

SETTLEMENT AGREEMENT

This Settlement Agreement, dated 07/25/2024 (“Agreement”) is made and entered into by and among Headway Capital, LLC (“Lender”), [REDACTED] (“Borrower”), and [REDACTED] (“Guarantor”). The Borrower and Guarantor may individually be referred to as “Obligor” and collectively referred to as the “Obligors.” Lender, Borrower and the Guarantor shall collectively be referred to as the “Parties.”

RECITALS

The Parties entered into that certain Business-Use Line of Credit Agreement dated 03/06/2023 (“LOC Agreement”; terms used but not otherwise defined in this Agreement shall have the meanings given in the LOC Agreement).

Pursuant to the LOC Agreement, (i) Borrower was provided an initial credit limit of \$75,000.00., and was permitted to draw on the line of credit, up to the credit limit, and (ii) Borrower promised to repay Lender the draw amount, plus accrued interest and fees, on certain ongoing payment dates (“Payment Dates”).

C. As of 07/25/2024 the outstanding balance under the LOC Agreement, including principal, accrued interest, and fees, is \$79,560.19 (“Outstanding Balance”).

D. Borrower’s obligations under the LOC Agreement are guaranteed by the Guarantor.

E. Borrower failed to make one or more payments to Lender on the Payment Dates, resulting in a default pursuant to the LOC Agreement.

The Parties now wish to settle all claims, controversies, and disputes among them, asserted in, and related to, the preceding paragraphs, and any other claims, controversies and disputes among the Parties arising out of or relating to the LOC Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

Confirmation of Indebtedness. The Parties hereby acknowledge that, as of the date hereof, Borrower owes Lender the Outstanding Balance, without condition, reservation, setoff, credit or defense and without any claim, counterclaim, right of recoupment, defense, deduction or offset of any kind or nature.

2. Terms of Settlement. In full satisfaction of the Outstanding Balance, the Borrower will pay to Lender \$65,000.00, in the amounts and on the dates as follows:

08/02/2024 \$677.09

08/09/2024	\$677.09
08/16/2024	\$677.09
08/23/2024	\$677.09
08/30/2024	\$677.09
09/06/2024	\$677.09
09/13/2024	\$677.09
09/20/2024	\$677.09
09/27/2024	\$677.09
10/04/2024	\$677.09
10/11/2024	\$677.09
10/18/2024	\$677.09
10/25/2024	\$677.09
11/01/2024	\$677.09
11/08/2024	\$677.09
11/15/2024	\$677.09
11/22/2024	\$677.09
11/29/2024	\$677.09
12/06/2024	\$677.09
12/13/2024	\$677.09
12/20/2024	\$677.09
12/27/2024	\$677.09
01/03/2025	\$677.09
01/10/2025	\$677.09
01/17/2025	\$677.09
01/24/2025	\$677.09
01/31/2025	\$677.09
02/07/2025	\$677.09
02/14/2025	\$677.09
02/21/2025	\$677.09
02/28/2025	\$677.09
03/07/2025	\$677.09
03/14/2025	\$677.09
03/21/2025	\$677.09
03/28/2025	\$677.09
04/04/2025	\$677.09
04/11/2025	\$677.09
04/18/2025	\$677.09
04/25/2025	\$677.09
05/02/2025	\$677.09
05/09/2025	\$677.09
05/16/2025	\$677.09
05/23/2025	\$677.09
05/30/2025	\$677.09
06/06/2025	\$677.09
06/13/2025	\$677.09
06/20/2025	\$677.09

06/27/2025	\$677.09
07/04/2025	\$677.09
07/11/2025	\$677.09
07/18/2025	\$677.09
07/25/2025	\$677.09
08/01/2025	\$677.09
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08/22/2025	\$677.09
08/29/2025	\$677.09
09/05/2025	\$677.09
09/12/2025	\$677.09
09/19/2025	\$677.09
09/26/2025	\$677.09
10/03/2025	\$677.09
10/10/2025	\$677.09
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12/12/2025	\$677.09
12/19/2025	\$677.09
12/26/2025	\$677.09
01/02/2026	\$677.09
01/09/2026	\$677.09
01/16/2026	\$677.09
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04/24/2026	\$677.09
05/01/2026	\$677.09
05/08/2026	\$677.09

05/15/2026 \$677.09
05/22/2026 \$677.09
05/29/2026 \$677.09

Borrower hereby agrees to make payments set forth in this Section by wiring funds using the instructions below.

Headway Capital Wire account number:

Veritex Bank- Routing #113024164 Account [REDACTED] Borrower should reference their account number [REDACTED] along with their Name. Once Borrower has satisfied its obligation under this Agreement, Lender will consider the loan settled in full and neither Borrower nor Guarantor will have any further payment obligations to Lender.

~~Default; Noncompliance by Obligors.~~ Any violation of this Agreement (including a breach of the payment provisions set forth in Section 2) shall constitute a default hereunder and under the LOC Agreement. Upon the occurrence of a default thereunder, Lender shall have the immediate and automatic right to exercise any and all rights and remedies provided under the LOC Agreement, and under applicable law or inequity, against the Obligors.

~~Representations and Warranties.~~ The representations and warranties made by Obligors in the LOC Agreement are true, complete and correct as of the date hereof as though made as of the date hereof.

~~Reaffirmation of Guaranty.~~ Each Guarantor hereby reaffirms and confirms the guaranty in favor of Lender under the LOC Agreement and acknowledges and agrees that the obligations under the guaranty are in full force and effect and that such Guarantor continues to unconditionally guarantee, and become directly liable to Lender for, the Guaranteed Obligations, as such Guaranteed Obligations may have been amended by this Agreement. This is a guarantee of payment and not of collection.

6. _____ ~~Release by Obligors.~~ Effective upon the execution of this Agreement, each Obligor, together with its respective present, former and future directors, officers, partners, associates, employees, agents, servants, accountants, auditors, insurers, reinsurers, appraisers, investment advisors, underwriters, attorneys, brokers, parents, subsidiaries, affiliates, predecessors, successors, assigns, heirs, executors, personal representatives, estates and administrators, whether express or by operation of law (collectively, the "Obligor Parties"), releases and forever discharges Lender and its present, former and future directors, officers, partners, associates, employees, agents, servants, accountants, auditors, insurers, reinsurers, appraisers, investment advisors, underwriters, attorneys, brokers, parents, subsidiaries, affiliates, predecessors, successors, assigns, heirs, executors, personal representatives, estates and administrators, whether express or by implication or operation of law (collectively, the "Lender Parties"), and any entities and persons who acted or who may have been alleged to have acted on

behalf of or in concert therewith, from all claims, demands, damages, debts, liabilities, obligations, costs, expenses (including but not limited to attorney's fees and expenses pursuant to contract, state statutes, federal statutes, common law, equity, and all relief which could be awarded on account of any such claims), sums of money, set offs, accountings, reckonings, arbitrations, actions and causes of action of every kind and nature whatsoever (each a "Claim" and collectively, the "Claims"), whether at law or in equity, whether in tort or contract, whether under any federal, state, or local law, whether known or unknown, whether suspected or unsuspected, whether actual or contingent, and whether matured or unmatured, irrespective of legal theory, from the beginning of time to the date of this Agreement, which arise from or relate to the LOC Agreement. Each Obligor further agrees, for itself and all Obligor Parties, to indemnify and hold harmless Lender and Lender Parties from any and all damages, costs, fees or expenses whatsoever, including reasonable attorneys' fees of legal counsel to be selected and engaged by Lender in its sole discretion, which are incurred by Lender in connection with any Claim brought, asserted or threatened by any party and having anything to do with the LOC Agreement, at any time after the date on which such Obligor executes this Agreement.

~~Released by Lender. Effective upon the execution of this Agreement, Lender, together with its respective present, former and future directors, officers, partners, associates, employees, agents, servants, accountants, auditors, insurers, reinsurers, appraisers, investment advisors, underwriters, attorneys, brokers, parents, subsidiaries, affiliates, predecessors, successors, assigns, heirs, executors, personal representatives, estates and administrators, whether express or by operation of law (collectively, the "Lender Parties"), releases and forever discharges Obligor and its present, former and future directors, officers, partners, associates, employees, agents, servants, accountants, auditors, insurers, reinsurers, appraisers, investment advisors, underwriters, attorneys, brokers, parents, subsidiaries, affiliates, predecessors, successors, assigns, heirs, executors, personal representatives, estates and administrators, whether express or by implication or operation of law (collectively, the "Obligor Parties"), and any entities and persons who acted or who may have been alleged to have acted on behalf of or in concert therewith, from all claims, demands, damages, debts, liabilities, obligations, costs, expenses (including but not limited to attorney's fees and expenses pursuant to contract, state statutes, federal statutes, common law, equity, and all relief which could be awarded on account of any such claims), sums of money, set offs, accountings, reckonings, arbitrations, actions and causes of action of every kind and nature whatsoever (each a "Claim" and collectively, the "Claims"), whether at law or in equity, whether in tort or contract, whether under any federal, state, or local law, whether known or unknown, whether suspected or unsuspected, whether actual or contingent, and whether matured or unmatured, irrespective of legal theory, from the beginning of time to the date of this Agreement, which arise from or relate to the LOC Agreement. Lender further agrees, for itself and all Lender Parties, to indemnify and hold harmless each Obligor and Obligor Parties from any and all damages, costs, fees or expenses whatsoever, including reasonable attorneys' fees of legal counsel to be selected and engaged by Obligor in its sole discretion, which are incurred by Obligor in connection with any Claim brought, asserted or threatened by any party and having anything to do with the LOC Agreement, at any time after the date on which Lender executes this Agreement.~~

8. _____ Applicable Law; Jurisdiction. Except as set forth to the contrary in the Arbitration Provision, any claim, dispute or controversy arising from or relating to the LOC

Agreement or this Agreement, whether based in contract, tort, fraud or otherwise, is governed by, and construed in accordance with, federal law and, to the extent state law applies, the law of the state which governs the LOC Agreement ("State"). The Obligors consent to the non-exclusive jurisdiction of the federal and state courts located in the State for any litigation relating to this Agreement or the LOC Agreement, subject to the requirements of the Arbitration Provision.

Entire Agreement. Each Obligor acknowledges that this Agreement constitutes the entire agreement between you and us with respect to the settlement, and supersedes and may not be contradicted by evidence of any prior or contemporaneous written or oral communications and understandings between the Obligors and Lender concerning the settlement.

10. Successor and Assigns. Subject to the LOC Agreement, this Agreement shall bind and benefit each of the Parties and their respective successors and assigns.

11. Modifications. This Agreement may not be altered, amended or otherwise changed or modified, except in a writing signed by each of the Parties.

Non-Collusion and Legal Representation. Each Party acknowledges that (a) such Party was represented by legal counsel of such Party's own choosing at the time that this Agreement was reached or (b) such Party had the opportunity to discuss the terms of this Agreement with any independent legal, tax or other advisors that such Party deems appropriate. Each Party further acknowledges that such Party has entered into this Agreement voluntarily, and that such Party is satisfied with the terms and conditions of this Agreement and the competence of their counsel, tax and/or other advisors, if any.

Notice and Cure. Prior to initiating a lawsuit or arbitration regarding a legal dispute or Claim relating in any way to this Agreement, the Claimant shall give the Defending Party a Claim Notice and a reasonable opportunity, not to exceed 14 days, to resolve the Claim on an individual basis. Any Claim Notice to the Obligor shall be sent in writing by mail to the address for the Obligors maintained in Lender's records. Any collection letter Lender sends to this address shall be deemed to be a Claim Notice. Any Claim Notice to Lender shall be sent to Lender by certified mail, return receipt requested, to the Notice Address, Attn: Legal Claim. Any Claim Notice an Obligor sends must provide the Loan Number and telephone number. Any Claim Notice must explain the nature of the Claim and the relief that is demanded. The Claimant must reasonably cooperate in providing any information about the Claim that the Defending Party reasonably requests. Upon receipt of a Claim Notice, Lender will credit the Loan for the standard cost of a certified letter.

Electronic Signatures; Counterparts. This Agreement may be executed in one or more counterparts, each of which counterparts shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. For purposes of the execution of this Agreement, signatures delivered by electronic or facsimile transmission shall be deemed to be an original signature and acceptable for all purposes.

15. Confidentiality. The terms of this Agreement are confidential. No Party, or their respective employees or agents, shall disclose the terms of this Agreement to any third party

except (a) as required by law or an applicable regulatory body or (b) in the ordinary course of business or affairs to those persons or entities with a need to know, as reasonably determined by the Parties.

[Signature Page Follows]