a public announcement of any event requiring notification to the Holder hereunder substantially simultaneously with the notification to the Holder in accordance with the terms of this Section 4.9 including, but not limited to, name changes, recapitalizations, etc. as soon as possible under law.

4.10 Usury. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable provision shall automatically be revised to equal the maximum rate of interest or other amount deemed interest permitted under applicable law. The Borrower covenants (to the extent that it may lawfully do so) that it will not seek to claim or take advantage of any usury law that would prohibit or forgive the Borrower from paying all or a portion of the Principal Amount or interest on this Note.

4.11 Remedies. The Borrower acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder, by vitiating the intent and purpose of the transaction contemplated hereby. Accordingly, the Borrower acknowledges that the remedy at law for a breach of its obligations under this Note will be inadequate and agrees, in the event of a breach or threatened breach by the Borrower of the provisions of this Note, that the Holder shall be entitled, in addition to all other available remedies at law or in equity, and in addition to the penalties assessable herein, to an injunction or injunctions restraining, preventing or curing any breach of this Note and to enforce specifically the terms and provisions thereof, without the necessity of showing economic loss and without any bond or other security being required. No provision of this Note shall alter or impair the obligation of the Borrower, which is absolute and unconditional, to pay the Principal Amount of, and interest on, this Note at the time, place, and rate, and in the form, herein prescribed.

4.12 Severability. In the event that any provision of this Note is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any provision hereof which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision hereof.

*** signature page follows ***

IN WITNESS WHEREOF, Borrower has caused this Note to be signed in its name by its duly authorized officer as of the Issue Date.

COMPANY:

CID HOLDCO, INC.

By: /s/ Edmund Nabrotzky

Name: Edmund Nabrotzky

Title: Chief Executive Officer

IN WITNESS WHEREOF, Holder has caused this Note to be signed in its name by its duly authorized officer as of the Issue Date.

HOLDER:

**H CAPITAL VENTURES MANAGEMENT
CONSULTANCIES CO. LLC**

By: /s/ Efroyim Hecht

Name: Efroyim Hecht

Title: Managing Director

EXHIBIT A

NOTICE OF CONVERSION

The undersigned hereby elects to convert \$_____ Principal Amount of the Note (defined below) together with \$_____ of accrued and unpaid interest thereto, totaling \$_____ into that number of shares of Common Stock to be issued pursuant to the conversion of the Note ("Common Stock") as set forth below, of CID Holdco, Inc., a Delaware corporation (the "Borrower"), according to the conditions of the unsecured convertible note of the Borrower dated as of **September 10, 2026** (the "Note"), as of the date written below. No fee will be charged to the Holder for any conversion, except for transfer taxes, if any.

Box Checked as to applicable instructions:

- ☐ The Borrower shall electronically transmit the Common Stock issuable pursuant to this Notice of Conversion to the account of the undersigned or its nominee with DTC through its Deposit Withdrawal At Custodian system ("DWAC Transfer").

Name of DTC Prime Broker: _____

Account Number: _____

- ☐ The undersigned hereby requests that the Borrower issue a certificate or certificates for the number of shares of Common Stock set forth below (which numbers are based on the Holder's calculation attached hereto) in the name(s) specified immediately below or, if additional space is necessary, on an attachment hereto:

Name: [NAME] _____

Address: [ADDRESS] _____

Date of Conversion: _____

Applicable Conversion Price: \$ _____

Number of Shares of Common Stock to be
Issued _____

Pursuant to Conversion of the Notes: _____

Amount of Principal Balance Due remaining

Under the Note after this conversion: _____

Accrued and unpaid interest remaining: _____

[HOLDER]

By: _____

Name: [NAME] _____

Title: [TITLE] _____

Date: [DATE] _____

SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT (“Agreement”) is dated as of this 15th day of September 2026 and is entered into by and between LHT I, LLC (“Lender”), and CID Holdco, Inc., a Delaware corporation (the “Company”), See ID, Inc., a Nevada corporation, ShoulderUp Technology Acquisition Corp., a Delaware corporation, and Dot Works, Inc., a Puerto Rico corporation (collectively referred to as “Debtors”), as follows:

WHEREAS, on or about December 4, 2025, the Company and J.J. Astor & Co., a Utah corporation (“Original Lender”), entered into that certain Loan Agreement (as amended, restated, supplemented, or otherwise modified from time to time, and together with all associated Transaction Documents, the “Loan Agreement”), pursuant to which Original Lender made certain loans to the Company and the Company executed and delivered certain promissory notes and granted security interests and other rights in favor of Original Lender;

WHEREAS, pursuant to that certain Note Purchase and Assignment Agreement dated as of June 22, 2026, by and between Original Lender, as seller, and Lender, as buyer (the “Assignment Agreement”), Original Lender assigned, transferred, and conveyed to Lender all of Original Lender’s right, title, and interest in and to the Loan Agreement, including the notes, obligations, security interests, collateral, and all other rights and remedies thereunder, and Lender is now the owner and holder of the Loan Agreement and all Transaction Documents;

WHEREAS, in addition to the Loan Agreement, Phillips Equities & Trust, LLC, a Delaware limited liability company (“Phillips”), and Debtors were parties to that certain Junior Secured Convertible Promissory Note dated June 23, 2026, in the principal amount of \$500,000.00 (the “Phillips Note”), and Phillips has assigned all of its right, title, and interest in and to the Phillips Note to Lender prior to the execution of this Agreement;

WHEREAS, Debtors are in default of their obligations under the Loan Agreement as a result of their numerous failures to pay the required Minimum Monthly Installment Payments beginning in July 2026, coupled with the delisting determination of CID Holdco, Inc. made by The Nasdaq Stock Market LLC (“Nasdaq”) effective August 6, 2026 (which the Company timely appealed with Nasdaq). Specifically, Lender has alleged that the Company is in breach of §§ 5(a)(i) & (v) of the Senior Secured Convertible Note dated December 4, 2025.

WHEREAS, the Parties desire to resolve all defaults and outstanding obligations to the Lender by (a) converting the Note (as defined herein) into shares of Common Stock of the Company, notwithstanding the Beneficial Ownership Limitation (as defined herein), and (b) causing the Debtors to discharge their obligations under the Phillips Note in exchange for the transfer of specified assets of See ID, Inc. and Dot Works, Inc. to Lender, all as more particularly set forth herein;

[Certain information indicated by [***] has been excluded from this Exhibit 10.3 because it is not material.]

WHEREAS, in addition to the Note Conversion, Debtors desire to discharge their obligations under the Phillips Note in exchange for the transfer or assignment of specified assets of See ID, Inc. and Dot Works, Inc. to Lender, as identified on Exhibit "A" attached hereto (the "Asset Transfer");

WHEREAS, in order to avoid the uncertainty, expense, and disruption of litigation, along with the desire to avoid additional interest and penalties, the Parties have agreed to resolve all disputes between them upon the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual promises contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree that the foregoing representations are true, and mutually agree as follows:

1. **Recitals:** The Parties acknowledge and agree that the foregoing recitals are true and correct.

2. **Definitions:** Capitalized terms used but not otherwise defined in this Agreement shall have the meanings given to such terms in the Loan Agreement or, if not defined therein, the Note. For purposes of this Agreement, "Parties" means, collectively, Lender, the Company, and the Debtors.

3. **Consideration:** On the terms and conditions of this Agreement and in full and complete satisfaction of all obligations due and owing Lender under (a) the Loan Agreement and all Transaction Documents, Lender shall convert the Senior Secured Convertible Note dated December 4, 2025 (the "Note") into shares of Common Stock of the Company (the "Note Conversion"), subject to the terms and conditions set forth in Section 8 of this Agreement. Lender hereby agrees that it shall not foreclose upon the Note or exercise any foreclosure remedies with respect to the Collateral (as defined in the Security Agreement (as defined herein)), and (b) under the Phillips Note, Debtors have agreed to convey all of their collective rights, title and interest in and to certain assets of Debtors to Lender, pursuant to the Bills of Sale (as herein defined).

4. **Representations and Warranties of See ID, Inc.:** See ID, Inc. represents and warrants that as of the date of this Agreement and after giving effect to the transactions contemplated by this Agreement, that, with respect to the assets identified in Exhibit "A":

(a) it is the sole legal and beneficial owner of the assets identified in Exhibit "A";

(b) the assets identified on Exhibit "A" are free and clear of all pledges, liens, security interests, and encumbrances;

(c) it has the full power, authority, and capacity to execute this Agreement and to convey the assets identified in Exhibit "A";

(d) the execution and performance of this Agreement, including the conveyance of the assets identified in Exhibit “A”, does not violate any applicable law, agreement, or order to which See ID, Inc. is a party or is subject; and

(e) upon execution of this Agreement, Lender will receive good and valid title to the assets identified in Exhibit “A”, free and clear of all liens or encumbrances.

5. **Representations and Warranties of Dot Works, Inc.:** Dot Works, Inc. represents and warrants that as of the date of this Agreement and after giving effect to the transactions contemplated by this Agreement, that, with respect to the assets identified in Exhibit “A”:

(a) it is the sole legal and beneficial owner of the assets identified in Exhibit “A”;

(b) the assets identified on Exhibit “A” are free and clear of all pledges, liens, security interests, and encumbrances;

(c) it has the full power, authority, and capacity to execute this Agreement and to convey the assets identified in Exhibit “A”;

(d) the execution and performance of this Agreement, including the conveyance of the assets identified in Exhibit “A”, does not violate any applicable law, agreement, or order to which Dot Works, Inc. is a party or is subject; and

(e) upon execution of this Agreement, Lender will receive good and valid title to the assets identified in Exhibit “A”, free and clear of all liens or encumbrances.

6. **Indemnification by Debtors:** Debtors shall and do hereby defend and indemnify Lender of and from any and all alleged or actual loss, damage, cost and expense, including court costs and attorneys’ fees and expenses actually incurred, which Lender may incur or sustain by reason of, or in connection with the representations and warranties made in this Agreement or the conveyance of any assets identified in Exhibit “A.”

7. **Cooperation in Transfer; Transition Services:** (a) Debtors shall facilitate an orderly transfer and conveyance of all assets identified in Exhibit “A” and shall execute any additional transfer documents, consents, and authorizations as may be required by any governmental authority, manufacturer, lender, or third party. (b) In connection with the Asset Transfer, the Company and Lender shall enter into a transition services agreement (the “Transition Services Agreement”), to be executed contemporaneously herewith or promptly thereafter, pursuant to which the Company and its subsidiaries shall provide such services, access, information, and support as may be reasonably necessary to enable Lender to operate the assets transferred pursuant to Section 9 in substantially the same manner as such assets were operated by the Company and its subsidiaries prior to the closing of the transactions contemplated by this Agreement.

8. **Note Conversion; Waiver of Beneficial Ownership Limitation:** In lieu of foreclosure or any other enforcement remedy, Lender shall convert the entire outstanding Default Amount of the Note into shares of Common Stock of the Company (the “Conversion Shares”) at the Conversion Price (as defined in the Registration Rights Agreement dated December 4, 2025) as of the date of this Agreement. The Company shall issue and deliver to Lender, or cause its transfer agent to issue and deliver to Lender, the Conversion Shares within three (3) Trading Days following the date of this Agreement. Notwithstanding the limitation on the Lender beneficially owning more than 4.99% of the number of shares of Common Stock outstanding immediately after giving effect to such issuance (the “Beneficial Ownership Limitation”) contained in the definition of “Conversion Shares” in the Registration Rights Agreement dated December 4, 2025, and in consideration of the Lender’s willingness to resolve all defaults and Events of Default under the Loan Agreement and Transaction Documents, the Note shall be converted into the Conversion Shares in full at the Closing. For the avoidance of doubt, the Lender and the Company acknowledge and agree that the Beneficial Ownership Limitation is hereby waived and not applicable to the transactions under this Agreement in all respects.

9. **Asset Transfer:** In full and complete discharge of all obligations of Debtors under the Phillips Note, See ID, Inc. and Dot Works, Inc. shall transfer, assign, and convey to Lender all of their respective rights, title, and interest in and to the assets identified on Exhibit “A” attached hereto, pursuant to (a) the Bill of Sale, Assignment and Assumption Agreement by and between See ID, Inc., as assignor, and Lender, as assignee, substantially in the form attached hereto as Exhibit “B” (the “See ID Bill of Sale”), and (b) the Bill of Sale, Assignment and Assumption Agreement by and between Dot Works, Inc., as assignor, and Lender, as assignee, substantially in the form attached hereto as Exhibit “C” (the “Dot Works Bill of Sale,” and together with the See ID Bill of Sale, the “Bills of Sale”). Upon delivery of such Bills of Sale, all obligations of Debtors under the Phillips Note shall be fully satisfied and discharged, and Debtors shall have no further obligations to Lender arising thereunder.

10. **Satisfaction and Cancellation of Loan Agreement:** Upon the completion of the Note Conversion in accordance with Section 8 and the Asset Transfer in accordance with Section 9, all obligations created by the Loan Agreement, including the Note and any balance due as of the date of this Agreement, shall be fully satisfied and cancelled, with Debtors having no further obligations to Lender arising thereunder.

11. **Satisfaction and Cancellation of Phillips Note:** Upon the completion of the Asset Transfer in accordance with Section 9, all obligations created by the Phillips Note, including any balance due as of the date of this Agreement, shall be fully satisfied and cancelled, with Debtors having no further obligations to Lender arising thereunder.

12. **Release of Liens:** (a) Effective upon the completion of the Note Conversion and the Asset Transfer, Lender, on behalf of itself and all Secured Parties (as defined in the Pledge and Security Agreement dated December 4, 2025 (the “Security Agreement”)), hereby releases, terminates, and discharges any and all liens, security interests, pledges, charges, and encumbrances on any and all assets, properties, and collateral of the Company, See ID, Inc., ShoulderUp Technology Acquisition Corp., and Dot Works, Inc. (collectively, the “Released Collateral”), including without limitation all liens and security interests granted under (i) the Security Agreement, (ii) the Subsidiary Guarantee dated December 4, 2025, and (iii) any UCC financing statements, filings, or other documents filed or recorded in connection therewith. (b) Lender shall, within ten (10) business days following the date of this Agreement, file or cause to be filed UCC-3 termination statements and such other instruments as may be necessary to evidence the release and termination of all such liens and security interests of record. (c) Lender hereby irrevocably authorizes and empowers the Company and the Debtors to file UCC-3 termination statements, lien releases, and such other documents as may be necessary to evidence and effectuate the releases contemplated by this Section 12.

13. **Default:** Should Debtors fail to comply with the terms of this Agreement, they shall be in default of this Agreement. In the event of any litigation arising out of the terms of this Agreement, the Lender shall be entitled to an award of all attorney’s fees and costs actually incurred.

14. **General Release:** Except for the obligations created by this Agreement, Lender, on behalf of itself and its respective agents, officers, directors, shareholders, managers, members, heirs, attorneys, employees, consultants, insurers, representatives, successors, and assigns, does hereby release Debtors, along with their respective agents, officers, directors, shareholders, managers, members, heirs, attorneys, employees, consultants, insurers, representatives, successors, and assigns, of and from any and all claims, demands, damages, actions, causes of action or suits of any kind or nature whatsoever, whether known or unknown, to person, corporation and to property, in connection with the Loan Agreement.

15. **Authority:** The Parties, including the signatories to this Agreement, represent and warrant that they are entering into this Agreement freely and voluntarily and having been provided with an opportunity to consult with counsel of their choosing.

16. **Closing Deliverables:** At or prior to the date of this Agreement (the “Closing”), each of the following documents shall be executed and delivered by the applicable party:

- (a) See ID, Inc. shall execute and deliver to Lender the See ID Bill of Sale, duly executed by See ID, Inc.;
- (b) Dot Works, Inc. shall execute and deliver to Lender the Dot Works Bill of Sale, duly executed by Dot Works, Inc.;
- (c) Lender shall execute and deliver counterpart signature pages to each of the See ID Bill of Sale and the Dot Works Bill of Sale; and
- (d) Each Party shall deliver such other documents, instruments, certificates, and agreements as may be reasonably requested by any other Party to effectuate the transactions contemplated hereby.

IN WITNESS WHEREOF, the Parties execute this Agreement on the dates set forth below.

LHT I, LLC

CID Holdco, Inc.

By: LHT M, LLC
Its: Manager

/s/ Donald Phillips

By: Donald Phillips
Its: Manager
Date: September 15, 2026

/s/ Edmund Nabrotzky

By: Edmund Nabrotzky
Its: CEO
Date: September 15, 2026

See ID, Inc.

/s/ Edmund Nabrotzky

By: Edmund Nabrotzky
Its: CEO
Date: September 15, 2026

ShoulderUp Technology Acquisition Corp.

/s/ Edmund Nabrotzky

By: Edmund Nabrotzky
Its: CEO
Date: September 15, 2026

Dot Works, Inc.

/s/ Edmund Nabrotzky

By: Edmund Nabrotzky
Its: CEO
Date: September 15, 2026

EXHIBIT “A”

ASSET TRANSFER ASSET SCHEDULE

[* * *]

[* * *] Indicates material that has been redacted from this Exhibit A because it is confidential and not material.

EXHIBIT “B”

FORM OF SEE ID BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT

[* * *]

[* * *] Indicates material that has been redacted from this Exhibit B because it is confidential and not material.

EXHIBIT “C”

FORM OF DOT WORKS BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT

[* * *]

[* * *] Indicates material that has been redacted from this Exhibit C because it is confidential and not material.