

43NORTH STARTUP COMPETITION AWARD AGREEMENT

COVER PAGE

AWARDEE COMPANY NAME	
ADDRESS	
REPRESENTATIVE #1	
REPRESENTATIVE #2	

43NORTH STARTUP COMPETITION AWARD AGREEMENT

THIS AWARD AGREEMENT (this “Agreement”), effective as of (DATE: _____), is by and between 43North LLC, a New York limited liability company (“43North”) with principal offices located at 1 West Seneca Street, 24th Floor, Buffalo New York 14203, and the undersigned (“Awardee”), as identified on the cover page of this Agreement.

WHEREAS, 43North is administering a Startup Competition (the “Competition); and

WHEREAS, Awardee submitted an application (the “Application”) to 43North to participate in the Competition; and

WHEREAS, Awardee has previously agreed to the Terms and Conditions of the Competition (the “Terms and Conditions”), a copy of which are attached hereto as **Exhibit A** and are hereby incorporated by reference; and

WHEREAS, Awardee has submitted a preliminary outline of target milestones (the “Target Milestones”), as set forth on **Exhibit B** attached hereto (**Exhibit B**, the Application, and all documents submitted by Awardee to 43North are collectively referred to herein as the “Business Plan” and are hereby incorporated by reference); and

WHEREAS, 43North has selected Awardee as a finalist in the Competition.

NOW, THEREFORE, in consideration of the mutual promises and considerations provided for herein, the sufficiency and receipt of which is expressly acknowledged, the parties agree as follows:

1. Participation by Awardee. Awardee agrees to participate in the final round of the Competition in accordance with the Terms and Conditions. Awardee, on behalf of itself and its principals and/or key employees, hereby affirms and ratifies all of the representations and warranties made in connection with the Business Plan as well as the representations and warranties contained in the Terms and Conditions. Awardee further represents and warrants that the information in its Business Plan, including but not limited to the description of Awardee’s business, operations, intellectual property and projections, are materially truthful, accurate and correct and that there is no material omission from such description that would render any material aspect of the Business Plan misleading.

2. Presence at Award Ceremony. Awardee agrees to be present in Buffalo from October 7, 2024 to October 11, 2024 and to participate in the final round of the Competition, which may include a live video broadcast of such final round, to be held on October 10, 2024 (and present for the rehearsal(s) on October 8, 2024 and October 9, 2024 (or, if the event must be rescheduled, such other date(s) chosen by 43North)), or as otherwise explicitly agreed to in writing with 43North. 43North will pay the reasonable travel and accommodation costs of the representatives of Awardee identified on the cover page of this Agreement (the “Named Representatives”) in connection with such final round. Should an Awardee be eliminated

from consideration during the first stage of the final round, the Named Representatives may elect to depart from Buffalo earlier than previously scheduled, paying the difference in travel and accommodation costs resulting from the change. Awardee will be solely responsible for securing any passport, visa or other immigration matters as may be required for the Named Representatives to be present in Buffalo on these dates and to participate in the final round. IF AWARDEE FAILS TO PARTICIPATE IN THE FINAL ROUND OR IS DEEMED UNFIT OR UNABLE TO PARTICIPATE IN THE FINAL ROUND BY 43NORTH, 43NORTH MAY, IN ITS SOLE DISCRETION, IMMEDIATELY TERMINATE AWARDEE'S FURTHER PARTICIPATION IN THE COMPETITION AND SHALL HAVE NO FURTHER OBLIGATION TO AWARDEE. Awardee and the Named Representatives shall execute the Release attached hereto as **Exhibit C** in connection with the final round's media presentation.

3. Conditions of the Award. If Awardee is selected as a winner of a monetary award by 43North in the final round of the Competition, Awardee agrees to accept such monetary award (an "Award") of \$1,000,000. The decision to make an Award, the amount of the Award, and the number of Awards given shall be made by 43North in its sole and absolute discretion. If Awardee is chosen to receive an Award, Awardee shall proceed to work towards with full commitment accomplishing the target milestones according to the timetable contained in **Exhibit B**, as amended pursuant to paragraph 6, below.

4. Relocation. As a condition of any distribution of an Award, Awardee shall materially locate its operations in New York State by locating its Key Officers and a majority of its staff within thirty miles of the New York State Power Authority's ("NYPA") Robert M. Moses Power Project (the "WNYEDF Region"), as specified in the Terms and Conditions, or as otherwise explicitly agreed to in writing with 43North. "Key Officers" shall mean those individuals determined by 43North in its sole and absolute discretion, and generally include CEO, COO, CFO and/or Awardee's founders. Awardee shall headquarter its business at the 43North accelerator location and operate in accordance with the Target Milestones at such location for a period of twelve (12) consecutive months. Operation in the 43North accelerator shall be evidenced by regular and routine use of accelerator space dedicated to Awardee. Absence of all of the Awardee's "Key Officers" from the 43North accelerator for any period of time longer than two (2) consecutive calendar weeks shall be considered breach of the relocation requirement unless explicitly agreed to in writing by 43North.

5. Engagement. As a condition of any distribution of an Award, Awardee shall satisfy the incubation engagement requirements, as determined in the sole and absolute discretion of 43North. Engagement includes satisfaction of the reporting requirements pursuant to paragraph 9, and the following program attendance requirements, without limitation: (a) the 2025 competition launch; (b) the 2025 43North Finals Events; (c) incubation workshops; (d) incubation roundtables; and (e) monthly meetings with 43North leadership; and (f) such other engagement activities that may be reasonably requested by 43North. Awardee agrees that any material deviation from the engagement requirements may be considered a breach of this Agreement, in the sole and absolute discretion of 43North.

6. Payment of Award. If Awardee is selected as a winner of a monetary award in the final round of the Competition, 43North shall pay the Award to Awardee according to a schedule of payments. The disbursement schedule shall be quarterly and require that 10% of the Award be withheld and disbursed at the conclusion of Awardee's 12-month relocation requirement. All payments are conditioned upon Awardee satisfying relocation and engagement requirements. Payment shall be by check to and deposited by Awardee with a bank located in Buffalo, New York, unless otherwise agreed to by Awardee and 43North.

7. Grant of Warrant to Acquire 5% of Equity of Awardee. If Awardee is selected as a winner of an Award, Awardee shall, in consideration of 43North's selection of the Awardee, issue to 43North a warrant to purchase five percent (5%) of the outstanding equity of the entity carrying on Awardee's business as contemplated in the Competition submission and presentations. Such warrant shall be in substantially the form attached hereto as **Exhibit D** (the "Warrant"). The obligation to issue a Warrant pursuant to this paragraph shall be null and void if Awardee is initially selected to be an alternate as provided for in paragraph 13 below and is not selected to receive a monetary award by December 31, 2024, as provided for in paragraph 13. Prior to the first payment of the Award by 43North to Awardee, 43North and Awardee shall execute and deliver the Warrant and such additional documents as 43North shall reasonably require to formally effect any additional covenant contained in this Agreement. However, the right to acquire 5% of the equity of Awardee (as described herein) is deemed to be issued as of the full execution of this Agreement by Awardee and 43North and upon Awardee being named a winner, with or without the formal issuance of the Warrant following execution of this Agreement. Issuance of the 5% equity interest is a material component of this Agreement. The form of the warrant to be executed and delivered to 43North (attached to this Agreement as **Exhibit D**) and is incorporated herein by this reference.

If, as of the date of this Agreement, Awardee, itself, is not a business entity, Awardee agrees that as a condition of participating in the final round of the Competition, Awardee shall form an entity and transfer into that entity all of the rights (including but not limited to intellectual property rights) and assets necessary to carry out the Business Plan.

8. [Intentionally Omitted]

9. Reporting.

A. During the 12-month Relocation period following the initial payment of the Award, the Awardee shall provide to 43North: (a) Awardee's Target Milestones for the 12-month relocation and incubation period; (b) written monthly reports regarding Awardee's progress towards Target Milestones; (c) monthly bank statements related to Awardee; (d) quarterly profit and loss statements in April, July, October and December or each year; (e) responses to survey or other request for information within 10 days of reception; (e) written quarterly and annual reports outlining the status of Awardee's business and progress towards Target Milestones, including but not limited to: (i) the location(s) of Awardee's operations; (ii) products or technology being developed by Awardee; (iii) Awardee's customer information;

(iv) Awardee's financial statements; (v) Awardees bank statements; (vi) the number of jobs created by Awardee; (vii) subsequent qualified fundraising rounds; (viii) a statement of Awardee's equity ownership; (ix) any material change in the Awardee's management, board of directors, development of its proprietary technology, business prospects, intellectual property rights or other material matter, and (x) any other information that 43North may request in its sole and absolute discretion. Modifications to the Target Milestones shall be subject to reasonable review and revision with written approval of 43North in collaboration with Awardee. Awardee agrees that any material deviation from the Target Milestones, may be considered a breach of this Agreement, in the sole and absolute discretion of 43North.

B. During the four (4) year period following the 12-month relocation and incubation period, Awardee shall provide quarterly reports outlining the status of Awardee's business and progress towards Target Milestones, including but not limited to: (i) the location(s) of Awardee's operations; (ii) products or technology being developed by Awardee; (iii) Awardee's customer information; (iv) Awardee's financial statements; (v) Awardee's bank statements; (vi) the number of jobs created by Awardee; (vii) subsequent qualified fundraising rounds; (viii) a statement of Awardee's equity ownership; (ix) any material change in the Awardee's management, board of directors, development of its proprietary technology, business prospects, intellectual property rights or other material matter, any valuation undertaken by Awardee or its shareholders or any event that results in a valuation or an inferred valuation of Awardee and (x) any other such information that 43North may request in its sole and absolute discretion. In the event that 43North elects to provide additional follow-on funding to Awardee in excess of the Award (a "Follow-On Investment"), the reporting requirements of this paragraph 9 shall continue for an additional five (5) years from the date of such Follow-On Investment and the relocation requirements in this Agreement shall be extended as agreed upon by the parties. Valuation information shall, as provided above, shall be required for 10 years following the 12-month relocation and incubation period.

C. Reports of Awardee described in this Agreement, may be shared by 43North with NYPA and/or the New York State, Urban Development Corporation d/b/a Empire State Development ("ESD") and the information contained therein may be included in materials provided by 43North to the press and other media for public consumption. 43North recognizes and acknowledges that such reports may include confidential information of Awardee ("Confidential Information"). 43North agrees that it will not disclose such Confidential Information to the public, provided that Awardee clearly marks such Confidential Information as "Confidential" in these reports. Notwithstanding the foregoing, 43North may disclose Confidential Information that is otherwise in the public domain and where disclosure is otherwise required by law.

D. During the following six-year period, Awardee shall provide (i) quarterly and annual financial statements; (ii) a statement of Awardee's equity ownership; (iii) any material change in the Awardee's management, board of directors or business prospects, (iv)

valuations prepared for purposes of IRC Section 409(a) or any other purpose, (v) key financial terms of any equity financing undertaken by Awardee that may be indicative of the business value of Awardee, (vi) the then current location of Awardee's operations and offices and (vii) the number of jobs created by Awardee in Western New York. In the event that 43North elects to provide additional follow-on funding to Awardee in excess of the Award (a "Follow-On Investment"), the reporting requirements of this paragraph shall continue for an additional five (5) years from the date of such Follow-On Investment and the relocation requirements in this Agreement shall be extended as agreed upon by the parties.

10. Observer Status on Awardee's Board; Right to Conduct Activities. Following Awardee's satisfaction of the 12-month relocation and incubation, Awardee agrees that 43North shall have the right for a period of five (5) years to have a representative of 43North's choosing to sit as a board observer on the board or governing body of Awardee. For clarity, such observer would have no voting rights and would not be a decision-making party on the board. Such right may be exercised by 43North by giving written notice to Awardee. Awardee agrees promptly following acceptance of an Award, and as a condition of funding, Awardee shall execute and deliver such documentation as may be necessary or desirable to give effect to this provision, including a voting agreement of Awardee's shareholders or equity holders. Awardee hereby agrees and acknowledges that 43North conducts an annual business competition, and as part of that competition acquires equity interests in numerous portfolio companies, some of which may be deemed competitive with Awardee's business (as currently conducted or as currently propose to be conducted). Awardee hereby agrees that, to the extent permitted under applicable law, 43North shall not be liable to Awardee for any claim arising out of, or based upon, (i) the investment by 43North in any entity competitive with Awardee, or (ii) actions or investment taken or made by any partner, manager, member, director, officer, mentor, advisor or other representative of 43North to assist any such competitive company, whether or not such action has a detrimental effect on Awardee.

11. Standards of Conduct. Awardee understands and acknowledges that because the Competition is a publicly funded project, it will be held to a high moral standard. Awardee, on behalf of itself and its principals and key employees, agrees that, if at any time during the term of this Agreement it, its principals or key employees, engage in immoral activities or any activities that may adversely affect the reputation of 43North or the Competition, or is convicted of, or pleads no contest to, a crime or misdemeanor involving acts of moral turpitude, 43North may terminate this Agreement, as determined by 43North.

12. Termination for Breach and Recapture. In the event that 43North determines that Awardee has: (i) failed to perform or breached this Agreement; (ii) is incapable of performing under this Agreement; or (iii) has failed to abide by the Terms and Conditions, 43North may suspend any pending payment of the Award and shall notify Awardee of such suspension in writing (a "Suspension Notice"). Awardee shall respond to a Suspension Notice within ten (10) calendar days and advise 43North of how it intends to cure such nonperformance or breach, or demonstrate how it has the ability to continue to perform. 43North may terminate

this Agreement upon ten (10) calendar days' notice thereafter if Awardee cannot cure such nonperformance or demonstrate its ability to continue to perform to the reasonable satisfaction of 43North. In the event that Awardee fails to headquarter and operate its business for twelve (12) consecutive months in accordance with its Business Plan at a location within the WNYEDF Region, as specified in this Agreement and the Terms and Conditions (the "Relocation Condition"), any and all amounts paid to Awardee by 43North shall be subject to recapture by 43North without notice. Awardee agrees to repay such amounts to 43North upon demand by 43North in the event that 43North determines that Awardee has breached the Relocation Condition.

13. Alternates. If Awardee is not selected as a winner of an Award, Awardee may be selected as an alternate in the final round of the Competition. In such event, Awardee agrees to remain available to be selected as a winner of a monetary award until December 31, 2024 in the event that 43North determines that a winner of an Award is not able to fulfill its obligations to 43North. Any grant of Awards to alternates is solely in the discretion of 43North, and 43North is under no obligation to re-allocate award money. If Awardee is not selected by December 31, 2024, to be the winner of a monetary award, this Agreement shall be deemed terminated as of 11:59 p.m. on December 31, 2024.

14. Commitment to Business. If selected as a winner of an Award, Awardee shall devote the whole of Awardee's business efforts to its Business Plan and the Target Milestones and shall cause its personnel to devote the whole of their business efforts to the Business Plan. Where a founder or any of the Key Personnel work part-time or full-time for a third-party, Awardee shall proactively acknowledge this change in status in writing to 43North. Where a founder or any of the Key Personnel are discovered to be working part-time or full-time for a third party without previously disclosing such employment to 43North, 43North may determine that Awardee has breached this Agreement.

15. Immigration Status. Awardee shall be solely responsible for such passports, visa and/or other immigration matters as may be necessary if Awardee's Key Personnel are relocating into the United States pursuant to the Business Plan, Target Milestones and/or Engagement requirements. 43North may request and receive personal information concerning an Awardee's key personnel obtaining a visa or similar permission to work in the United States.

16. Costs Assumed by Awardee. Awardee shall be responsible for all costs related to executing their Business Plan and fulfillment of the Target Milestones, Engagement requirements, Relocation requirements, legal fees, accounting fees, personnel costs, and any tax liability arising from Awardee's receipt of the Award.

17. General Representation of Ability to Perform. Awardee represents and warrants that neither it nor any of its Key Employees are restricted in any manner by any law, rule, regulation or contract from performing: (i) the terms of this Agreement; (ii) the Terms and Conditions; (iii) its Business Plan; (iv) the Warrant, (v) owning or using its assets; (vi) the Target Milestones; (vii) the Engagement requirements; or (viii) the Relocation requirements (collectively the "Obligations"). Awardee represents and warrants that Awardee and

Awardee's Key Personnel have the right to use such intellectual property as may be necessary to perform its Obligations, and/or that Awardee has the ability to obtain such intellectual property as is essential to its Business Plan. To the knowledge of Awardee, the intellectual property necessary to perform its Obligations and carry out its Business Plan does not infringe on the rights of any third party and the Awardee possesses the intellectual property needed to carry out its Business Plan, except as otherwise disclosed to 43North. The Key Personnel are asked to execute Schedule A to this Agreement to acknowledge their understanding of the terms of this Agreement and the Obligations.

18. Execution of This Agreement. If this Agreement is signed by more than one person as an Awardee personally, each such person shall be jointly and severally liable for complying with Awardee's terms and conditions of this Agreement. If the undersigned is a corporation, partnership, limited liability company or other entity, Awardee represents that the person signing this Agreement on behalf of Awardee has been duly authorized to do so.

19. Governing Law and Venue. This Agreement shall be governed and construed in accordance with the laws of the United States of America and the State of New York, without regard to conflicts of law provisions. Exclusive venue for any dispute or litigation arising from the Competition or these terms and conditions shall be the State or Federal courts located in Erie County, New York. Awardee agrees not to challenge such venue and agrees that he/she/it will not argue that such venue is inconvenient. The parties agree to service of process by mail. To the full extent permitted by law, the parties waive any right to a jury.

20. Indemnification. Awardee agrees to defend, indemnify and hold harmless 43North and its respective members, managers, officers, employees, agents and/or affiliates (the foregoing collectively referred to in this Paragraph 20 as the "Indemnified Parties") from and against any all claims and liabilities of any nature whatsoever against any Indemnified Party arising from (i) Awardees' performance or non-performance of the terms and conditions of this Agreement or (ii) any material misrepresentation by Awardee or its principals as to the ownership of its intellectual property rights or other material misrepresentation contained in its Business Plan, including but not limited to inaccuracy or breach of any of the representations or warranties of Awardee contained in this Agreement, the Terms and Conditions or the Warrant.

21. Counterpart Signatures. This Agreement may be executed in multiple counterparts, all of which shall constitute a single agreement. Electronic signatures or signatures by PDF shall be considered valid signatures.

22. Entire Agreement. This Agreement, including all Exhibits, the Warrant and the Terms and Conditions, constitutes the entire agreement of the parties hereto and supersedes any and all prior agreements and understandings, written or oral. In the event of any conflict between this Agreement and the Terms and Conditions, this Agreement shall control.

23. Consent to Background Check. Awardee affirms and acknowledges its consent to 43North performing a background check on Awardee and its principals.

24. Assignment and Binding Effect. No assignment, modification or amendment of this Agreement shall be binding on the parties hereto unless it is in writing and executed by all of the parties hereto. This Agreement shall be binding on and inure to the benefit of each party's successor, assigns and heirs.

25. Confidentiality and Non-Disparagement. Awardee agrees to maintain as confidential any non-public information that is shared with Awardee or obtained by Awardee about the Competition, its judging, its procedures and other candidates, including the identity of any alternate or other Awardees. Awardee agrees on behalf of itself and its principals not to disparage 43North, the Competition, its staff, judges, or Board of Directors in any public statement.

26. Inability to Perform. Awardee understands and agrees that in the event Awardee is unable to perform any of the terms of this Agreement and/or the Terms and Conditions, 43North may reject Awardee, terminate this Agreement and make an Award to an alternate in the Competition.

27. Review by Counsel. Awardee and 43North each acknowledge that they have been given the opportunity to review this Agreement and discuss it with the legal counsel of their choice. This Agreement shall be interpreted as if it had been jointly drafted, and shall not be construed against the drafter.

28. Notices. All notices required by this Agreement shall be in writing and delivered as follows:

If to Awardee: to the address given on the cover page to this Agreement or such other address as Awardee may establish following its relocation to Western New York that is known to 43North.

With a copy to:

If to 43North: 43North LLC
1 West Seneca Street, 24th Floor,
Buffalo New York 14203

With a copy to: Kavinoky Cook LLP
726 Exchange Street, Suite 800
Buffalo, New York 14210
Attn: Jonathan Gardner

Notice may be given by e-mail to a known and working address for either party provided that such e-mail is followed by hard copy delivered by registered mail, hand delivery or recognized air courier.

[INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the date first indicated above.

43NORTH LLC

By: _____
Colleen Heidinger, President

AWARDEE

By: _____

SCHEDULE A

ACKNOWLEDGEMENT OF KEY EMPLOYEES

Each of the undersigned has reviewed the Award Agreement between Awardee and 43North appended hereto and acknowledges and agrees to the representations made by Awardee to 43North on behalf or with respect to the undersigned.

Date:

Date:

Date:

Date:

Date:

EXHIBIT A

TERMS AND CONDITIONS

43North LLC, a New York limited liability company (hereinafter “43North”) is undertaking a business venture competition subject to the following terms and conditions (the “Competition”). Submission of an application in the Competition constitutes a legally binding agreement between the applicant and 43North according to the terms, conditions, and covenants contained herein.

Purpose

The purpose of the Competition is to be part of an overall program aimed at systematically generating more start-up enterprises in Western New York by (i) facilitating applied research and development and enhancing mentoring and other supports for aspiring entrepreneurs, (ii) supporting early-stage firm growth and (iii) attracting more venture funding. This Competition will award a total of up to \$5 million in prizes, with \$1 million per company. It will attract entrepreneurs from around the world to compete for prizes that will turn startup companies with high growth potential into funded enterprises in our region. The campaign will have three features: the Competition (described herein), an “incubator/accelerator” facility located in Western New York, and facilitation of investment in winners of the competition.

Nature of Businesses

The Competition focuses on applicants that are operating companies. All applicants must be seeking outside equity capital in addition to the money to be awarded in the Competition.

Excluded Applicants

The following businesses are **not eligible for the Competition**: (1) retail businesses with brick and mortar storefronts, (2) residential real property business, (3) investment vehicles that invest in the securities of other entities, (4) sports venues, (5) gaming and gambling businesses, (6) places of overnight accommodation, (7) past 43North cash-prize winners, (8) entertainment-related establishments, and (9) single-purpose entertainment or event productions (e.g. movies, albums, concerts). For this purpose, “retail business” means a business that is primarily engaged in making retail sales of goods or services to customers who personally visit such facilities to obtain goods or services. In addition, generally excluded are the following: buy-outs, roll-ups, real estate syndications, tax shelters and franchise-based outlets.

Equity Investment Awards, Benefits and Conditions

Award Amounts and Additional Benefits. 43North will make up to the following equity investment awards (an “Award”) to the winners of the Competition: five awards of \$1 million in equity investment

All Award recipients (sometimes referred to in these terms as an “Awardee”) will receive: (a) access to our business acceleration facility located in Western New York, (b) mentorship from experienced entrepreneurs and (c) exposure to sponsors and stakeholders.

Staged Payment. Recipients will receive their equity investment in staged payments, payable as engagement metrics are met throughout 2025 (such metrics are sometimes referred to herein as the

“Target Milestones”).

Equity Interest to be issued to 43North. As a condition of the Award, Awardees must issue to 43North a purchase right (a “Warrant”) that enables 43North to purchase from the Awardee the number of the most senior equity securities of the Awardee that is equal to 5% of the fully diluted outstanding equity of the Awardee at the time the Warrant is exercised. The Warrant will remain in effect for a period of ten (10) years following the effective date of the Warrant. The closing price at the time of exercise will be the nominal amount of \$100.00. For clarity, 43North would have the right to purchase a 5% interest in the Awardee for a nominal closing price of \$100.00 at any time during the ten (10) years following the date of the Warrant. In the event the Awardee undertakes a “Qualified Round” (as that term is defined below), such Awardee may compel 43North to exercise the Warrant. 43North may assign its rights under the Warrant or any equity security issued under the Warrant to any not-for-profit entity that is substantially funded by the State of New York.

Warrant Exercise; Conversion Base. The Warrant shall be exercisable for a period of ten (10) years from the date of the issuance specified above (the “Exercise Period”). During the Exercise Period, 43North or its successors or assignees (the “Holder”) shall have the right, to be exercised at any time and from time to time and in the sole discretion of the Holder, or as required in the event of a Qualified Round, to purchase from the Company the number of Warrant Shares that is equal to the product of multiplying the Warrant Coverage Percentage, times the total capital stock or equivalent equity interest of the Company issued and outstanding on the date of exercise, computed on a fully diluted basis (the “Company Equity”), assuming, among other things, that all Company Equity that could be issued pursuant to the terms of any other stock option plan, convertible security, or any other document or agreement that could result in the issuance of additional Company Equity have been issued (the “Conversion Base”). In the event that this Warrant is exercised in connection with an equity financing of the Company, the Conversion Base shall be determined as of the time of the closing of such equity financing. Awardees shall notify 43North, in advance, of any event that may give rise to 43North’s right to exercise the Warrant.

Mandatory Conversion. If, during the term of the Warrant, an Awardee undertakes an equity financing in which the Awardee receives investments in excess of \$3 million or more and the Awardee’s pre-money valuation for such equity financing is \$12 million dollars or more (a “Qualified Round”), the Awardee may compel exercise of the Warrant. In the event of a Qualified Round, the Warrant will convert into the most senior class of equity security issued or to be issued in connection with the financing. For clarity, a Qualified Round only includes an equity financing. Debt financing, convertible debt financing or any other form of financing where no valuation of the Awardee is ascribed as part of the investment shall not be considered a Qualified Round.

Relocation Requirement. As a condition of any distribution of an Award, Awardee shall materially locate its operations in New York State by locating its Key Officers and a majority of its staff within thirty (30) miles of the New York State Power Authority’s (“NYPA”) Robert M. Moses Power Project (the “WNYEDF Region”), or as otherwise explicitly agreed to in writing with 43North. “Key Officers” shall mean those individuals determined by 43North in its sole and absolute discretion, and generally include CEO/CTO, COO, CFO and/or Awardee’s founders. The Awardee shall headquarter its business at the 43North incubator location and operate in accordance with the Target Milestones at such location for a period of twelve (12) consecutive months. During this twelve (12) month period, the Awardee shall operate its business in accordance with certain Target Milestones agreed upon by 43North and the Company, and disbursements of the Award may be conditioned upon Operation in the 43North incubator shall be evidenced by regular and routine use of incubator space dedicated to Awardee. Absence by all of the Awardee’s “Key Officers” from the 43North incubator for any period of time longer than two (2) consecutive calendar weeks shall be considered breach of the relocation requirement unless explicitly agreed to in writing by 43North. A significant consideration in the

judging will be whether an applicant is willing to commit to hiring 50% or more of its new hires in Buffalo and how long such commitment would be in effect.

Eligibility and Applications

To be eligible, applications must be submitted via 43North's website at 43North.org/apply, following all protocols described on the website. All applications must be submitted in English.

Review of Applications

Review of applications will occur in three rounds before being invited to participate in Finals during 43North Week. 43North Week will run from October 7, 2024, to October 11, 2024.

First Round. Applicants must fill out, complete and submit a written application, including uploaded business documentation, via the 43North website by June 7, 2024 by 3:00 PM Eastern Time. In the first round, 43North working in collaboration with its panels of judges (the "Committee") will select promising applications from the pool of applicants by in July 8, 2024 by Noon Eastern Time. Such selections shall be made in the sole and absolute discretion of 43North working with the Committee. 43North shall be entitled to begin conducting background checks during the first round on applicants who are identified as semifinalists and may request the consent of applicants for these checks.

Semifinal Round. The semifinal round will follow the first round of judging. In the semifinal round 43North, working with the Committee, will invite such applicants as it selects to engage in further conversation regarding their application, possibly including video conference pitches and interviews and provide such further information as the Committee requests. 43North shall be entitled to conduct background checks on applicants who reach this round of review and may request the consent of applicants for these checks. Competition semifinalists will be selected by 43North, in collaboration with the Committee, in its sole and absolute discretion.

Due Diligence. All applicants selected for the semifinals will be subject to the due diligence of 43North. In order to progress through due diligence, applicants must commit: (a) to provide all necessary agreements and consents necessary for 43North to complete its due diligence review, (b) to personally attend the Finals ceremonies in Buffalo, New York and (c) execute a binding agreement with 43North in which, among other things, they commit to the terms and conditions of receiving an equity investment award, regardless of the amount of the award.

Finals. Finalists will send two members of their leadership to attend 43North Week in Buffalo, New York. Selection of the finalists will be determined and made public the week 43North Finals Week in October, 2024.

- 43North Finals Week will be October 7-11, 2024.
- Up to 10 finalists will pitch before a panel of judges with an eye toward becoming one of the five teams to reach the Award Stage and receive an award investment.

Confidentiality and Intellectual Property

Please review 43North's privacy policy. Access to the applications is granted to 43North (including its officers, managers, members, consultants and agents) and the Committee (collectively, the "Reviewing Parties"). **43North offers no guarantee of confidentiality, either explicit or implicit, in connection with any data or information presented or discussed by applicants.** The Reviewing Parties will not agree to or sign non-disclosure agreements in connection with any application or

applicant. Applicants requiring non-disclosure agreements should not participate. Before submitting their applications, 43North urges applicants to confirm with appropriate advisors or legal counsel that any intellectual property described therein is legally held or licensed by the applicant, is non-infringing and appropriately protected. Applicants should be prepared to provide reasonable back-up documentation for these statements, if requested by 43North. The authors of each applicant submission will retain all copyrights to the contents of their submission, provided that the Reviewing Parties may make photocopies, photographs, and video and/or audio recordings of any data or information divulged, presented, or discussed by any applicant throughout that applicant's participation in the Competition. By entering the Competition, applicants agree to grant a license to 43North and the Reviewing Parties to use such materials without restriction and to conduct such due diligence as the Reviewing Parties determine is necessary or desirable for purposes of evaluating the application and carrying out the Competition as described herein. In addition, the Reviewing Parties will have the right to publicly post certain information about accepted applicants and their applications in the public areas of the Reviewing Parties' websites, including, but not limited to, name and category of business, logo, and an abstract. The Reviewing Parties will also have the right to use the content of applicants' applications for research and other not-for-profit purposes.

Other Conditions

1. Applications can only be submitted once. An individual who submits an application on behalf of a business entity represents and warrants he or she has requisite authority to act on behalf of such entity.
2. For purposes hereof, "applicants" includes individuals and business entities. There is no limit to the number of people on an applicant's team.
3. All applications must be the original work of the applicant making the submission.
4. Existing businesses may propose a new business that would have operations within the WNYEDF Region.
5. Partially completed applications will not be accepted. Applications for the Competition are due by 3:00 PM Eastern Time on June 7, 2024.
6. Applicants risk disqualification if they or someone on their behalf communicates with principals of 43North or the Committee beyond submitting applications and providing further data or information as requested, in an attempt to influence the Competition.
7. The decisions of the Committee and 43North are final, including interpretation of these Terms and Conditions.
8. 43North, its members, officers, directors, agents and employees shall be held harmless by the applicant in the event of any legal action resulting from the participation by the applicant in the Competition.
9. 43North takes no responsibility for agreements between applicants and third parties.
10. Entry materials become the property of 43North.
11. Applicants who engage in immoral, illegal or other activity that may adversely affect the image of 43North, its affiliates, or other applicants, are ineligible for the Competition.

12. All applicants and award recipients must comply with these Terms and Conditions. Any violation of these Terms and Conditions will disqualify an applicant from the Competition, and result in forfeiture of any awards the applicant received in connection with the Competition.
13. Applicants may not withdraw their applications after they are submitted.
14. Award recipients will be required to do the following:
 - Provide regular monthly business reports to 43North Coordinate and attend monthly meetings with 43North staff and mentors;
 - Provide regular monthly reports on their financial status and operations during 2025;
 - Provide quarterly reports to 43North for a five-year period following their arrival to Western New York;
 - Attendance by founders at: the finals and launch events for the 2025 competition, two business mentorship events every month, and two social mentorship events every month;
 - Comply with the Relocation Requirement; and
 - Participate in such other engagement activities as may be reasonably requested by 43North.
15. Awardees will be invited to relocate to WNYEDF Region and allowed to work in the 43North incubator/accelerator as early as possible, however early relocation in November or December of 2024 does not impact the relocation requirement for the entirety of 2025.
16. Applicants shall not publicly disparage 43North, its officers or directors, members of the Committee or public officials or agencies of the State of New York who play a role in the operation of 43North.
17. There is no limit to the number of applications for which an individual person may be a part, except that no individual person can be part of more than one applicant team that receives an Award.
18. Applicants who have received investment from professional venture capital investors are advised to review the terms and conditions of the Warrant with their preferred shareholders prior to submitting an application.

Applicant Representations and Covenants

By submitting an application, applicants represent and warrant that:

1. The information in the application is and will be true and accurate.
2. Where an applicant's business exists in any form other than a limited liability corporation ("LLC") or C-corporation ("C-Corp"), the applicant will take the necessary steps to convert their business to a C-Corp or LLC by January 1, 2025, should their application win an investment award.
3. The ideas contained in the application will not infringe upon the rights, including privacy and intellectual property rights, of any third party.
4. The applicant has a reasonable basis for holding the intellectual property that forms the basis or is integral to the applicant's business or the proposed business submitted in the Competition.

5. The applicant has and will have the right and authority to submit the content in its application to 43North.
6. The applicant will obtain permission or a license, as appropriate, for any third-party materials, information or other intellectual property contained in its application.
7. The applicant will comply with all applicable laws and regulations in connection with its activities relating to the Competition.
8. The applicant will not attempt to hold 43North responsible or liable for any third-party violation of its intellectual property rights as a result of participation in the Competition.
9. The applicant must disclose if any member, officer, director, employee or shareholder of the applicant has a business or close family (parent, sibling, spouse, partner or significant other) relationship with any officer, member, director or senior management person of 43North LLC, 43North BPC Inc., 43North Foundation Inc., Empire State Development Corporation or the New York Power Authority. 43North reserves the right, in its sole discretion, to disqualify an applicant in the event of a conflict of interest.
10. No applicant shall seek the assistance of any member, officer, director, employee or shareholder of 43North.
11. The applicant consents to 43North performing a background check with respect to the applicant and its principals.
12. The applicant has no reason to believe it will be prohibited or otherwise unable to comply with the requirements of an Awardee, including relocation to the WNYEDF Region and issuance of the 5% Warrant.
13. Neither the applicant, nor any of its directors, officers, members or shareholders is subject to any of the “Bad Actor” disqualification events described in Rule 506 promulgated under the Securities Act of 1933, as amended.
14. 43North, its members, officers, directors, employees, and agents shall be held harmless by the applicant in the event of any legal action resulting from the participation by the applicant in the Competition.

Other Factors

43North does not discriminate against any applicant on the basis of race, color, creed, ethnicity, gender, disability, age, sexual orientation, gender expression, military status or marital status. 43North reserves the right to modify these Terms and Conditions in its sole discretion. In the event of a modification, all applicants will be notified. 43North will give weight in the judging to applicants who commit to hiring in Buffalo or Western New York.

Non-U.S. Applicants

Domestic and Non-United States applicants are encouraged to apply. Non-United States applicants are responsible for obtaining any necessary visas and related immigration papers to attend final events of the Competition in Buffalo, New York and to satisfy the appearance requirements and the Relocation Requirements should they receive an Award. 43North may provide assistance with respect to United States visa requirements but cannot render legal advice to applicants and award recipients.

Waiver and Severability

43North may waive any term or condition herein at its sole discretion. Such waiver will not be deemed a waiver of any other term or condition, whether similar or different. If any term or condition herein is invalid or unenforceable, that provision will be construed, limited, modified or, if necessary, severed, to the extent necessary to eliminate its invalidity or unenforceability, and the other provisions will remain in full force and effect.

Governing Law; Submission to Jurisdiction

These terms and conditions shall be governed and construed in accordance with the laws of the United States of America and the State of New York, without regard to conflicts of law provisions. Exclusive venue for any litigation arising from the Competition or these Terms and Conditions shall be the State or Federal courts located in Erie County, New York and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

EXHIBIT B
TARGET MILESTONES

Provide a detailed timetable outlining quarterly milestones for 2025, more expansive than the layout below. The payment schedule will be addressed after award amounts are determined and in conjunction with details outlined in this plan.

Billboard Target Milestone for 2025:

Q1 Milestones:

Q1 Disbursement:

10 Actions of January:

10 Actions of February:

10 Actions of March:

Q2 Milestones:

Q2 Disbursement:

10 Actions of April:

10 Actions of May:

10 Actions of June:

Q3 Milestones:

Q3 Disbursement:

10 Actions of July:

10 Actions of August:

10 Actions of September:

Q4 Milestones:

Q4 Disbursement:

10 Actions of October:

10 Actions of November:

10 Actions of December:

10% of Award Withheld for Disbursement December 2025:

Awardee Initials _____ 43North President Initials _____

EXHIBIT C Participant Release

This Participant Release (“**Release**”) is entered into as of _____, 2024 and given by _____ to 43North LLC (“**Producer**”) in connection with my participation, and that of the “**Awardee**” described in the Business Plan Competition Award Agreement to which this Release is attached, in a production related to the International Business Plan Competition administered by Producer (the “**Program**”). Any references to “I,” or “me” or “my” in this Release refers to myself personally and to the Awardee.

For good and valuable consideration, the receipt and adequacy of which I hereby acknowledge, I hereby agree, as follows:

Producer has the irrevocable right to film, tape, photograph and record me by any and all means (including my conversation(s), voice, recollections, stories, “ad libs” and musical performance) for use in and in connection with the Program and otherwise as Producer elects (my “**Participation**”) and I hereby irrevocably consent to the same. My Participation is being specially ordered by Producer for use as part of a motion picture or audio-visual work and as such is a “work-made-for-hire” and Producer is the sole author and owner of all rights therein forever and for all purposes throughout the universe, including the right to make any changes. To the extent that Producer is not deemed the author and owner of my Participation, I hereby assign, in perpetuity and throughout the universe, all of same to Producer. I agree that Producer may use my Participation in and in connection with the Program and/or any other motion picture or other audiovisual production and the allied, ancillary and subsidiary rights thereto and the exhibition, broadcast, exploitation and any other use of the foregoing throughout the universe in perpetuity by any and all means and media, whether now known or later devised, and in the promotion, advertising, sale, publicizing and exploitation of same and in connection with Producer and/or Producer’s affiliated services. I expressly acknowledge that Producer has no obligation to use my Participation or any part thereof in or in connection with the Program or otherwise and further acknowledge that Producer may delete or edit or change or rearrange all or any of my Participation. I acknowledge and agree that the Program may contain information, statements, or representations (“**Information**”) relating to me of a personal, private, disparaging, embarrassing and/or unfavorable nature, and that such Information may be summarized, edited, or modified in a manner that may be misleading or untrue. I further acknowledge that the Information may expose me, my family, and/or others to public ridicule or embarrassment. I voluntarily agree to participate in the Program with full knowledge of the foregoing and freely and voluntarily assume all risk associated therewith. I hereby waive all so- called “droit moral” rights (and any similar or

analogous rights under the applicable laws of any country of the world) with respect to the use of my Participation. I further irrevocably agree that Producer and any entity which distributes the Program (“**Network**”), including the Network’s programming services, affiliates and sponsors, may use and license others to use my actual or fictitious names, voice, likeness and any biographical facts, in connection with the Program, and for advertising, publicity, marketing, promotional and commercial tie- in purposes in connection with the Program and/or any other works based upon the Program, all allied ancillary and subsidiary rights therein and thereto (including, without limitation, merchandising and commercial tie-in rights), or any other use of the Program, other Network programs and for the institutional purposes of the cable industry generally, in all media now known or hereafter devised. I hereby waive any right that I may have to inspect or approve the finished product or products or the advertising copy, marketing material or printed matter that may be used in connection therewith or the use to which it may be applied. I confirm that, to the best of my knowledge, any statements made by me during my Participation will be true and will not violate or infringe upon any third party's rights. I agree to comply with all instructions regarding general safety and health in connection with the Program.

I hereby agree not to sue and irrevocably and unconditionally release, waive and forever discharge Producer and the Network and their respective past, present and future parents, subsidiaries (whether or not wholly-owned), affiliates, divisions, agents, representatives, employees, successors and assigns, jointly and individually (hereinafter collectively referred to as “**Releasees**”), from any and all manner of liabilities, claims and demands of any kind or nature, whatsoever, in law or equity, whether known or unknown, which I (or my assigns, agents and/or representatives) ever had, now have, or in the future may have against the Releasees, including, but not limited to claims arising out of or related to the uses described herein, the Program and/or my Participation. I further agree that I shall be liable for any attorneys’ fees and costs incurred by Producer in connection with any claim or lawsuit brought in violation of this Release.

In no event shall I be entitled to terminate this Release or any of the rights granted hereunder, or to interfere with, restrain, enjoin or otherwise impair the production, exhibition, distribution or other exploitation of the Program, or the use of any photographs, recordings or other materials produced hereunder, and my sole remedy in any or all cases, shall be an action at law for damages, if any. I further agree that any and all information disclosed to or obtained by me concerning or relating to the Program and/or Producer (collectively, “**Confidential Information**”), shall be strictly confidential, and I hereby agree not to disclose any such Confidential Information to any individual or entity by any means, including without limitation, via “text message” and/or posting on social media (e.g., Facebook, Twitter, etc.). Without limiting the foregoing, I shall not issue or permit the issuance of any publicity whatsoever with respect to Producer, the Program and/or my Participation.

I understand and agree that the Program is a non-guild production and there will be no payment or residuals payable to me in connection with my Participation. I represent and warrant that all information I am providing to Producer on this Release is valid, true and

accurate, that I have provided (or will concurrently provide) to Producer a legible photocopy of my valid driver's license, passport or other acceptable government-issued photo identification for Producer's verification and record-keeping purposes, that I have read and fully understand the terms of this Release and I accept and agree to the terms and that no oral representations, statements or inducements, apart from those contained in this Release, have been made to me.

I understand and agree that if I participate in the Program, then I am willing and able to participate in physical activities relating to my participation in the Program. I understand that said activities may expose me and others to the risk of death, serious injury, illness, disease and/or property damage and by my own volition I agree to assume these risks whether they be known or unknown of any nature (including, without limitation, the foregoing) that may result in any form or relate to my Participation in the Program.

To the maximum extent permitted by law, I acknowledge, understand and agree that all rights under Section 1542 of the Civil Code of California and similar laws of any state or territory of the United States are hereby expressly waived. Said section reads as follows: "1542. Certain claims not affected by general release. A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

I hereby agree to defend, indemnify and hold the Producer harmless from and against any and all such claims, actions, damages, losses, liabilities, costs, expenses, injuries or causes of action, as well as all those that in any way are caused by, arise out of or result from any breach or alleged breach by me of any of the representations or warranties made by me in this Release.

Producer may unconditionally assign or transfer this Release and all or any part of Producer's rights under this Release to any person, firm or corporation without limitation, and this Release shall inure to the benefit of Producer and Producer's agents, licensees, successors and assigns.

This Release contains our entire understanding relating to the subject matter contained therein and cannot be changed, modified or terminated except by a Release signed by both parties. I specifically agree that if any provision of this Release is found to be invalid or unenforceable in any jurisdiction, the other provisions herein shall remain in full force and effect in such jurisdiction and shall be liberally construed in order to effectuate the purpose and intent of this Release, and the invalidity or unenforceability of any provision of this Release in any jurisdiction shall not affect the validity or enforceability of any such provision in any other jurisdiction. This Release sets forth the entire Release between the Producer and I with respect to the subject matter hereof and may not be altered or amended except in writing signed by both parties. This Release may be executed in counterparts and transmitted by facsimile or PDF copy, each of which shall constitute an original and, when taken together, shall constitute a single instrument. This Release shall be governed by and construed in

accordance with New York law as if this Release were executed and performed fully in New York, regardless of where execution and performance hereunder may actually occur, and the courts located in Erie County, New York shall have exclusive jurisdiction of all cases and controversies.

AWARDEE _____

EXHIBIT D
[FORM OF WARRANT]

THIS WARRANT AND THE SECURITIES ISSUABLE UPON THE EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT OR UNLESS SOLD PURSUANT TO RULE 144 UNDER SUCH ACT.

[NAME OF AWARDEE]
EQUITY PURCHASE WARRANT

Warrant Coverage Percentage: 5.0%
Name of Holder: 43North, LLC
Date of Issuance: _____, 2024

For the consideration stipulated in that certain Award Agreement (the “Award Agreement”) dated as of _____, 2024, between [NAME OF AWARDEE], a [STATE OF FORMATION] [TYPE OF ENTITY] (the “Company”) and 43North LLC, the receipt and sufficiency of which is hereby acknowledged, the Company grants to 43North LLC or its successors or assigns (the “Holder” or “43North”), the right to subscribe for and purchase from the Company a certain number of validly issued, fully paid and nonassessable shares of the Company’s most senior equity security or the equity security of the Company issued in a Qualifying Round (as defined herein) or any round that gives rise to the conversion of this Warrant, or, at the election of the Holder, common stock of the Company (the “Warrant Shares”), on the terms and conditions set forth in this warrant (the “Warrant”). Capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Award Agreement.

1. Exercise Period; Conversion Base; No Reduction in Warrant Coverage Percentage; Mandatory Conversions.

(a) Warrant Exercise; Conversion Base. The Warrant shall be exercisable for a period of ten (10) years from the date of the issuance specified above (the “Exercise Period”). During the Exercise Period, the Holder shall have the right, to be exercised at any time and from time to time and in the sole discretion of the Holder, to purchase from the Company the number of Warrant Shares that is equal to the product of multiplying the Warrant Coverage Percentage, times the total capital stock or equivalent equity interest of

the Company issued and outstanding on the date of exercise, computed on a fully diluted basis (the “Company Equity”), assuming, among other things, that all Company Equity that could be issued pursuant to the terms of any other stock option plan, convertible security, SAFE (Simple Agreement for Future Equity) or any other document or agreement that could result in the issuance of additional Company Equity have been issued (the “Conversion Base”). In the event that this Warrant is exercised in connection with an equity financing of the Company, the Conversion Base shall be determined as of the time of the closing of such equity financing.

(b) No Reduction in Warrant Coverage Percentage. In the event of any (i) capital reorganization of the Company, (ii) reclassification of the Company Equity (other than a change in par value or from par value to no par value or from no par value to par value or as a result of a stock dividend or subdivision, split-up, or combination of shares), (iii) a “Change of Control” (as defined below) or (iv) other similar transaction, in each case which entitles the Company Equity holders to receive (either directly or upon subsequent liquidation) stock, securities, or assets with respect to or in exchange for Company Equity shall not effect the Warrant Coverage Percentage. Accordingly, this Warrant shall, immediately after such reorganization, reclassification, Change of Control, or similar transaction, remain outstanding and shall thereafter, in lieu of or in addition to (as the case may be) the number of Warrant Shares then exercisable under this Warrant, be exercisable for the kind and number of shares of stock or other securities or assets of the Company or of the successor Person resulting from such transaction to which the Holder would have been entitled upon such reorganization, reclassification, Change of Control or similar transaction if the Holder had exercised this Warrant in full immediately prior to the time of such reorganization, reclassification, Change of Control, or similar transaction and acquired the applicable number of Warrant Shares then issuable hereunder as a result of such exercise (without taking into account any limitations or restrictions on the exercisability of this Warrant); and, in such case, appropriate adjustment (in form and substance satisfactory to the Holder) shall be made with respect to the Holder's rights under this Warrant to insure that the provisions of this Warrant shall thereafter be applicable, as nearly as possible, to any shares of stock, securities, or assets thereafter acquirable upon exercise of this Warrant. The provisions of this Section 1(b) shall similarly apply to successive reorganizations, reclassifications, Change of Control events, or similar transactions.

The Company shall not effect any such reorganization, reclassification, consolidation, merger, sale, or similar transaction unless, prior to the consummation thereof, the successor Person (if other than the Company) resulting from such reorganization, reclassification, consolidation, merger, sale, or similar transaction, shall assume, by written instrument substantially similar in form and substance to this Warrant and satisfactory to the Holder, the obligation to deliver to the Holder such shares of stock, securities, or assets which, in accordance with the foregoing provisions, such Holder shall be entitled to receive upon exercise of this Warrant. Notwithstanding anything to the contrary contained herein, with respect to any corporate event or other transaction contemplated by the provisions of this Section 1(b), the Holder shall have the right to elect prior to the consummation of such event

or transaction, to give effect to the exercise rights contained in Section 2 instead of giving effect to the provisions contained in this Section 1(b) with respect to this Warrant.

(c) Mandatory Conversion. Notwithstanding the foregoing, the Company may compel exercise of this Warrant if the Company undertakes a “Qualified Round” of equity financing. For this purpose, a “Qualified Round” shall mean:

- (i) an equity financing in which the Company receives investment of Three Million Dollars (\$3,000,000) or more which amount permits the Company to continue its operations for eighteen (18) months or more based upon reasonable projections of the Company’s operating expenses for that period; and
- (ii) the Company’s pre-money valuation for such equity financing is Twelve Million Dollars (\$12,000,000) or more.

In the case of a Qualified Round, this Warrant will convert into the most senior class of equity security issued or to be issued by the Company at the closing of such Qualified Round. Exercise of this Warrant shall take place at the closing of a Qualified Round.

For clarity, a Qualified Round only includes equity financings and does not include a debt or convertible debt financing (or any other form of financing where no valuation of the Company is ascribed as part of the investment).

2. Exercise.

(a) Procedure. This Warrant may be exercised at the discretion of the Holder at any time by the completion of the exercise form attached hereto as **Exhibit A** and by the surrender of this Warrant (properly endorsed) at the office of the Company (or at such other agency or office of the Company in the United States as it may designate by notice in writing to the Holder to the address of the Holder appearing on the books of the Company) and by payment to the Company of One Hundred Dollars (\$100.00) (the “Closing Price”) for the number of Warrant Shares being issued. Upon exercise of this Warrant, certificate(s) or certificates for the Warrant Shares so purchased, registered in the name of the Holder, shall be delivered to the Holder within a reasonable time, not exceeding five (5) business days after the date of exercise. With respect to any such exercise, the Holder shall for all purposes be deemed to have become the holder of record of the number of shares of Stock evidenced by such certificate or certificates from the date on which this Warrant was surrendered and payment of the Closing Price was made irrespective of the date of delivery of such certificate, except that, if the date of such surrender and payment is a date on which the stock transfer books of the Company are closed, the Holder shall be deemed to have become the holder of such shares at the close of business on the next succeeding date on which the stock transfer books are open. No fractional shares shall be issued upon exercise of this Warrant. If any fractional interest in a share would, except for the provision of this Section 2, be delivered upon any such exercise, the Company in lieu of delivering the fractional share thereof, shall pay to the holder thereof an amount in cash equal to the

current market price of such fractional interest as determined in good faith by the Board of Directors of the Company.

(b) Issue Tax. The issuance of certificate(s) for the Warrant Shares upon exercise of this Warrant shall be made without charge to the Holder for any issuance tax in respect thereof, provided that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of any certificate in a name other than that of the Holder. If the Company maintains its share registry in book entry form and does not issue paper share certificates, no paper share certificates shall be required by this Warrant, provided that the Holder shall receive confirmation of the issuance of the Warrant Shares.

(c) Closing of Books. The Company will at no time close its transfer books against the transfer of the shares of Company Equity issued or issuable upon the exercise of this Warrant in any manner which interferes with the timely exercise of this Warrant.

(d) Admission as a Member. If the Company is a limited liability company, the issuance of Warrant Shares shall be interpreted to mean the admission of the Holder as a member of the Company holding a 5% membership interest in the Company (as such percentage may be adjusted as provided herein) with all rights and privileges accorded to Members of the Company. If the Company is a limited liability company, by accepting this Warrant, the Holder agrees to execute a counterpart signature page to the Company's Operating Agreement, as amended.

3. Restrictions on Transfer; Restrictive Legends.

(a) Except as otherwise permitted by this Section 3, in the event the Warrant Shares are certificated the certificate evidencing the Warrant Shares issued upon the exercise of this Warrant shall be stamped or otherwise imprinted with a legend in substantially the following form:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT OR UNLESS SOLD PURSUANT TO RULE 144 UNDER SUCH ACT. THE SECURITIES ARE ALSO SUBJECT TO TRANSFER RESTRICTIONS AS SET

FORTH IN THE COMPANY'S OPERATING AGREEMENT OR SHAREHOLDERS AGREEMENT, AS THE CASE MAY BE.

(b) Notwithstanding the foregoing, the Holder may require the Company to issue a Warrant or a certificate evidencing the Warrant Shares, in each case without a legend, if either (i) such Warrant or such Warrant Shares, as the case may be, have been registered for resale under the Securities Act of 1933, as amended or (ii) the Holder has delivered to the Company an opinion of legal counsel, which opinion shall be addressed to the Company and be reasonably satisfactory in form and substance to the Company's counsel, to the effect that such registration is not required with respect to such Warrant or such Warrant Shares, as the case may be.

4. Representations and Covenants of the Company.

The Company hereby represents and agrees as follows:

(a) Authorization. The execution and delivery of this Warrant has been duly authorized by the Company pursuant to any and all corporate action required for such authorization. No consent or waiver of rights of any shareholder of the Company, holder of convertible securities of the Company or other third party is required for this Warrant to be a valid and binding agreement of the Company. The Warrant Shares issued upon the exercise of this Warrant will, upon payment of the Closing Price and issuance, be duly authorized, validly issued, fully paid and nonassessable, not subject to any preemptive rights, and free from all taxes, liens, security interests, charges and other encumbrances with respect to the issue thereof, other than taxes with respect to any transfer occurring contemporaneously with such issue.

(b) Reservation of Shares. During the period within which this Warrant may be exercised, the Company will at all times have authorized and reserved, and keep available free from preemptive rights, a sufficient number of shares of Company Equity to provide for the exercise of the rights represented by this Warrant.

(c) Notice Requirements for Certain Events. If the Company proposes at any time (i) to declare any dividend or distribution upon any class or series of the Company Equity, whether in cash, property, stock, or other securities and whether or not a regular cash dividend; (ii) to effect any reclassification or recapitalization of the Company Equity; (iii) to merge or consolidate with or into any other business entity, or sell, lease, license, or convey all or substantially all of its assets, or to liquidate, dissolve or wind up; (iv) offer holders of registration rights the opportunity to participate in an underwritten public offering of the company's securities for cash or (v) or if there is to be a Change of Control (as defined below), then, in connection with each such event, the Company shall give Holder (1) at least 20 days prior written notice of the date on which a record will be taken for such dividend, distribution, or subscription rights (and specifying the date on which the

holders of common stock will be entitled thereto) or for determining rights to vote, if any, in respect of the matters referred to in (ii) and (iii) above; (2) in the case of the matters referred to in (ii), (iii) and (v) above at least 20 days prior written notice of the date when the same will take place; and (3) in the case of the matter referred to in (iv) above, the same notice as is given to the holders of such registration rights;

For purposes hereof, a “Change of Control” means (i) a transaction or series of related transactions in which any “person” or “group” (within the meaning of Section 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), becomes the “beneficial owner” (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended), directly or indirectly, of more than 50% of the outstanding voting securities of the Company having the right to vote for the election of members of the Company’s board of directors, (ii) any reorganization, merger or consolidation of the Company, other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of related transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity, (iii) a sale, lease, license or other disposition of all or substantially all of the assets of the Company or (iv) any public offering of stock.

(d) Notice of Adjustment to Conversion Base. Upon any adjustment of the Conversion Base, then the Company shall give written notice thereof, by delivery in person or certified or registered mail, return receipt requested, or by confirmed facsimile or email, addressed to the Holder at the address of Holder as shown on the books of the Company, which notice shall state the Conversion Base resulting from such adjustment, setting forth in reasonable detail the method upon which such calculation is based; and

(e) Notices to Shareholders. So long as the Holder holds this Warrant and/or any of the Warrant Shares, the Company shall deliver to the Holder promptly after mailing, copies of all notices or other written communications to the shareholders or members of the Company, as applicable.

5. Loss or Destruction of Warrant.

Subject to the terms and conditions hereof, upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, of such bond or indemnification as the Company may reasonably require, and, in the case of such mutilation, upon surrender and cancellation of this Warrant, the Company will execute and deliver a new Warrant of like tenor.

6. Registration Rights.

If the Company proposes to register any of its equity securities under the Securities Act of 1933, as amended (the “Securities Act”) for sale to the public for cash or for the account of security holders, (including by reason of a piggyback registration for such security holders) on each such occasion the Company will give written notice to the Holder of this Warrant, no less than fifteen (15) business days prior to the anticipated filing date, of its intention to do so. Upon the written request of the Holder of this Warrant to register any or all Warrant Shares underlying this Warrant (“registrable securities”), the Company will cause the registrable securities as to which registration shall have been so requested to be included in the securities to be covered by the Registration Statement proposed to be filed by the Company, all to the extent requisite to permit the sale or other disposition by the holder of such registerable securities. This Section and the piggyback registration rights afforded to the Holder shall not apply to any registration by the Company on Form S-8 pursuant to which only shares of common stock are registered. In the event Holder exercises its piggyback registration rights hereunder, the Holder shall provide the Company with such information concerning the holder as is required to register the re-sale of the Holder’s shares using the SEC form chosen by the Company. Notwithstanding the foregoing, the number of registrable securities that may be included in any registration statement may be limited to such number as the managing underwriter for such public offering or the Company reasonably believes will not adversely affect the public offering or the price per Share to the Company in such public offering.

7. No Rights or Liabilities as Stockholder.

Nothing contained in this Warrant shall be determined as conferring upon the Holder any rights as a stockholder of the Company or as imposing any liabilities on the Holder to purchase any securities whether such liabilities are asserted by the Company or by creditors or stockholders of the Company or otherwise. Prior to exercise of this Warrant, and except as otherwise provided in this Warrant or the Award Agreement, the Holder shall not be entitled to any rights of a stockholder with respect to the Company Equity.

8. Miscellaneous.

(a) Fees and Expenses of Counsel. The Company shall pay the reasonable fees and expenses of counsel to 43North in connection with any transaction or other matter requiring the involvement of 43North’s legal counsel or other outside professionals. In connection with any transaction, such fees and expenses shall be paid by the Company at closing of the transaction. For clarity, the foregoing requirement shall include any matter brought before shareholders or the Holder as a holder of this Warrant that the Holder, in its reasonable judgment, believes requires consultation with legal counsel.

(b) Entire Agreement. This Warrant and the Award Agreement constitute the entire agreement between the Company and the Holder with respect to the Warrants. No modification or amendment of this Warrant shall be valid unless in writing

signed by both the Company and the Warrant Holder.

(c) Binding Effect; Benefits. This Warrant shall inure to the benefit of and shall be binding upon the Company and the Holder and their respective heirs, legal representatives, successors and assigns. Nothing in this Warrant, expressed or implied, is intended to or shall confer on any person other than the Company and the Holder, or their respective heirs, legal representatives, successors or assigns, any rights, remedies, obligations or liabilities under or by reason of this Warrant.

(d) Section and Other Headings. The section and other headings contained in this Warrant are for reference purposes only and shall not be deemed to be a part of this Warrant or to affect the meaning or interpretation of this Warrant.

(e) Pronouns. All pronouns and any variations thereof refer to the masculine, feminine or neuter, singular or plural, as the context may require.

(f) Further Assurances. Each of the Company and the Holder shall do and perform all such further acts and things and execute and deliver all such other certificates, instruments and documents as the Company or the Holder may, at any time and from time to time, reasonably request in connection with the performance of any of the provisions of this Agreement.

(g) Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the addresses indicated below (or at such other address for a party as shall be specified in a notice given in accordance with this Section 8(g)).

If to the Company:

With a copy to:

If to the Holder: 43North LLC
1 West Seneca Street, 24th Floor,

Buffalo New York 14203
Attn: President

With a copy to: Kavinsky Cook LLP
726 Exchange Street, Suite 800
Buffalo, New York 14210
Attn: Jonathan Gardner

(h) Separability. Any term or provision of this Warrant which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the terms and provisions of this Warrant or affecting the validity or enforceability of any of the terms or provisions of this Warrant in any other jurisdiction.

(i) Assignment.

This Warrant and all rights hereunder are transferable by the Holder without charge to the Holder, upon surrender of this Warrant to the Company with a properly completed and duly executed Assignment in the form attached hereto as **Exhibit B**. Upon such surrender of this Warrant and delivery of the Assignment, the Company shall execute and deliver a new Warrant in the name of the assignee and shall issue to the assignor such new Warrant and this Warrant shall be cancelled. In addition, Holder may designate another party to receive securities issued upon exercise of this Warrant. For clarity, 43North Foundation, Inc, if so designated, may receive the Warrant Shares issued pursuant to this Warrant and is deemed to be a permitted transferee hereunder.

Without limiting any other rights of the Holder hereunder, in the event: (i) that, as a result of this Warrant or the Warrant Shares issuable hereunder, the Holder is granted any right to participate in future offerings of the Company's equity securities (the "Participation Rights") and (ii) the Holder does not wish to utilize such Participation Rights, the Holder may assign such Participation Rights to the New York State Urban Development Corporation d/b/a Empire State Development ("ESD"). The Company further agrees and covenants any instrument memorializing Participation Rights granted to the Holder (if any) shall describe, in reasonable detail, the right of the Holder to assign its Participation Rights to ESD contained in this Section 8(i). The parties acknowledge and agree that, as of the date of this Warrant, the Holder does not possess any Participation Rights, and the Company has not undertaken any obligation to grant Participation Rights to the Holder in the future.

(j) Governing Law, Venue; Submission to Jurisdiction. This Warrant shall be deemed to be a contract made under the laws of New York and for all purposes shall be governed by and construed and enforced in accordance with the laws of such state applicable to such agreements made and to be performed entirely within such state,

exclusive of conflicts of law principles that would apply the law of another jurisdiction. Exclusive venue for any legal action arising from this Warrant shall be in the State courts located in Erie County, New York or in the Federal Court for the Western District of New York. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action, or proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action, or proceeding brought in any such court has been brought in an inconvenient forum.

(k) WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AGREEMENT, ANY DOCUMENT EXECUTED BY ANY PARTY PURSUANT TO THIS AGREEMENT OR THE RELATIONSHIP ESTABLISHED HEREUNDER OR THEREUNDER.

[SIGNATURE PAGE FOLLOWS]

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

[NAME OF AWARDEE]

By: _____
Name, Title

ACKNOWLEDGED AND AGREED:
HOLDER
43NORTH, LLC

By: _____

EXHIBIT A

NOTICE OF CONVERSION

(To be executed upon exercise of this Warrant)

[COMPANY NAME]

Attention: Corporate Secretary

The undersigned hereby elects to purchase, pursuant to the provisions of the Warrant, as follows:

_____ shares of _____ stock/membership interests pursuant to the terms of the attached Warrant, and tenders herewith payment in cash of the Closing Price of such shares of Common Stock/Membership Interests in full, together with all applicable transfer taxes, if any.

43NORTH, LLC

Date: _____

By: _____

Address: _____

Name in which shares should be registered:

EXHIBIT B

FORM OF ASSIGNMENT

(To be executed only upon transfer of this
Warrant)

(To assign the foregoing Warrant, execute
this form and supply required information.
Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby
are hereby assigned to:

Name: _____
(Please Print)

Address: _____
(Please Print)

Dated: _____

Warrantholder's
Name: _____

Warrantholder's
Signature: _____

Warrantholder's
Address: _____