

Dated: October 06, 2020

PURSUANT TO REGULATION A OF THE SECURITIES ACT OF 1933

SOLAR INTEGRATED ROOFING CORP.

1475 N. Cuyamaca St.
El Cajon, CA 92020
(858) 437-5330

<http://www.solarintegratedroofingcorp.com>

95,000,000 Shares of Common Stock at a range of \$0.05 – \$0.20 per Share
Minimum Investment: \$1,000.00
Maximum Offering: \$19,000,000.00

See The Offering - Page 11 and Securities Being Offered - Page 49 For Further Details
None of the Securities Offered Are Being Sold By Present Security Holders
This Offering Will Commence Upon Qualification of this Offering by
the Securities and Exchange Commission and Will Terminate Twelve Months
from the Day the Offering is Qualified or the Date on which the Maximum
Offering Amount is Sold (such earlier date, the "Termination Date").

AN OFFERING STATEMENT PURSUANT TO REGULATION A RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. INFORMATION CONTAINED IN THIS PRELIMINARY OFFERING CIRCULAR IS SUBJECT TO COMPLETION OR AMENDMENT. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED BEFORE THE OFFERING STATEMENT FILED WITH THE COMMISSION IS QUALIFIED. THIS PRELIMINARY OFFERING CIRCULAR SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR MAY THERE BE ANY SALES OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL BEFORE REGISTRATION OR QUALIFICATION UNDER THE LAWS OF ANY SUCH STATE.

PLEASE REVIEW ALL RISK FACTORS DISCLOSED HEREIN BEFORE MAKING AN INVESTMENT IN THIS COMPANY. AN INVESTMENT IN THIS COMPANY SHOULD ONLY BE MADE IF YOU ARE CAPABLE OF EVALUATING THE RISKS AND MERITS OF THIS INVESTMENT AND IF YOU HAVE SUFFICIENT RESOURCES TO BEAR THE ENTIRE LOSS OF YOUR INVESTMENT, SHOULD THAT OCCUR.

THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION DOES NOT PASS UPON THE MERITS OF OR GIVE ITS APPROVAL TO ANY SECURITIES OFFERED OR THE TERMS OF THE OFFERING, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING CIRCULAR OR OTHER SELLING LITERATURE. THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE COMMISSION; HOWEVER, THE COMMISSION HAS NOT MADE AN INDEPENDENT DETERMINATION THAT THE SECURITIES OFFERED HEREUNDER ARE EXEMPT FROM REGISTRATION.

Because these securities are being offered on a "best efforts" basis, the following disclosures are hereby made:

	Price to Public	Commissions (1)	Proceeds to Company (2)	Proceeds to Other Persons (3)
Per Share	\$0.05-\$0.20	\$0	\$0.05-\$0.20	None
Minimum Investment	\$1,000	\$0	\$1,000	None
Maximum Offering	\$19,000,000	\$0	\$19,000,000	None

(1) The Company shall pay no commissions to underwriters for the sale of securities under this Offering.

(2) Does not reflect payment of expenses of this offering, which are estimated to not exceed \$10,000.00 and which include, among other things, legal fees, accounting costs, reproduction expenses, due diligence, marketing, consulting, administrative services other costs of blue sky compliance, and actual out-of-pocket expenses incurred by the Company selling the Shares, but which do not include fees to be paid to the escrow agent and technology providers, if any. This amount represents the proceeds of the offering to the Company, which will be used as set out in "USE OF PROCEEDS TO ISSUER."

(3) There are no finder's fees or other fees being paid to third parties from the proceeds. See 'PLAN OF DISTRIBUTION.'

GENERALLY, NO SALE MAY BE MADE TO YOU IN THIS OFFERING IF THE AGGREGATE PURCHASE PRICE YOU PAY IS MORE THAN 10% OF THE GREATER OF YOUR ANNUAL INCOME OR NET WORTH. DIFFERENT RULES APPLY TO ACCREDITED INVESTORS AND NON-NATURAL PERSONS. BEFORE MAKING ANY REPRESENTATION THAT YOUR INVESTMENT DOES NOT EXCEED APPLICABLE THRESHOLDS, WE ENCOURAGE YOU TO REVIEW RULE 251(D)(2)(D)(C) OF REGULATION A. FOR GENERAL INFORMATION ON INVESTING, WE ENCOURAGE YOU TO REFER TO WWW.INVESTOR.GOV.

This offering (the "Offering") consists of Common Stock (the "Shares" or individually, each a "Share") that is being offered on a "best efforts" basis, which means that there is no guarantee that any minimum amount will be sold. The Shares are being offered and sold by Solar Integrated Roofing Corp, a Nevada Corporation ("SIRC" or the "Company"). There are 95,000,000 Shares being offered at a price range of \$0.05 – \$0.20 per Share with a minimum investment of \$1,000 shares per investor. The Shares are being offered on a best efforts basis to an unlimited number of accredited investors and an unlimited number of non-accredited investors only by the Company. The maximum aggregate amount of the Shares offered is \$19,000,000.00 (the "Maximum Offering"). There is no minimum number of Shares that needs to be sold in order for funds to be released to the Company and for this Offering to close.

The Shares are being offered pursuant to Regulation A of Section 3(b) of the Securities Act of 1933, as amended, for Tier 1 offerings. The Shares will only be issued to purchasers who satisfy the requirements set forth in Regulation A. The offering is expected to expire on the first of: (i) all of the Shares offered are sold; or (ii) the close of business 12 months from the date of qualification by the Commission, unless sooner terminated or extended by the Company's CEO. Upon closing under the terms as set out in this Offering Circular, funds will be immediately transferred to the Company where they will be available for use in the operations of the Company's business in a manner consistent with the "USE OF PROCEEDS TO ISSUER" in this Offering Circular.

THIS OFFERING CIRCULAR DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION WOULD BE UNLAWFUL. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS CONCERNING THE COMPANY OTHER THAN THOSE CONTAINED IN THIS OFFERING CIRCULAR, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON.

PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS OFFERING CIRCULAR, OR OF ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM THE COMPANY OR ANY OF ITS EMPLOYEES, AGENTS OR AFFILIATES, AS INVESTMENT, LEGAL, FINANCIAL OR TAX ADVICE.

NASAA UNIFORM LEGEND

FOR RESIDENTS OF ALL STATES: THE PRESENCE OF A LEGEND FOR ANY GIVEN STATE REFLECTS ONLY THAT A LEGEND MAY BE REQUIRED BY THAT STATE AND SHOULD NOT BE CONSTRUED TO MEAN AN OFFER OR SALE MAY BE MADE IN A PARTICULAR STATE. IF YOU ARE UNCERTAIN AS TO WHETHER OR NOT OFFERS OR SALES MAY BE LAWFULLY MADE IN ANY GIVEN STATE, YOU ARE HEREBY ADVISED TO CONTACT THE COMPANY. THE SECURITIES DESCRIBED IN THIS OFFERING CIRCULAR HAVE NOT BEEN REGISTERED UNDER ANY STATE SECURITIES LAWS (COMMONLY CALLED 'BLUE SKY' LAWS).

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICE TO FOREIGN INVESTORS

IF THE PURCHASER LIVES OUTSIDE THE UNITED STATES, IT IS THE PURCHASER'S RESPONSIBILITY TO FULLY OBSERVE THE LAWS OF ANY RELEVANT TERRITORY OR JURISDICTION OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY PURCHASE OF THE SECURITIES, INCLUDING OBTAINING REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER REQUIRED LEGAL OR OTHER FORMALITIES. THE COMPANY RESERVES THE RIGHT TO DENY THE PURCHASE OF THE SECURITIES BY ANY FOREIGN PURCHASER.

Forward Looking Statement Disclosure

This Form 1-A, Offering Circular, and any documents incorporated by reference herein or therein contain forward-looking statements and are subject to risks and uncertainties. All statements other than statements of historical fact or relating to present facts or current conditions included in this Form 1-A, Offering Circular, and any documents incorporated by reference are forward-looking statements. Forward-looking statements give the Company's current reasonable expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as 'anticipate,' 'estimate,' 'expect,' 'project,' 'plan,' 'intend,' 'believe,' 'may,' 'should,' 'can have,' 'likely' and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events. The forward-looking statements contained in this Form 1-A, Offering Circular, and any documents incorporated by reference herein or therein are based on reasonable assumptions the Company has made in light of its industry experience, perceptions of historical trends, current conditions, expected future developments and other factors it believes are appropriate under the circumstances. As you read and consider this Form 1-A, Offering Circular, and any documents incorporated by reference, you should understand that these statements are not guarantees of performance or results. They involve risks, uncertainties (many of which are beyond the Company's control) and assumptions. Although the Company believes that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect its actual operating and financial performance and cause its performance to differ materially from the performance anticipated in the forward-looking statements. Should one or more of these risks or uncertainties materialize, or should any of these assumptions prove incorrect or change, the Company's actual operating and financial performance may vary in material respects from the performance projected in these forward-looking statements. Any forward-looking statement made by the Company in this Form 1-A, Offering Circular or any documents incorporated by reference herein speaks only as of the date of this Form 1-A, Offering Circular or any documents incorporated by reference herein. Factors or events that could cause our actual operating and financial performance to differ may emerge from time to time, and it is not possible for the Company to predict all of them. The Company undertakes no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

About This Form 1-A and Offering Circular

In making an investment decision, you should rely only on the information contained in this Form 1-A and Offering Circular. The Company has not authorized anyone to provide you with information different from that contained in this Form 1-A and Offering Circular. We are offering to sell, and seeking offers to buy the Shares only in jurisdictions where offers and sales are permitted. You should assume that the information contained in this Form 1-A and Offering Circular is accurate only as of the date of this Form 1-A and Offering Circular, regardless of the time of delivery of this Form 1-A and Offering Circular. Our business, financial condition, results of operations, and prospects may have changed since that date. Statements contained herein as to the content of any agreements or other documents are summaries and, therefore, are necessarily selective and incomplete and are qualified in their entirety by the actual agreements or other documents.

TABLE OF CONTENTS

<u>OFFERING SUMMARY AND RISK FACTORS</u>	1
<u>OFFERING SUMMARY</u>	1
<u>THE OFFERING</u>	1
<u>INVESTMENT ANALYSIS</u>	1
<u>RISK FACTORS</u>	1
<u>PLAN OF DISTRIBUTION</u>	10
<u>USE OF PROCEEDS TO ISSUER</u>	11
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION</u>	12
<u>RESULTS OF OPERATIONS</u>	13
<u>LIQUIDITY AND CAPITAL RESOURCES</u>	13
<u>OFF-BALANCE SHEET ARRANGEMENTS</u>	14
<u>CRITICAL ACCOUNTING POLICIES</u>	14
<u>DIRECTORS, EXECUTIVE OFFICERS AND SIGNIFICANT EMPLOYEES</u>	18
<u>COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS</u>	19
<u>SECURITY OWNERSHIP OF MANAGEMENT AND CERTAIN SECURITYHOLDERS</u>	20
<u>INTEREST OF MANAGEMENT AND OTHERS IN CERTAIN TRANSACTIONS</u>	21
<u>SECURITIES BEING OFFERED</u>	21
<u>DISQUALIFYING EVENTS DISCLOSURE</u>	22
<u>ERISA CONSIDERATIONS</u>	22
<u>INVESTOR ELIGIBILITY STANDARDS</u>	23
<u>SIGNATURES</u>	24

OFFERING SUMMARY AND RISK FACTORS
OFFERING SUMMARY

The following summary is qualified in its entirety by the more detailed information appearing elsewhere in this Offering Circular and/or incorporated by reference in this Offering Circular. For full offering details, please (1) thoroughly review this Form 1-A filed with the Securities and Exchange Commission (2) thoroughly review this Offering Circular and (3) thoroughly review any attached documents to or documents referenced in, this Form 1-A and Offering Circular.

Type of Stock Offering:	Common Stock
Price Per Share:	\$0.05 to \$0.20
Minimum Investment:	\$1,000.00 per investor
Maximum Offering:	\$19,000,000.00. The Company will not accept investments greater than the Maximum Offering amount.
Maximum Shares Offered:	95,000,000 Shares of Common Stock
Use of Proceeds:	See the description in section entitled "USE OF PROCEEDS TO ISSUER" on page 32 herein.
Voting Rights:	The Shares have full voting rights.
Length of Offering:	Shares will be offered on a continuous basis until either (1) the maximum number of Shares or sold; (2) 12 months from the date of qualification by the Commission, or (3) the Company in its sole discretion withdraws this Offering.

The Offering

Common Stock Outstanding (1)	167,693,681 Shares
Common Stock in this Offering	95,000,000 Shares
Stock to be outstanding after the offering (2)	262,693,681 Shares

(1) The Company has also authorized 5,000,000 shares of Class A Preferred Stock, of which all 5,000,000 shares are issued and outstanding, and 20,000,000 shares of Class B Preferred Stock of which 13,000,000 shares are issued and outstanding at present. No Preferred Stock is being sold in this Offering.

(2) The total number of Shares of Common Stock assumes that the maximum number of Shares are sold in this offering.

The Company may not be able to sell the Maximum Offering Amount. The Company may conduct one or more closings on a rolling basis as funds are received from investors.

The net proceeds of the Offering will be the gross proceeds of the Shares sold minus the expenses of the offering.

Our common stock is quoted on OTCMarkets.com under trading symbol "SIRC." We are not listed on any trading market or stock exchange, and our ability to list our stock in the future is uncertain. Investors should not assume that the Offered Shares will be listed. A consistent public trading market for the shares may not develop.

Investment Analysis

There is no assurance Solar Integrated Roofing Corp. will be profitable, or that management's opinion of the Company's future prospects will not be outweighed in the by unanticipated losses, adverse regulatory developments and other risks. Investors should carefully consider the various risk factors below before investing in the Shares.

RISK FACTORS

The purchase of the Company's Common Stock involves substantial risks. You should carefully consider the following risk factors in addition to any other risks associated with this investment. The Shares offered by the Company constitute a highly speculative investment and you should be in an economic position to lose your entire investment. The risks listed do not necessarily comprise all those associated with an investment in the Shares

and are not set out in any particular order of priority. Additional risks and uncertainties may also have an adverse effect on the Company's business and your investment in the Shares. An investment in the Company may not be suitable for all recipients of this Offering Circular. You are advised to consult an independent professional adviser or attorney who specializes in investments of this kind before making any decision to invest. You should consider carefully whether an investment in the Company is suitable in the light of your personal circumstances and the financial resources available to you.

The discussions and information in this Offering Circular may contain both historical and forward-looking statements. To the extent that the Offering Circular contains forward-looking statements regarding the financial condition, operating results, business prospects, or any other aspect of the Company's business, please be advised that the Company's actual financial condition, operating results, and business performance may differ materially from that projected or estimated by the Company in forward-looking statements. The Company has attempted to identify, in context, certain of the factors it currently believes may cause actual future experience and results may differ from the Company's current expectations.

Before investing, you should carefully read and carefully consider the following risk factors:

Risks Relating to the Company and Its Business

The Company Has Limited Operating History

The Company has a limited operating history and has suffered losses and there can be no assurance that the Company's proposed plan of business can be realized in the manner contemplated and, if it cannot be, shareholders may lose all or a substantial part of their investment. There is no guarantee that it will ever realize any significant operating revenues or that its operations will ever be profitable.

The Company Is Dependent Upon Its Management, Key Personnel and Consultants to Execute the Business Plan

The Company's success is heavily dependent upon the continued active participation of the Company's current executive officers as well as other key personnel and consultants. Loss of the services of one or more of these individuals could have a material adverse effect upon the Company's business, financial condition, or results of operations. Further, the Company's success and achievement of the Company's growth plans depend on the Company's ability to recruit, hire, train and retain other highly qualified technical and managerial personnel. The inability to attract and retain the necessary personnel, consultants and advisors could have a material adverse effect on the Company's business, financial condition or results of operations.

Although Dependent Upon Certain Key Personnel, The Company Does Not Have Any Key Man Life Insurance Policies On Any Such People

The Company is dependent upon management in order to conduct its operations and execute its business plan; however, the Company has not purchased any insurance policies with respect to those individuals in the event of their death or disability. Therefore, should any of these key personnel or management die or become disabled, the Company will not receive any compensation that would assist with such person's absence. The loss of such person could negatively affect the Company and its operations.

The Company Is Subject To Income Taxes As Well As Non-Income Based Taxes, Such As Payroll, Sales, Use, Value-Added, Net Worth, Property And Goods And Services Taxes.

Significant judgment is required in determining our provision for income taxes and other tax liabilities. In the ordinary course of our business, there are many transactions and calculations where the ultimate tax determination is uncertain. Although the Company believes that our tax estimates will be reasonable: (i) there is no assurance that the final determination of tax audits or tax disputes will not be different from what is reflected in our income tax provisions, expense amounts for non-income based taxes and accruals and (ii) any material differences could have an adverse effect on our consolidated financial position and results of operations in the period or periods for which determination is made.

The Company Is Not Subject To Sarbanes-Oxley Regulations And Lack The Financial Controls And Safeguards Required Of Public Companies.

The Company does not have the internal infrastructure necessary, and is not required, to complete an attestation about our financial controls that would be required under Section 404 of the Sarbanes-Oxley Act of 2002. There can be no assurances that there are no significant deficiencies or material weaknesses in the quality of our financial controls. The Company expects to incur additional expenses and diversion of management's time if and when it becomes necessary to perform the system and process evaluation, testing and remediation required in order to comply with the management certification and auditor attestation requirements.

The Company Has Engaged In Certain Transactions With Related Persons.

Please see the section of this Offering Circular entitled "Interest of Management and Others in Certain Related-Party Transactions and Agreements."

Changes In Employment Laws Or Regulation Could Harm The Company's Performance.

Various federal and state labor laws govern the Company's relationship with our employees and affect operating costs. These laws may include minimum wage requirements, overtime pay, healthcare reform and the implementation of various federal and state healthcare laws, unemployment tax rates, workers' compensation rates, citizenship requirements, union membership and sales taxes. A number of factors could adversely affect our operating results, including additional government-imposed increases in minimum wages, overtime pay, paid leaves of absence and mandated health benefits, mandated training for employees, changing regulations from the National Labor Relations Board and increased employee litigation including claims relating to the Fair Labor Standards Act.

The Company's Bank Accounts Will Not Be Fully Insured

The Company's regular bank accounts each have federal insurance that is limited to a certain amount of coverage. It is anticipated that the account balances in each account may exceed those limits at times. In the event that any of Company's banks should fail, the Company may not be able to recover all amounts deposited in these bank accounts.

The Company Will Likely Incur Debt

The Company has incurred debt and expects to incur future debt in order to fund operations. Complying with obligations under such indebtedness may have a material adverse effect on the Company and on your investment.

The Company's Expenses Could Increase Without a Corresponding Increase in Revenues

The Company's operating and other expenses could increase without a corresponding increase in revenues, which could have a material adverse effect on the Company's consolidated financial results and on your investment. Factors which could increase operating and other expenses include, but are not limited to (1) increases in the rate of inflation, (2) increases in taxes and other statutory charges, (3) changes in laws, regulations or government policies which increase the costs of compliance with such laws, regulations or policies, (4) significant increases in insurance premiums, and (5) increases in borrowing costs.

The Company Will Be Reliant On Key Suppliers

The Company intends to enter into agreements with key suppliers and will be reliant on positive and continuing relationships with such suppliers. Termination of those agreements, variations in their terms or the failure of a key supplier to comply with its obligations under these agreements (including if a key supplier were to become insolvent) could have a material adverse effect on the Company's consolidated financial results and on your investment.

Increased Costs Could Affect The Company

An increase in the cost of raw materials or energy could affect the Company's profitability. Commodity and other price changes may result in unexpected increases in the cost of raw materials, glass bottles and other packaging materials used by the Company. The Company may also be adversely affected by shortages of raw materials or packaging materials. In addition, energy cost increases could result in higher transportation, freight and other operating costs. The Company may not be able to increase its prices to offset these increased costs without suffering reduced volume, sales and operating profit, and this could have an adverse effect on your investment.

Inability to Maintain and Enhance Product Image

It is important that the Company maintains and enhances the image of its existing and new products. The image and reputation of the Company's products may be impacted for various reasons including litigation, complaints from regulatory bodies resulting from quality failure, illness or other health concerns. Such concerns, even when unsubstantiated, could be harmful to the Company's image and the reputation of its products. From time to time, the Company may receive complaints from customers regarding products purchased from the Company. The Company may in the future receive correspondence from customers requesting reimbursement. Certain dissatisfied customers may threaten legal action against the Company if no reimbursement is made. The Company may become subject to product liability lawsuits from customers alleging injury because of a purported defect in products or sold by the Company, claiming substantial damages and demanding payments from the Company. The Company is in the chain of title when it manufactures, supplies or distributes products, and therefore is subject to the risk of being held legally responsible for them. These claims may not be covered by the Company's insurance policies. Any resulting litigation could be costly for the Company, divert management attention, and could result in increased costs of doing business, or otherwise have a material adverse effect on the Company's business, results of operations, and financial condition. Any negative publicity generated as a result of customer complaints about the Company's products could damage the Company's reputation and diminish the value of the Company's brand, which could have a material adverse effect on the Company's business, results of operations, and financial condition, as well as your investment. Deterioration in the Company's brand equity (brand image, reputation and product quality) may have a material adverse effect on its consolidated financial results as well as your investment.

If We Are Unable To Protect Effectively Our Intellectual Property, We May Not Be Able To Operate Our Business, Which Would Impair Our Ability To Compete

Our success will depend on our ability to obtain and maintain meaningful intellectual property protection for any such intellectual property. The names and/or logos of Company brands (whether owned by the Company or licensed to us) may be challenged by holders of trademarks who file opposition notices, or otherwise contest trademark applications by the Company for its brands. Similarly, domains owned and used by the Company may be challenged by others who contest the ability of the Company to use the domain name or URL. Such challenges could have a material adverse effect on the Company's consolidated financial results as well as your investment.

Computer, Website or Information System Breakdown Could Affect The Company's Business

Computer, website and/or information system breakdowns as well as cyber security attacks could impair the Company's ability to service its customers leading to reduced revenue from sales and/or reputational damage, which could have a material adverse effect on the Company's consolidated financial results as well as your investment.

Changes In The Economy Could Have a Detrimental Impact On The Company

Changes in the general economic climate could have a detrimental impact on consumer expenditure and therefore on the Company's revenue. It is possible that recessionary pressures and other economic factors (such as declining incomes, future potential rising interest rates, higher unemployment and tax increases) may adversely affect customers' confidence and willingness to spend. Any of such events or occurrences could have a material adverse effect on the Company's consolidated financial results and on your investment.

The Amount Of Capital The Company Is Attempting To Raise In This Offering Is Not Enough To Sustain The Company's Current Business Plan

In order to achieve the Company's near and long-term goals, the Company will need to procure funds in addition to the amount raised in the Offering. There is no guarantee the Company will be able to raise such funds on acceptable terms or at all. If we are not able to raise sufficient capital in the future, we will not be able to execute our business plan, our continued operations will be in jeopardy and we may be forced to cease operations and sell or otherwise transfer all or substantially all of our remaining assets, which could cause you to lose all or a portion of your investment.

Additional Financing May Be Necessary For The Implementation Of Our Growth Strategy

The Company may require additional debt or equity financing to pursue our growth and business strategies. These include, but are not limited to enhancing our operating infrastructure and otherwise respond to competitive pressures. Given our limited operating history and existing losses, there can be no assurance that additional financing will be available, or, if available, that the terms will be acceptable to us. Lack of additional funding could force us to curtail substantially our growth plans. Furthermore, the issuance by us of any additional securities pursuant to any future fundraising activities undertaken by us would dilute the ownership of existing shareholders and may reduce the price of our Shares.

Our Employees, Executive Officers, Directors And Insider Shareholders Beneficially Own Or Control A Substantial Portion Of Our Outstanding Shares

Our employees, executive officers, directors and insider shareholders beneficially own or control a substantial portion of our outstanding common and preferred stock, which may limit your ability and the ability of our other shareholders, whether acting alone or together, to propose or direct the management or overall direction of our Company. Additionally, this concentration of ownership could discourage or prevent a potential takeover of our Company that might otherwise result in an investor receiving a premium over the market price for his Shares. The majority of our currently outstanding Shares of stock is beneficially owned and controlled by a group of insiders, including our employees, directors, executive officers and inside shareholders. Accordingly, our employees, directors, executive officers and insider shareholders may have the power to control the election of our directors and the approval of actions for which the approval of our shareholders is required. If you acquire our Shares, you will have no effective voice in the management of our Company. Such concentrated control of our Company may adversely affect the price of our Shares. Our principal shareholders may be able to control matters requiring approval by our shareholders, including the election of directors, mergers or other business combinations. Such concentrated control may also make it difficult for our shareholders to receive a premium for their Shares in the event that we merge with a third party or enter into different transactions, which require shareholder approval. These provisions could also limit the price that investors might be willing to pay in the future for our Shares.

Our Operating Plan Relies In Large Part Upon Assumptions And Analyses Developed By The Company. If These Assumptions Or Analyses Prove To Be Incorrect, The Company's Actual Operating Results May Be Materially Different From Our Forecasted Results

Whether actual operating results and business developments will be consistent with the Company's expectations and assumptions as reflected in its forecast depends on a number of factors, many of which are outside the Company's control, including, but not limited to:

- whether the Company can obtain sufficient capital to sustain and grow its business
- our ability to manage the Company's growth

- whether the Company can manage relationships with key vendors and advertisers
- demand for the Company's products and services
- the timing and costs of new and existing marketing and promotional efforts
- competition
- the Company's ability to retain existing key management, to integrate recent hires and to attract, retain and motivate qualified personnel
- the overall strength and stability of domestic and international economies
- consumer spending habits

Unfavorable changes in any of these or other factors, most of which are beyond the Company's control, could materially and adversely affect its business, consolidated results of operations and consolidated financial condition.

To Date, The Company Has Had Operating Losses And May Not Be Initially Profitable For At Least The Foreseeable Future, And Cannot Accurately Predict When It Might Become Profitable

The Company has been operating at a loss since the Company's inception but has recently operated at a profit. The Company may not be able to generate significant revenues in the future. In addition, the Company expects to incur substantial operating expenses in order to fund the expansion of the Company's business. As a result, the Company expects to continue to experience substantial negative cash flow for at least the foreseeable future and cannot predict when, or even if, the Company might become profitable.

The Company May Be Unable To Manage Their Growth Or Implement Their Expansion Strategy

The Company may not be able to expand the Company's product and service offerings, the Company's markets, or implement the other features of the Company's business strategy at the rate or to the extent presently planned. The Company's projected growth will place a significant strain on the Company's administrative, operational and financial resources. If the Company is unable to successfully manage the Company's future growth, establish and continue to upgrade the Company's operating and financial control systems, recruit and hire necessary personnel or effectively manage unexpected expansion difficulties, the Company's consolidated financial condition and consolidated results of operations could be materially and adversely affected.

The Company Relies Upon Trade Secret Protection To Protect Its Intellectual Property; It May Be Difficult And Costly To Protect The Company's Proprietary Rights And The Company May Not Be Able To Ensure Their Protection

The Company currently relies on trade secrets. While the Company uses reasonable efforts to protect these trade secrets, the Company cannot assure that its employees, consultants, contractors or advisors will not, unintentionally or willfully, disclose the Company's trade secrets to competitors or other third parties. In addition, courts outside the United States are sometimes less willing to protect trade secrets. Moreover, the Company's competitors may independently develop equivalent knowledge, methods and know-how. If the Company is unable to defend the Company's trade secrets from others use, or if the Company's competitors develop equivalent knowledge, it could have a material adverse effect on the Company's business. Any infringement of the Company's proprietary rights could result in significant litigation costs, and any failure to adequately protect the Company's proprietary rights could result in the Company's competitors offering similar products, potentially resulting in loss of a competitive advantage and decreased revenue. Existing patent, copyright, trademark and trade secret laws afford only limited protection. In addition, the laws of some foreign countries do not protect the Company's proprietary rights to the same extent as do the laws of the United States. Therefore, the Company may not be able to protect the Company's proprietary rights against unauthorized third-party use. Enforcing a claim that a third party illegally obtained and is using the Company's trade secrets could be expensive and time consuming, and the outcome of such a claim is unpredictable. Litigation may be necessary in the future to enforce the Company's intellectual property rights, to protect the Company's trade secrets or to determine the validity and scope of the proprietary rights of others. This litigation could result in substantial costs and diversion of resources and could materially adversely affect the Company's future operating results.

The Company's Business Model Is Evolving

The Company's business model is likely to continue to evolve. The Company's ability to generate significant revenues will depend, in large part, on the Company's ability to successfully market the Company's products to potential users who may not be convinced of the need for the Company's products and services or who may be reluctant to rely upon third parties to develop and provide these products. The Company intends to continue to develop the Company's business model as the Company's market continues to evolve.

The Company Needs to Increase Brand Awareness

Due to a variety of factors, the Company's opportunity to achieve and maintain a significant market share may be limited. Developing and maintaining awareness of the Company's brand name, among other factors, is critical. Further, the importance of brand recognition will increase as competition in the Company's market increases. Successfully promoting and positioning the Company's brand, products and services will depend largely on the effectiveness of the Company's marketing efforts. Therefore, the Company may need to increase the Company's financial commitment to creating and

maintaining brand awareness. If the Company fails to successfully promote the Company's brand name or if the Company incurs significant expenses promoting and maintaining the Company's brand name, it would have a material adverse effect on the Company's consolidated results of operations.

The Company Faces Competition In The Company's Markets From A Number Of Large And Small Companies, Some Of Which Have Greater Financial, Research And Development, Production And Other Resources Than Does The Company

In many cases, the Company's competitors have longer operating histories, established ties to the market and consumers, greater brand awareness, and greater financial, technical and marketing resources. The Company's ability to compete depends, in part, upon a number of factors outside the Company's control, including the ability of the Company's competitors to develop alternatives that are superior. If the Company fails to successfully compete in its markets, or if the Company incurs significant expenses in order to compete, it would have a material adverse effect on the Company's consolidated results of operations.

A Data Security Breach Could Expose The Company To Liability And Protracted And Costly Litigation, And Could Adversely Affect The Company's Reputation And Operating Revenues

To the extent that the Company's activities involve the storage and transmission of confidential information, the Company and/or third-party processors will receive, transmit and store confidential customer and other information. Encryption software and the other technologies used to provide security for storage, processing and transmission of confidential customer and other information may not be effective to protect against data security breaches by third parties. The risk of unauthorized circumvention of such security measures has been heightened by advances in computer capabilities and the increasing sophistication of hackers. Improper access to the Company's or these third parties' systems or databases could result in the theft, publication, deletion or modification of confidential customer and other information. A data security breach of the systems on which sensitive account information is stored could lead to fraudulent activity involving the Company's products and services, reputational damage, and claims or regulatory actions against us. If the Company is sued in connection with any data security breach, the Company could be involved in protracted and costly litigation. If unsuccessful in defending that litigation, the Company might be forced to pay damages and/or change the Company's business practices or pricing structure, any of which could have a material adverse effect on the Company's operating revenues and profitability. The Company would also likely have to pay fines, penalties and/or other assessments imposed as a result of any data security breach.

The Company Depends On Third-Party Providers For A Reliable Internet Infrastructure And The Failure Of These Third Parties, Or The Internet In General, For Any Reason Would Significantly Impair The Company's Ability To Conduct Its Business

The Company will outsource some or all of its online presence and data management to third parties who host the actual servers and provide power and security in multiple data centers in each geographic location. These third-party facilities require uninterrupted access to the Internet. If the operation of the servers is interrupted for any reason, including natural disaster, financial insolvency of a third-party provider, or malicious electronic intrusion into the data center, its business would be significantly damaged. As has occurred with many Internet-based businesses, the Company may be subject to 'denial-of-service' attacks in which unknown individuals bombard its computer servers with requests for data, thereby degrading the servers' performance. The Company cannot be certain it will be successful in quickly identifying and neutralizing these attacks. If either a third-party facility failed, or the Company's ability to access the Internet was interfered with because of the failure of Internet equipment in general or if the Company becomes subject to malicious attacks of computer intruders, its business and operating results will be materially adversely affected.

The Company's Employees May Engage In Misconduct Or Improper Activities

The Company, like any business, is exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include intentional failures to comply with laws or regulations, provide accurate information to regulators, comply with applicable standards, report financial information or data accurately or disclose unauthorized activities to the Company. In particular, sales, marketing and business arrangements are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Employee misconduct could also involve improper or illegal activities which could result in regulatory sanctions and serious harm to the Company's reputation.

Limitation On Director Liability

The Company may provide for the indemnification of directors to the fullest extent permitted by law and, to the extent permitted by such law, eliminate or limit the personal liability of directors to the Company and its shareholders for monetary damages for certain breaches of fiduciary duty. Such indemnification may be available for liabilities arising in connection with this Offering. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the Company pursuant to the foregoing provisions, the Company has been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Risks Relating to This Offering and Investment

The Company May Undertake Additional Equity or Debt Financing That May Dilute The Shares In This Offering

The Company may undertake further equity or debt financing, which may be dilutive to existing shareholders, including you, or result in an issuance of securities whose rights, preferences and privileges are senior to those of existing shareholders, including you, and also reducing the value of Shares subscribed for under this Offering.

An Investment In The Shares Is Speculative And There Can Be No Assurance Of Any Return On Any Such Investment

An investment in the Company's Shares is speculative, and there is no assurance that investors will obtain any return on their investment. Investors will be subject to substantial risks involved in an investment in the Company, including the risk of losing their entire investment.

The Shares Are Offered On A "Best Efforts" Basis And The Company May Not Raise The Maximum Amount Being Offered

Since the Company is offering the Shares on a "best efforts" basis, there is no assurance that the Company will sell enough Shares to meet its capital needs. If you purchase Shares in this Offering, you will do so without any assurance that the Company will raise enough money to satisfy the full Use Of Proceeds To Issuer which the Company has outlined in this Offering Circular or to meet the Company's working capital needs.

If The Maximum Offering Is Not Raised, It May Increase The Amount Of Long-Term Debt Or The Amount Of Additional Equity The Company Needs To Raise

There is no assurance that the maximum number of Shares in this offering will be sold. If the maximum Offering amount is not sold, we may need to incur additional debt or raise additional equity in order to finance our operations. Increasing the amount of debt will increase our debt service obligations and make less cash available for distribution to our shareholders. Increasing the amount of additional equity that we will have to seek in the future will further dilute those investors participating in this Offering.

We Have Not Paid Dividends In The Past And Do Not Expect To Pay Dividends In The Future, So Any Return On Investment May Be Limited To The Value Of Our Shares

We have never paid cash dividends on our Shares and do not anticipate paying cash dividends in the foreseeable future. The payment of dividends on our Shares will depend on earnings, financial condition and other business and economic factors affecting it at such time that management may consider relevant. If we do not pay dividends, our Shares may be less valuable because a return on your investment will only occur if its stock price appreciates.

The Company May Not Be Able To Obtain Additional Financing

Even if the Company is successful in selling the maximum number of Shares in the Offering, the Company may require additional funds to continue and grow its business. The Company may not be able to obtain additional financing as needed, on acceptable terms, or at all, which would force the Company to delay its plans for growth and implementation of its strategy which could seriously harm its business, financial condition and results of operations. If the Company needs additional funds, the Company may seek to obtain them primarily through additional equity or debt financings. Those additional financings could result in dilution to the Company's current shareholders and to you if you invest in this Offering.

The Offering Price Has Been Arbitrary Determined

The offering price of the Shares has been arbitrarily established by the Company based upon its present and anticipated financing needs and bears no relationship to the Company's present financial condition, assets, book value, projected earnings, or any other generally accepted valuation criteria. The offering price of the Shares may not be indicative of the value of the Shares or the Company, now or in the future.

The Management Of The Company Has Broad Discretion In Application of Proceeds

The management of the Company has broad discretion to adjust the application and allocation of the net proceeds of this offering in order to address changed circumstances and opportunities. As a result of the foregoing, the success of the Company will be substantially dependent upon the discretion and judgment of the management of the Company with respect to the application and allocation of the net proceeds hereof.

An Investment in the Company's Shares Could Result In A Loss of Your Entire Investment

An investment in the Company's Shares offered in this Offering involves a high degree of risk and you should not purchase the Shares if you cannot afford the loss of your entire investment. You may not be able to liquidate your investment for any reason in the near future.

There Is No Assurance The Company Will Be Able To Pay Distributions To Shareholders

While the Company may choose to pay distributions at some point in the future to its shareholders, there can be no assurance that cash flow and profits will allow such distributions to ever be made.

There a Limited Public Trading Market for the Company's Shares

At present, the Company's common stock is quoted on OTCMarkets.com under the trading symbol "SIRC." Our common stock experiences fluctuation in volume and trading prices. There is no consistent and active trading market for the Company's securities and the Company cannot assure that a consistent trading market will develop. OTCMarkets.com provides significantly less liquidity than a securities exchange such as the NASDAQ Stock Market. Prices for securities traded solely on OTCMarkets.com may be difficult to obtain and holders of the Shares and the Company's securities may be unable to resell their securities at or near their original price or at any price.

Sales Of A Substantial Number Of Shares Of Our Common Stock May Cause The Price Of Our Common Stock To Decline

If our shareholders sell substantial amounts of our Shares in the public market, Shares sold may cause the price to decrease below the current offering price. These sales may also make it more difficult for us to sell equity or equity-related securities at a time and price that we deem reasonable or appropriate.

The Company Has Made Assumptions In Its Projections and In Forward-Looking Statements That May Not Be Accurate

The discussions and information in this Offering Circular may contain both historical and "forward- looking statements" which can be identified by the use of forward-looking terminology including the terms "believes," "anticipates," "continues," "expects," "intends," "may," "will," "would," "should," or, in each case, their negative or other variations or comparable terminology. You should not place undue reliance on forward-looking statements. These forward-looking statements include matters that are not historical facts. Forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements contained in this Offering Circular, based on past trends or activities, should not be taken as a representation that such trends or activities will continue in the future. To the extent that the Offering Circular contains forward-looking statements regarding the financial condition, operating results, business prospects, or any other aspect of the Company's business, please be advised that the Company's actual financial condition, operating results, and business performance may differ materially from that projected or estimated by the Company. The Company has attempted to identify, in context, certain of the factors it currently believes may cause actual future experience and results to differ from its current expectations. The differences may be caused by a variety of factors, including but not limited to adverse economic conditions, lack of market acceptance, reduction of consumer demand, unexpected costs and operating deficits, lower sales and revenues than forecast, default on leases or other indebtedness, loss of suppliers, loss of supply, loss of distribution and service contracts, price increases for capital, supplies and materials, inadequate capital, inability to raise capital or financing, failure to obtain customers, loss of customers and failure to obtain new customers, the risk of litigation and administrative proceedings involving the Company or its employees, loss of government licenses and permits or failure to obtain them, higher than anticipated labor costs, the possible acquisition of new businesses or products that result in operating losses or that do not perform as anticipated, resulting in unanticipated losses, the possible fluctuation and volatility of the Company's operating results and financial condition, adverse publicity and news coverage, inability to carry out marketing and sales plans, loss of key executives, changes in interest rates, inflationary factors, and other specific risks that may be referred to in this Offering Circular or in other reports issued by us or by third-party publishers.

You Should Be Aware Of The Long-Term Nature Of This Investment

Because the Shares have not been registered under the Securities Act or under the securities laws of any state or non-United States jurisdiction, the Shares may have certain transfer restrictions. It is not currently contemplated that registration under the Securities Act or other securities laws will be effected. Limitations on the transfer of the Shares may also adversely affect the price that you might be able to obtain for the Shares in a private sale. You should be aware of the long-term nature of your investment in the Company. You will be required to represent that you are purchasing the Securities for your own account, for investment purposes and not with a view to resale or distribution thereof.

Neither The Offering Nor The Securities Have Been Registered Under Federal Or State Securities Laws, Leading To An Absence Of Certain Regulation Applicable To The Company

The Company also has relied on exemptions from securities registration requirements under applicable state and federal securities laws. Investors in the Company, therefore, will not receive any of the benefits that such registration would otherwise provide. Prospective investors must therefore assess the adequacy of disclosure and the fairness of the terms of this Offering on their own or in conjunction with their personal advisors.

The Shares In This Offering Have No Protective Provisions.

The Shares in this Offering have no protective provisions. As such, you will not be afforded protection, by any provision of the Shares or as a Shareholder in the event of a transaction that may adversely affect you, including a reorganization, restructuring, merger or other similar transaction

involving the Company. If there is a 'liquidation event' or 'change of control' the Shares being offered do not provide you with any protection. In addition, there are no provisions attached to the Shares in the Offering that would permit you to require the Company to repurchase the Shares in the event of a takeover, recapitalization or similar transaction.

You Will Not Have Significant Influence On The Management Of The Company

Substantially all decisions with respect to the management of the Company will be made exclusively by the officers, directors, managers or employees of the Company. You will have a very limited ability, if at all, to vote on issues of Company management and will not have the right or power to take part in the management of the Company and will not be represented on the board of directors or by managers of the Company. Accordingly, no person should purchase Shares unless he or she is willing to entrust all aspects of management to the Company.

No Guarantee of Return on Investment

There is no assurance that you will realize a return on your investment or that you will not lose your entire investment. For this reason, you should read this Form 1-A, Offering Circular and all exhibits and referenced materials carefully and should consult with your own attorney and business advisor prior to making any investment decision.

IN ADDITION TO THE RISKS LISTED ABOVE, BUSINESSES ARE OFTEN SUBJECT TO RISKS NOT FORESEEN OR FULLY APPRECIATED BY THE MANAGEMENT. IT IS NOT POSSIBLE TO FORESEE ALL RISKS THAT MAY AFFECT THE COMPANY. MOREOVER, THE COMPANY CANNOT PREDICT WHETHER THE COMPANY WILL SUCCESSFULLY EFFECTUATE THE COMPANY'S CURRENT BUSINESS PLAN. EACH PROSPECTIVE PURCHASER IS ENCOURAGED TO CAREFULLY ANALYZE THE RISKS AND MERITS OF AN INVESTMENT IN THE SECURITIES AND SHOULD TAKE INTO CONSIDERATION WHEN MAKING SUCH ANALYSIS, AMONG OTHER FACTORS, THE RISK FACTORS DISCUSSED ABOVE.

DILUTION

The term 'dilution' refers to the reduction (as a percentage of the aggregate Shares outstanding) that occurs for any given share of stock when additional Shares are issued. If all of the Shares in this offering are fully subscribed and sold, the Shares offered herein will constitute approximately 36.16% of the total Shares of stock of the Company. The Company anticipates that subsequent to this offering the Company may require additional capital and such capital may take the form of Common Stock, other stock or securities or debt convertible into stock. Such future fund raising will further dilute the percentage ownership of the Shares sold herein in the Company.

If you purchase shares in this offering, your ownership interest in our Common Stock will be diluted immediately, to the extent of the difference between the price to the public charged for each share in this offering and the net tangible book value per share of our Common Stock after this offering.

Our historical net tangible book value prior to this offering was \$(3,343,166) based on 167,693,681 outstanding shares of our Common Stock outstanding. Historical net tangible book value per share equals the amount of our total tangible assets, less total liabilities, divided by the total number of shares of our Common Stock outstanding, all as of the date specified.

The following table illustrates the per share dilution to new investors discussed above, assuming the sale of 100% of the shares offered for sale in this offering (before deducting estimated offering expenses of \$10,000):

Percentage of shares offered that are sold	100%
Price to the public charged for each share in this offering (Midpoint)	\$0.125
Historical net tangible book value per share prior to offering	(0.0199)
Increase in net tangible book value per share attributable to new investors in this offering (1)	0.0524
Net tangible book value per share, after this offering	0.0324
Dilution per share to new investors	0.0926

- (1)

Based on net tangible shareholders equity book value prior to this offering of \$(3,343,166) based on 167,693,681 outstanding shares of Common Stock.
- (2)

Before deducting estimated offering expenses of \$10,000.

There is no material disparity between the price of the Shares in this Offering and the effective cash cost to officers, directors, promoters and affiliated persons for shares acquired by them in a transaction during the past year, or that they have a right to acquire.

PLAN OF DISTRIBUTION

We are offering a Maximum Offering of up to 95,000,000 in Shares of our Common Stock. The offering is being conducted on a best-efforts basis without any minimum number of shares or amount of proceeds required to be sold. The Company will not initially sell the Shares through commissioned broker-dealers but may do so after the commencement of the offering. Any such arrangement will add to our expenses in connection with the offering. If we engage one or more commissioned sales agents or underwriters, we will supplement this Form 1-A to describe the arrangement. The Company will undertake one or more closings on a rolling basis as funds are received from investors. All subscribers will be instructed by the Company or its agents to transfer funds by wire, credit or debit cards or ACH transfer directly to the Company. Except as stated above, subscribers have no right to a return of their funds unless no closings have occurred by the termination date of the Offering, in which event investor funds will promptly be refunded to each investor without interest. The Company may terminate the offering at any time for any reason at its sole discretion, and may extend the Offering past the termination date of 12 months from the date of qualification by the Commission in the absolutely discretion of the Company and in accordance with the rules and provisions of Regulation A of the JOBS Act.

None of the Shares being sold in this offering are being sold by existing securities holders.

After the Offering Statement has been qualified by the Securities and Exchange Commission (the "SEC"), the Company will accept tenders of funds to purchase the Shares. No escrow agent is involved, and the Company will receive the proceeds directly from any subscription.

You will be required to complete a subscription agreement in order to invest. The subscription agreement includes a representation to the effect that, if you are not an "accredited investor" as defined under securities law, you are investing an amount that does not exceed the greater of 10% of your annual income or 10% of your net worth, as described in the subscription agreement.

No broker-dealer registered with the SEC and a member of the Financial Industry Regulatory Authority ("FINRA"), is being engaged as an underwriter or for any other purpose in connection with this Offering.

This offering will commence on the qualification of this Offering Circular, as determined by the Securities and Exchange Commission and continue for a period of 12 months. The Company may extend the Offering for an additional time period unless the Offering is completed or otherwise terminated by us, or unless we are required to terminate by application of Regulation A of the JOBS Act. Funds received from investors will be counted towards the Offering only if the form of payment, such as a check, clears the banking system and represents immediately available funds held by us prior to the termination of the subscription period, or prior to the termination of the extended subscription period if extended by the Company.

If you decide to subscribe for any Common Stock in this offering, you must deliver a funds for acceptance or rejection. The minimum investment amount for a single investor is \$1,000.00. All subscription checks should be sent to the Company's corporate headquarters.

In such case, subscription checks should be made payable to Solar Integrated Roofing Corp. If a subscription is rejected, all funds will be returned to subscribers within ten days of such rejection without deduction or interest. Upon acceptance by the Company of a subscription, a confirmation of such acceptance will be sent to the investor.

The Company maintains the right to accept or reject subscriptions in whole or in part, for any reason or for no reason. The Company maintains the right to accept subscriptions below the minimum investment amount or minimum per share investment amount in its discretion. All monies from rejected subscriptions will be returned by the Company to the investor, without interest or deductions.

This is an offering made under "Tier 1" of Regulation A, and the shares will not be listed on a registered national securities exchange upon qualification. Therefore, the shares will be sold only to a person if the aggregate purchase price paid by such person is no more than 10% of the greater of such person's annual income or net worth, not including the value of his primary residence, as calculated under Rule 501 of Regulation D promulgated under Section 4(a)(2) of the Securities Act of 1933, as amended. In the case of sales to fiduciary accounts (Keogh Plans, Individual Retirement Accounts (IRAs) and Qualified Pension/Profit Sharing Plans or Trusts), the above suitability standards must be met by the fiduciary account, the beneficiary of the fiduciary account, or by the donor who directly or indirectly supplies the funds for the purchase of the shares. Investor suitability standards in certain states may be higher than those described in this Form 1-A and/or Offering Circular. These standards represent minimum suitability requirements for prospective investors, and the satisfaction of such standards does not necessarily mean that an investment in the Company is suitable for such persons. Different rules apply to accredited investors.

Each investor must represent in writing that he/she/it meets the applicable requirements set forth above and in the Subscription Agreement, including, among other things, that (i) he/she/it is purchasing the shares for his/her/its own account and (ii) he/she/it has such knowledge and experience in financial and business matters that he/she/it is capable of evaluating without outside assistance the merits and risks of investing in the shares, or

he/she/it and his/her/its purchaser representative together have such knowledge and experience that they are capable of evaluating the merits and risks of investing in the shares. Broker-dealers and other persons participating in the offering must make a reasonable inquiry in order to verify an investor's suitability for an investment in the Company. Transferees of the shares will be required to meet the above suitability standards.

The shares may not be offered, sold, transferred, or delivered, directly or indirectly, to any person who (i) is named on the list of "specially designated nationals" or "blocked persons" maintained by the U.S. Office of Foreign Assets Control ("OFAC") at www.ustras.gov/offices/enforcement/ofac/sdn or as otherwise published from time to time, (ii) an agency of the government of a Sanctioned Country, (iii) an organization controlled by a Sanctioned Country, or (iv) is a person residing in a Sanctioned Country, to the extent subject to a sanctions program administered by OFAC. A "Sanctioned Country" means a country subject to a sanctions program identified on the list maintained by OFAC and available at www.ustras.gov/offices/enforcement/ofac/sdn or as otherwise published from time to time. Furthermore, the shares may not be offered, sold, transferred, or delivered, directly or indirectly, to any person who (i) has more than fifteen percent (15%) of its assets in Sanctioned Countries or (ii) derives more than fifteen percent (15%) of its operating income from investments in, or transactions with, sanctioned persons or Sanctioned Countries.

The sale of other securities of the same class as those to be offered for the period of distribution will be limited and restricted to those sold through this Offering. Because the Shares being sold are not publicly or otherwise traded, the market for the securities offered is presently stabilized.

USE OF PROCEEDS TO ISSUER

The Use of Proceeds is an estimate based on the Company's current business plan. We may find it necessary or advisable to reallocate portions of the net proceeds reserved for one category to another, or to add additional categories, and we will have broad discretion in doing so.

The maximum gross proceeds from the sale of the Shares in this Offering are \$19,000,000.00. The net proceeds from the offering, assuming it is fully subscribed, are expected to be approximately \$18,995,000.00. The estimate of the budget for offering costs is an estimate only and the actual offering costs may differ from those expected by management.

Management of the Company has wide latitude and discretion in the use of proceeds from this Offering. Ultimately, management of the Company intends to use a substantial portion of the net proceeds for general working capital. At present, management's best estimate of the use of proceeds, at various funding milestones, is set out in the chart below. However, potential investors should note that this chart contains only the best estimates of the Company's management based upon information available to them at the present time, and that the actual use of proceeds is likely to vary from this chart based upon circumstances as they exist in the future, various needs of the Company at different times in the future, and the discretion of the Company's management at all times.

A portion of the proceeds from this Offering may be used to compensate or otherwise make payments to officers or directors of the issuer. The officers and directors of the Company may be paid salaries and receive benefits that are commensurate with similar companies, and a portion of the proceeds may be used to pay these ongoing business expenses.

USE OF PROCEEDS

Assuming \$0.20 Offering Price:

	10%	25%	50%	75%	100%
ACQUISITION CAPITAL	1,425,000	3,562,500	7,125,000	10,687,500	14,250,000
WORKING CAPITAL	475,000	1,187,500	2,375,000	3,562,500	4,750,000
TOTAL	<u>1,900,000</u>	<u>4,750,000</u>	<u>9,500,000</u>	<u>14,250,000</u>	<u>19,000,000</u>

Assuming \$0.125 Offering Price (Midpoint):

	10%	25%	50%	75%	100%
ACQUISITION CAPITAL	890,625	2,226,562.50	4,453,125	6,679,687.50	8,906,250
WORKING CAPITAL	296,875	742,187.50	1,484,375	2,226,562.50	2,968,750
TOTAL	<u>1,187,500</u>	<u>2,968,750</u>	<u>5,937,500</u>	<u>8,906,250</u>	<u>11,875,000</u>

Assuming \$0.05 Offering Price:

	10%	25%	50%	75%	100%
ACQUISITION CAPITAL	356,250	890,625	1,781,250	2,671,875	3,562,500
WORKING CAPITAL	118,750	296,875	593,750	890,625	1,187,500
TOTAL	475,000	1,187,500	2,375,000	3,562,500	4,750,000

The Company reserves the right to change the use of proceeds set out herein based on the needs of the ongoing business of the Company and the discretion of the Company's management. The Company may reallocate the estimated use of proceeds among the various categories or for other uses if management deems such a reallocation to be appropriate.

Acquisition Capital means funds allocated for the planned purchase of other roofing businesses which will complement the operations of the Company. Although the Company has identified possible acquisition targets businesses in the roofing industry, its negotiations with such roofing businesses are currently in the Letter of Intent (LOI) stage and have not reached the stage of drafting or executing definitive acquisition agreements. If and when the Company enters into definitive acquisition agreements with any of these roofing businesses, the Company will disclose the terms of such agreements and attached them to the Offering as exhibits.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

Forward-Looking Statements

Certain statements, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives, and expected operating results, and the assumptions upon which those statements are based, are forward-looking statements. These forward-looking statements generally are identified by the words believes, project, expects, anticipates, estimates, intends, strategy, plan, may, will, would, will be, will continue, will likely result, and similar expressions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse affect on our operations and future prospects on a consolidated basis include, but are not limited to: changes in economic conditions, legislative/regulatory changes, availability of capital, interest rates, competition, and generally accepted accounting principles. These risks and uncertainties should also be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements.

Company Overview and Plan of Operation

Landstar Development Group, Inc. (the "Company") was incorporated under the laws of the State of Nevada on May 1, 2007 as Sterling Oil & Gas Company. The name was changed on February 21, 2014.

On November 9, 2015 the board approved a name change to SOLAR INTEGRATED ROOFING CORP. The Company is an integrated solar and roofing installation company specializing in commercial and residential properties.

Business Development Plan

The primary components of our growth strategy are as follows:

- Promoting and enhancing our Company's brand and reputation in solar design and integration and expanding our installation business.
- Expanding our business into the energy management space.

Expansion of Installation Business

We are planning to expand our installation business. We will continue to execute our marketing and sales strategy in Southern California and, with additional capital, will be able to expand our business to cover Northern California, or other states. The planned expansion is expected to occur through acquiring smaller installation companies in these regions and/or through the establishment of subsidiaries in these states and boost our installation profits.

Expected Changes in Number of Employees, Plant, and Equipment

We do not currently plan to purchase specific additional physical plant and significant equipment within the immediate future. We do not currently have specific plans to change the number of our employees during the next twelve months.

Results of Operations

Year Ended February 29, 2020 Compared to Year Ended February 28, 2019

Net Revenues

For the years ended February 29, 2020 and 2019, our business had total sales of \$9,122,685 and \$4,975,907, respectively. For twelve months ended February 29, 2020, revenues increased due to increased solar/roofing sells and completed installations by the Company and/or its subsidiaries.

Gross Profits

For the years ended February 29, 2020 and 2019, our business had total gross profits of \$2,415,397 and \$1,087,331, respectively. For the twelve months ended February 29, 2020 gross profits increased by \$1,328,066, primarily due to the increase in revenues.

Salary and Wage Expenses

For the years ended February 29, 2020 and 2019, our business had salary and wage expenses of \$1,140,535 and \$435,935, respectively. For the twelve months ended February 29, 2020 salary and wage expenses increased by \$704,600 due to (i) increased office and middle management salaries; and (ii) an increased number of employees over the prior period.

Professional Fees

For the years ended February 29, 2020 and 2019, our business had professional and consulting expenses of \$906,851 and \$146,233, respectively. For the twelve months ended February 29, 2020 professional and consulting expenses increased by \$760,618 due to legal expenses incurred in conjunction with the Company's various acquisitions completed during the period.

Marketing Expenses

For the years ended February 29, 2020 and 2019, our business had marketing expenses of \$602,365 and \$288,852, respectively. For the twelve months ended February 29, 2020 marketing expenses increased by \$313,513 due to increases in marketing efforts.

General and Administrative Expenses

For the years ended February 29, 2020 and 2019, our business had general and administrative expenses of \$3,061,079 and \$914,298, respectively. For the twelve months ended February 29, 2020 general and administrative expenses increased by \$2,146,781 primarily due to increased overhead attributable to the Company's newly acquired subsidiaries.

Liquidity and Capital Resources

Net cash used in operating activities for the years ended February 29, 2020, and February 28, 2019 was \$(201,383) and \$(714,511), respectively, net of changes in operating assets and liabilities, primarily due to increases in accounts payable, accrued liabilities, and amounts due to related parties.

Net cash used in investing activities for the years ended February 29, 2020, and February 28, 2019 was \$(2,459,886) and \$(10,749), respectively. The change was primarily due to financing obtained in conjunction with completed acquisitions.

Net cash provided in financing activities for the years ended February 29, 2020, and February 28, 2019 was \$3,222,868 and \$781,649, respectively. The change was primarily due to proceeds from a debenture payable used in financing the acquisition of Milholland Electric, Inc.

For the year ended February 29, 2020 the Company recorded net loss of \$(4,353,291) and provided \$(201,383) of cash in operating activities. For the year ended February 28, 2019, the Company recorded a net loss of \$(1,069,127) and used \$(714,511) of cash for operating activities.

As of February 29, 2020, the Company had \$639,977 in cash to fund its operations. The Company does not believe its current cash balance will be sufficient to allow the Company to fund its planned operating activities for the next twelve months. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease operations or substantially curtail some of its planned activities. These conditions raise substantial doubt as to the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and classification of liabilities should the Company be unable to continue as a going concern.

As the Company continues to incur losses, achieving profitability is dependent on achieving a level of revenues adequate to support the Company's cost structure. The Company may never achieve profitability, and unless and until it does, the Company will continue to need to raise additional capital. Management intends to fund future operations through additional private or public equity offering and may seek additional capital through arrangements with strategic partners or from other sources. There can be no assurances, however, that additional funding will be available on terms acceptable to the Company, or at all. Any equity financing may be dilutive to existing shareholders.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Liquidity and Capital Resources

As of February 29, 2020, we had current assets in the amount of \$1,742,995 consisting of cash and cash equivalents in the amount of \$639,977, accounts receivable of \$1,035,550, and prepaid and other current assets of \$67,468.

As of February 29, 2020, we had current liabilities in the amount of \$7,449,375. These consisted primarily of accounts payable in the amount of \$1,954,384, notes payable of \$226,730, debenture payable of \$2,400,000, convertible notes payable of \$496,673, and derivative liabilities of \$1,440,532. During the year ended February 29, 2020, our operating activities used a net \$(201,383) in cash.

In order to move forward with our business development plan set forth above, we will require additional financing, as allocated in the Use of Proceeds section above.

We will require substantial additional financing, in order to execute our business expansion and development plans and we may require additional financing in order to sustain substantial future business operations for an extended period of time. We currently do not have any firm arrangements for financing and we may not be able to obtain financing when required, in the amounts necessary to execute on our plans in full, or on terms which are economically feasible.

We are currently seeking additional financing. If we are unable to obtain the necessary capital to pursue our strategic plan, we may have to reduce the planned future growth of our operations.

Off Balance Sheet Arrangements

As of February 29, 2020, there were no off-balance sheet arrangements.

Going Concern

We have experienced recurring net losses and had an accumulated deficit of \$9,615,593 as of February 29, 2020. To date, we have not been able to produce sufficient sales to become cash flow positive and profitable on a consistent basis. The success of our business plan during the next 12 months and beyond will be contingent upon generating sufficient revenue to cover our costs of operations and/or upon obtaining additional financing. For these reasons, our auditor has raised substantial doubt about our ability to continue as a going concern.

Critical Accounting Policies

We have identified the policies outlined below as critical to our business operations and an understanding of our results of operations. The list is not intended to be a comprehensive list of all of our accounting policies. In many cases, the accounting treatment of a particular transaction is specifically dictated by accounting principles generally accepted in the United States, with no need for management's judgment in their application. The impact and any associated risks related to these policies on our business operations is discussed throughout Management's Discussion and Analysis of Financial Condition and Results of Operation where such policies affect our reported and expected financial results. Note that our preparation of the consolidated financial statements requires us to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of our consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. There can be no assurance that actual results will not differ from those estimates.

Income taxes are one such critical accounting policy. Income taxes are recorded on an accrual basis of accounting based on tax positions taken or expected to be taken in a tax return. A tax position is defined as a position in a previously filed tax return or a position expected to be taken in a future tax filing that is reflected in measuring current or deferred income tax assets and liabilities. Tax positions are recognized only when it is more likely than not (i.e., likelihood of greater than 50%), based on technical merits, that the position would be sustained upon examination by taxing authorities. Tax positions that meet the more likely than not threshold are measured using a probability-weighted approach as the largest amount of tax benefit that is greater than 50% likely of being realized upon settlement. Income taxes are accounted for using an asset and liability approach that requires the

recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in our financial statements or tax returns. A valuation allowance is established to reduce deferred tax assets if all or some portion, of such assets will more than likely not be realized. Should they occur, our policy is to classify interest and penalties related to tax positions as income tax expense. Since our inception, no such interest or penalties have been incurred.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Our financial statements are prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). In connection with the preparation of the financial statements, we are required to make assumptions and estimates about future events that affect the reported amounts of assets, liabilities, revenue, expenses and the related disclosures. We base our assumption and estimate on historical experience and other factors that management believes are relevant at the time our financial statements are prepared. On a periodic basis, management reviews the accounting policies, assumptions and estimates to ensure that our financial statements are presented fairly and in accordance with GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from the estimates and assumptions, and such differences could be material.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the estimated useful lives of property and equipment and the valuation of debt and equity transactions. Actual results could differ from those estimates.

Cash

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents. At times, the Company's cash balances may exceed the current insured amounts under the Federal Deposit Insurance Corporation.

Accounts Receivable

Management reviews accounts receivable periodically to determine if any receivables will potentially be uncollectible. Management's evaluation includes several factors including the aging of the accounts receivable balances, a review of significant past due accounts, economic conditions, and our historical write-off experience, net of recoveries. The Company includes any accounts receivable balances that are determined to be uncollectible, along with a general reserve, in its allowance for doubtful accounts. After all attempts to collect a receivable have failed, the receivable is written off against the allowance.

Property, Plant and Equipment

Property and equipment are carried at cost less amortization and depreciation. Major betterments that extend the useful lives of assets are also capitalized. Normal maintenance and repairs are charged to expense as incurred. When assets are sold or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in operations. Property and equipment consist of Motor Vehicle, Computer Equipment, Machinery and Equipment, Furniture and Equipment and Trucks which are depreciated on a straight-line basis over their expected useful lives as follows.

Motor Vehicle	5 years
Computer Equipment	5 years
Machinery and Equipment	5 years
Furniture & Equipment	5 years
Trucks	5 years

Leases

Effective March 1, 2019, the Company adopted the Financial Accounting Standards Board's (the "FASB") Accounting Standards Update ("ASU") No. 2016-02, Leases (Topic 842) ("ASU 2016-02"), and additional ASUs issued to clarify and update the guidance in ASU 2016-02 (collectively, the "new leases standard"), which modifies lease accounting for lessees to increase transparency and comparability by recording lease assets and liabilities for operating leases and disclosing key information about leasing arrangements. The Company adopted the new leases standard utilizing the modified retrospective transition method, under which amounts in prior periods presented were not restated. For contracts existing at the time of adoption, the Company elected to not reassess (i) whether any are or contain leases, (ii) lease classification, and (iii) initial direct costs.

Advertising

The Company conducts advertising for the promotion of its services. In accordance with ASC Topic 720-35-25, advertising costs are charged to operations when incurred.

Revenue Recognition

The Company recognizes revenue from its contracts with customers in accordance with *ASC 606 – Revenue from Contracts with Customers*. The Company recognizes revenues when satisfying the performance obligation of the associated contract that reflects the consideration expected to be received based on the terms of the contract.

Revenue is recognized when a customer obtains control of promised goods or services and is recognized in an amount that reflects the consideration that an entity expects to receive in exchange for those goods or services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The amount of revenue that is recorded reflects the consideration that the Company expects to receive in exchange for those goods. The Company applies the following five-step model in order to determine this amount:

- (i) identification of the promised goods in the contract; (ii) determination of whether the promised goods are performance obligations, including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations; and (v) recognition of revenue when (or as) the Company satisfies each performance obligation.

The Company only applies the five-step model to contracts when it is probable that the entity will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer. Once a contract is determined to be within the scope of ASC 606 at contract inception, the Company reviews the contract to determine which performance obligations the Company must deliver and which of these performance obligations are distinct. The Company recognizes as revenues the amount of the transaction price that is allocated to the respective performance obligation when the performance obligation is satisfied or as it is satisfied. Generally, the Company's performance obligations are transferred to customers at a point in time, typically upon delivery.

Fair Value Measurements

The Company follows paragraph 825-10-50-10 of the FASB Accounting Standards Codification for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB Accounting Standards Codification ("Paragraph 820-10-35-37") to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in accounting principles generally accepted in the United States of America (U.S. GAAP), and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three (3) broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three (3) levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

Level 1: Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.

Level 2: Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.

Level 3: Pricing inputs that are generally unobservable inputs and not corroborated by market data.

The carrying amount of the Company's financial assets and liabilities, such as cash, prepaid expenses and accrued expenses approximate their fair value because of the short maturity of those instruments. The Company's notes payable approximates the fair value of such instruments based upon management's best estimate of interest rates that would be available to the Company for similar financial arrangements at February 29, 2020.

Income Taxes

The Company follows Section 740-10-30 of the FASB Accounting Standards Codification, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the fiscal year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Income in the period that includes the enactment date.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification ("Section 740-10-25") with regards to uncertainty income taxes. Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures. The Company had no material adjustments to its liabilities for unrecognized income tax benefits according to the provisions of Section 740-10-25.

Stock-based Compensation

The Company accounts for equity-based transactions with nonemployees under the provisions of ASC Topic No. 505-50, *Equity-Based Payments to Non-Employees* ("ASC 505-50"). ASC 505-50 establishes that equity-based payment transactions with nonemployees shall be measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. The fair value of common stock issued for payments to nonemployees is measured at the market price on the date of grant. The fair value of equity instruments, other than common stock, is estimated using the Black-Scholes option valuation model. In general, we recognize the fair value of the equity instruments issued as deferred stock compensation and amortize the cost over the term of the contract.

The Company accounts for employee stock-based compensation in accordance with the guidance of FASB ASC Topic 718, *Compensation—Stock Compensation*, which requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values. The fair value of the equity instrument is charged directly to compensation expense and credited to additional paid-in capital over the period during which services are rendered.

Business Combinations

In accordance with ASC 805-10, "Business Combinations", the Company accounts for all business combinations using the acquisition method of accounting. Under this method, assets and liabilities, including any remaining non-controlling interests, are recognized at fair value at the date of acquisition. The excess of the purchase price over the fair value of assets acquired, net of liabilities assumed, and non-controlling interests is recognized as goodwill. Certain adjustments to the assessed fair values of the assets, liabilities, or non-controlling interests made subsequent to the acquisition date, but within the measurement period, which is up to one year, are recorded as adjustments to goodwill. Any adjustments subsequent to the measurement period are recorded in income. Any cost or equity method interest that the Company holds in the acquired company prior to the acquisition is re-measured to fair value at acquisition with a resulting gain or loss recognized in income for the difference between fair value and the existing book value. Results of operations of the acquired entity are included in the Company's results from the date of the acquisition onward and include amortization expense arising from acquired tangible and intangible assets.

Goodwill

The Company allocates goodwill to reporting units based on the reporting unit expected to benefit from the business combination. We evaluate our reporting units on an annual basis and, if necessary, reassign goodwill using a relative fair value allocation approach. Goodwill is tested for impairment at the reporting unit level (operating segment or one level below an operating segment) on an annual basis and between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. These events or circumstances could include a significant change in the business climate, legal factors, operating performance indicators, competition, or sale or disposition of a significant portion of a reporting unit.

Application of the goodwill impairment test requires judgment, including the identification of reporting units, assignment of assets and liabilities to reporting units, assignment of goodwill to reporting units, and determination of the fair value of each reporting unit. The fair value of each reporting unit is estimated primarily through the use of a discounted cash flow methodology. This analysis requires significant judgments, including estimation of future cash flows, which is dependent on internal forecasts, estimation of the long-term rate of growth for our business, estimation of the useful life over which cash flows will occur, and determination of our weighted average cost of capital.

The estimates used to calculate the fair value of a reporting unit change from year to year based on operating results, market conditions, and other factors. Changes in these estimates and assumptions could materially affect the determination of fair value and goodwill impairment for each reporting unit.

Impairment of long-lived assets

Tangible and intangible assets (excluding goodwill) are assessed at each reporting date for indications that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. The asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset or a group of assets exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the group of assets.

Derivative Financial Instruments

The Company does not use derivative instruments to hedge exposures to cash flow, market or foreign currency risks. The Company evaluates all of its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the statements of operations. For stock-based derivative financial instruments, the Company used a Black Scholes valuation model to value the derivative instruments at inception and on subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement or conversion of the instrument could be required within 12 months of the balance sheet date.

Recent Accounting Pronouncements

On June 20, 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-07, *Compensation—Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting*. ASU 2018-07 is intended to reduce cost and complexity and to improve financial reporting for share-based payments to nonemployees (for example, service providers, external legal counsel, suppliers, etc.). Under the new standard, companies will no longer be required to value non-employee awards differently from employee awards. Meaning that companies will value all equity classified awards at their grant-date under ASC718 and forgo revaluing the award after this date. The guidance is effective for interim and annual periods beginning after December 15, 2018.

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

Additional Company Matters

The Company has not filed for bankruptcy protection nor has it ever been involved in receivership or similar proceedings.

The Company is not presently involved in any other legal proceedings material to the business or financial condition of the Company. The Company does not anticipate any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business, in the next 12 months.

DIRECTORS, EXECUTIVE OFFICERS AND SIGNIFICANT EMPLOYEES

As of February 29, 2020, the Company and its subsidiaries collectively employed 75 full-time employees, who were not an executive officer of the Company, and no part-time employees.

In August 2020, the Company hired a new CFO. The directors and executive officers of the Company as of the date of this filing are as follows:

Brian Milholland, President, Director (February 2020 – Present)

Brian Milholland was appointed President of the Company in conjunction with the Company's acquisition of Milholland Electric, Inc. in February 2020. Brian formed Milholland Electric, Inc. in January 1990 and has devoted the majority of his career to its growth and development. His extensive knowledge and understanding of the solar and roofing industries make him a valuable asset to the Company as a whole. In addition to his work with the Company and its subsidiaries, Brian also serves as board member of Twende Solar.

David Massey, CEO, Director

Chief Executive Officer of Solar Integrated Roof Corp. (SIRC), David Massey, is a pioneer of the roofing-solar industry. Relying on a combination of vision, business acumen, tenacity and sales and marketing expertise refined almost a 30-year career, David is now leading SIRC's rapid growth by bringing all-inclusive roofing-solar construction services to new markets.

David credits his remarkable success in the industry to his team's focus on ensuring their customers enjoy a great value, the highest quality installation and products that carry the best warranty in the business. And their dedication has paid off, with SIRC's subsidiary, Secure Roofing and Solar, earning an A+ from the Better Business Bureau, winning Angie's List Super Award multiple times and averaging five stars on Yelp.

Born and raised in Evansville, Indiana, David moved to Southern California shortly after he graduated from Benjamin Bosse High School, and by the age of 25, he had established his first roofing company. In the early 1990s, David reconfigured his business to include solar services after having the revelation that solar offered so many advantages, it would one day be on every roof.

Affable and hard-working, David leads SIRC's vigorous plan for growth, which includes purchasing other roofing companies to transform into SIRC's joint roofing-solar model, as well as other home improvement and marketing companies to help SIRC implement its strong cross-sell strategy.

David resides in Carlsbad, California with his French Mastiff, Bentley. When not attending to SIRC business, David enjoys walking the beach, excellent food, and spending time with his adult children.

Jennifer Bees, CFO (August 2020 – Present)

As a CPA, Jennifer's background includes leading financial reporting, corporate accounting, planning and budgeting, and corporate internal controls functions. She is responsible for ensuring accurate and timely financial reporting, managing internal and external audits, cost and cash management, and compliance with policies, procedures, and overall strategy.

Prior to joining the team, Jennifer has held a variety of finance and accounting positions totaling more than 15 years of hands-on experience in various industries. From 2015 to 2017, Jennifer was employed by 3E Company (a Verisk Analytics company). From 2016 to the present date, Jennifer has worked for MEPS Real-Time, Inc. dba IntelliGuard. Her experience includes financial modeling and analysis, due diligence, risk management, contract review, tax and audit compliance, payroll, cost and variance accounting, GAAP and SOX compliance, asset management, process improvement, human resources, company-wide performance reviews, and staff management and development. Jennifer continues to have a passion for driving continuous improvement and operational efficiency while exploring growth opportunities. Jennifer

Jennifer earned her Bachelor of Science degree in Accounting from California State University San Marcos. She is a Certified Public Accountant and an active member of The California Society of CPAs (CalCPA), American Institute of Certified Public Accountants (AICPA), and Institute of Management Accountants (IMA) as well as being a licensed California Public Notary.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

The directors of Solar Integrated Roofing Corp. are, at present, not compensated by the Company for their roles as directors. For the three present directors, only expenses are reimbursed for their participation on the board of directors. The Company may choose to compensate the present directors in the future, as well as compensate future directors, in the Company's discretion.

Executive Compensation

In August 2020, the Company hired Jennifer Bees as its CFO. In consideration for services rendered, Jennifer will be paid a fee of \$100 per hour.

Stock Incentive Plan

In the future, we may establish a management stock incentive plan pursuant to which stock options and awards may be authorized and granted to our directors, executive officers, employees and key employees or consultants. Details of such a plan, should one be established, have not been decided yet. Stock options or a significant equity ownership position in us may be utilized by us in the future to attract one or more new key senior executives to manage and facilitate our growth.

Board of Directors

Our board of directors currently consists of two directors, one of which is "independent" as defined in Rule 4200 of FINRA's listing standards. We may appoint additional independent directors to our board of directors in the future, particularly to serve on committees should they be established.

Committees of the Board of Directors

We may establish an audit committee, compensation committee, a nominating and governance committee and other committees to our Board of Directors in the future, but have not done so as of the date of this Offering Circular. Until such committees are established, matters that would otherwise be addressed by such committees will be acted upon by the Board of Directors.

Director Compensation

We currently do not pay our directors any compensation for their services as board members, with the exception of reimbursing and board related expenses. In the future, we may compensate directors, particularly those who are not also employees and who act as independent board members, on either a per meeting or fixed compensation basis.

Limitation of Liability and Indemnification of Officers and Directors

Our Bylaws limit the liability of directors and officers of the Company to the maximum extent permitted by Nevada law. The Bylaws state that the Company shall indemnify and hold harmless each person who was or is a party or is threatened to be made a party to, or is otherwise involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or an officer of the Company or such director or officer is or was serving at the request of the Company as a director, officer, partner, member, manager, trustee, employee or agent of another company or of a partnership, limited liability company, joint venture, trust or other enterprise.

The Company believes that indemnification under our Bylaws covers at least negligence and gross negligence on the part of indemnified parties. The Company also may secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in connection with their services to us, regardless of whether our Bylaws permit such indemnification.

The Company may also enter into separate indemnification agreements with its directors and officers, in addition to the indemnification provided for in our Bylaws. These agreements, among other things, may provide that we will indemnify our directors and officers for certain expenses (including attorneys' fees), judgments, fines and settlement amounts incurred by a director or executive officer in any action or proceeding arising out of such person's services as one of our directors or officers, or rendering services at our request, to any of its subsidiaries or any other company or enterprise. We believe that these provisions and agreements are necessary to attract and retain qualified persons as directors and officers.

There is no pending litigation or proceeding involving any of our directors or officers as to which indemnification is required or permitted, and we are not aware of any threatened litigation or proceeding that may result in a claim for indemnification.

For additional information on indemnification and limitations on liability of our directors and officers, please review the Company's Bylaws, which are attached to this Offering Circular.

SECURITY OWNERSHIP OF MANAGEMENT AND CERTAIN SECURITYHOLDERS

The following table sets forth information regarding beneficial ownership of our Common Stock as of August 4, 2020. None of our Officers or Directors are selling stock in this Offering.

Beneficial ownership and percentage ownership are determined in accordance with the rules of the Securities and Exchange Commission and includes voting or investment power with respect to Shares of stock. This information does not necessarily indicate beneficial ownership for any other purpose.

Unless otherwise indicated and subject to applicable community property laws, to our knowledge, each Shareholder named in the following table possesses sole voting and investment power over their Shares of Common Stock. Percentage of beneficial ownership before the offering is based on 167,693,681 Shares of Common Stock outstanding as of August 4, 2020.

Name and Position	Shares Beneficially Owned Prior to Offering	Shares Beneficially Owned After Offering	Ownership
David Massey CEO, Director	5,000,000 Common Shares 2,500,000 Preferred A 6,500,000 Preferred B	5,000,000 Common Shares 2,500,000 Preferred A 6,500,000 Preferred B	2.98% 50.0% 50.0%
Brian Milholland President, Director	20,000,000 Common Shares 2,500,000 Preferred A 6,500,000 Preferred B	20,000,000 Common Shares 2,500,000 Preferred A 6,500,000 Preferred B	11.9% 50.0% 50.0%

The table above reflects Shares beneficially owned by our Officers and Directors as of October 06, 2020. On June 8, 2020, Brian Milholland entered into a Stock Purchase Agreement (SPA) with the Company's former CFO, Robert N. Jones, wherein Mr. Milholland acquired 20,000,000 shares of Company Common Stock, 2,500,000 shares of Class A Preferred Stock, and 3,000,000 shares of Class B Preferred Stock for a cumulative purchase price of \$275,000.

INTEREST OF MANAGEMENT AND OTHERS IN CERTAIN TRANSACTIONS

SECURITIES BEING OFFERED

The Company is offering Shares of its Common Stock. Except as otherwise required by law, the Company's Articles of Incorporation or Bylaws, each Shareholder shall be entitled to one vote for each Share held by such Shareholder on the record date of any vote of Shareholders of the Company. The Shares of Common Stock, when issued, will be fully paid and non-assessable. Since it is anticipated that at least for the next 12 months the majority of the Company's voting power will be held by Management through their combined beneficial ownership of 25,000,000 shares of Common Stock, 5,000,000 shares of Class A Preferred Stock, and 13,000,000 shares of Class B Preferred Stock, the holders of Common Stock issued pursuant to this Offering Circular should not expect to be able to influence any decisions by management of the Company through the voting power of such Common Stock.

The Company does not expect to create any additional classes of Common Stock during the next 12 months, but the Company is not limited from creating additional classes which may have preferred dividend, voting and/or liquidation rights or other benefits not available to holders of its common stock.

The Company does not expect to declare dividends for holders of Common Stock in the foreseeable future. Dividends will be declared, if at all (and subject to rights of holders of additional classes of securities, if any), in the discretion of the Company's Board of Directors. Dividends, if ever declared, may be paid in cash, in property, or in shares of the capital stock of the Company, subject to the provisions of law, the Company's Bylaws and the Certificate of Incorporation. Before payment of any dividend, there may be set aside out of any funds of the Company available for dividends such sums as the Board of Directors, in its absolute discretion, deems proper as a reserve for working capital, to meet contingencies, for equalizing dividends, for repairing or maintaining any property of the Company, or for such other purposes as the Board of Directors shall deem in the best interests of the Company.

There is no minimum number of Shares that needs to be sold in order for funds to be released to the Company and for this offering to hold its first closing.

The minimum subscription that will be accepted from an investor is \$1,000.00 (the 'Minimum Subscription').

A subscription for \$1,000.00 or more in the Shares may be made only by tendering to the Company the executed Subscription Agreement (electronically or in writing) delivered with the subscription price in a form acceptable to the Company, via check, wire, credit or debit card, or ACH. The execution and tender of the documents required, as detailed in the materials, constitutes a binding offer to purchase the number of Shares stipulated therein and an agreement to hold the offer open until the Expiration Date or until the offer is accepted or rejected by the Company, whichever occurs first.

The Company reserves the unqualified discretionary right to reject any subscription for Shares, in whole or in part. The Company reserves the unqualified discretionary right to accept any subscription for Shares, in an amount less than the Minimum Subscription. If the Company rejects any offer to subscribe for the Shares, it will return the subscription payment, without interest or reduction. The Company's acceptance of your subscription will be effective when an authorized representative of the Company issues you written or electronic notification that the subscription was accepted.

There are no liquidation rights, preemptive rights, conversion rights, redemption provisions, sinking fund provisions, impacts on classification of the Board of Directors where cumulative voting is permitted or required related to the Common Stock, provisions discriminating against any existing or

prospective holder of the Common Stock as a result of such Shareholder owning a substantial amount of securities, or rights of Shareholders that may be modified otherwise than by a vote of a majority or more of the shares outstanding, voting as a class defined in any corporate document as of the date of filing. The Common Stock will not be subject to further calls or assessment by the Company. There are no restrictions on alienability of the Common Stock in the corporate documents other than those disclosed in this Offering Circular. The Company has engaged Transfer Online to serve as the transfer agent and registrant for the Shares. For additional information regarding the Shares, please review the Company's Bylaws, which are attached to this Offering Circular.

DISQUALIFYING EVENTS DISCLOSURE

Recent changes to Regulation A promulgated under the Securities Act prohibit an issuer from claiming an exemption from registration of its securities under such rule if the issuer, any of its predecessors, any affiliated issuer, any director, executive officer, other officer participating in the offering of the interests, general partner or managing member of the issuer, any beneficial owner of 20% or more of the voting power of the issuer's outstanding voting equity securities, any promoter connected with the issuer in any capacity as of the date hereof, any investment manager of the issuer, any person that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with such sale of the issuer's interests, any general partner or managing member of any such investment manager or solicitor, or any director, executive officer or other officer participating in the offering of any such investment manager or solicitor or general partner or managing member of such investment manager or solicitor has been subject to certain "Disqualifying Events" described in Rule 506(d)(1) of Regulation D subsequent to September 23, 2013, subject to certain limited exceptions. The Company is required to exercise reasonable care in conducting an inquiry to determine whether any such persons have been subject to such Disqualifying Events and is required to disclose any Disqualifying Events that occurred prior to September 23, 2013 to investors in the Company. The Company believes that it has exercised reasonable care in conducting an inquiry into Disqualifying Events by the foregoing persons and is aware of the no such Disqualifying Events.

It is possible that (a) Disqualifying Events may exist of which the Company is not aware and (b) the SEC, a court or other finder of fact may determine that the steps that the Company has taken to conduct its inquiry were inadequate and did not constitute reasonable care. If such a finding were made, the Company may lose its ability to rely upon exemptions under Regulation A, and, depending on the circumstances, may be required to register the Offering of the Company's Common Stock with the SEC and under applicable state securities laws or to conduct a rescission offer with respect to the securities sold in the Offering.

ERISA CONSIDERATIONS

Trustees and other fiduciaries of qualified retirement plans or IRAs that are set up as part of a plan sponsored and maintained by an employer, as well as trustees and fiduciaries of Keogh Plans under which employees, in addition to self-employed individuals, are participants (together, "ERISA Plans"), are governed by the fiduciary responsibility provisions of Title 1 of the Employee Retirement Income Security Act of 1974 ("ERISA"). An investment in the Shares by an ERISA Plan must be made in accordance with the general obligation of fiduciaries under ERISA to discharge their duties (i) for the exclusive purpose of providing benefits to participants and their beneficiaries; (ii) with the same standard of care that would be exercised by a prudent man familiar with such matters acting under similar circumstances; (iii) in such a manner as to diversify the investments of the plan, unless it is clearly prudent not to do so; and (iv) in accordance with the documents establishing the plan. Fiduciaries considering an investment in the Shares should accordingly consult their own legal advisors if they have any concern as to whether the investment would be inconsistent with any of these criteria.

Fiduciaries of certain ERISA Plans which provide for individual accounts (for example, those which qualify under Section 401(k) of the Code, Keogh Plans and IRAs) and which permit a beneficiary to exercise independent control over the assets in his individual account, will not be liable for any investment loss or for any breach of the prudence or diversification obligations which results from the exercise of such control by the beneficiary, nor will the beneficiary be deemed to be a fiduciary subject to the general fiduciary obligations merely by virtue of his exercise of such control. On October 13, 1992, the Department of Labor issued regulations establishing criteria for determining whether the extent of a beneficiary's independent control over the assets in his account is adequate to relieve the ERISA Plan's fiduciaries of their obligations with respect to an investment directed by the beneficiary. Under the regulations, the beneficiary must not only exercise actual, independent control in directing the particular investment transaction, but also the ERISA Plan must give the participant or beneficiary a reasonable opportunity to exercise such control, and must permit him to choose among a broad range of investment alternatives.

Trustees and other fiduciaries making the investment decision for any qualified retirement plan, IRA or Keogh Plan (or beneficiaries exercising control over their individual accounts) should also consider the application of the prohibited transactions provisions of ERISA and the Code in making their investment decision. Sales and certain other transactions between a qualified retirement plan, IRA or Keogh Plan and certain persons related to it (e.g., a plan sponsor, fiduciary, or service provider) are prohibited transactions. The particular facts concerning the sponsorship, operations and other investments of a qualified retirement plan, IRA or Keogh Plan may cause a wide range of persons to be treated as parties in interest or disqualified persons with respect to it. Any fiduciary, participant or beneficiary considering an investment in Shares by a qualified retirement plan IRA or Keogh Plan should examine the individual circumstances of that plan to determine that the investment will not be a prohibited transaction. Fiduciaries, participants or beneficiaries considering an investment in the Shares should consult their own legal advisors if they have any concern as to whether the investment would be a prohibited transaction.

Regulations issued on November 13, 1986, by the Department of Labor (the "Final Plan Assets Regulations") provide that when an ERISA Plan or any other plan covered by Code Section 4975 (e.g., an IRA or a Keogh Plan which covers only self-employed persons) makes an investment in an equity interest of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act of 1940, the underlying assets of the entity in which the investment is made could be treated as assets of the investing plan (referred to in ERISA as "plan assets"). Programs which are deemed to be operating companies or which do not issue more than 25% of their equity interests to ERISA Plans are exempt from being designated as holding "plan assets." Management anticipates that we would clearly be characterized as an "operating" for the purposes of the regulations, and that it would therefore not be deemed to be holding "plan assets."

Classification of our assets of as "plan assets" could adversely affect both the plan fiduciary and management. The term "fiduciary" is defined generally to include any person who exercises any authority or control over the management or disposition of plan assets. Thus, classification of our assets as plan assets could make the management a "fiduciary" of an investing plan. If our assets are deemed to be plan assets of investor plans, transactions which may occur in the course of its operations may constitute violations by the management of fiduciary duties under ERISA. Violation of fiduciary duties by management could result in liability not only for management but also for the trustee or other fiduciary of an investing ERISA Plan. In addition, if our assets are classified as "plan assets," certain transactions that we might enter into in the ordinary course of our business might constitute "prohibited transactions" under ERISA and the Code.

Under Code Section 408(i), as amended by the Tax Reform Act of 1986, IRA trustees must report the fair market value of investments to IRA holders by January 31 of each year. The Service has not yet promulgated regulations defining appropriate methods for the determination of fair market value for this purpose. In addition, the assets of an ERISA Plan or Keogh Plan must be valued at their "current value" as of the close of the plan's fiscal year in order to comply with certain reporting obligations under ERISA and the Code. For purposes of such requirements, "current value" means fair market value where available. Otherwise, current value means the fair value as determined in good faith under the terms of the plan by a trustee or other named fiduciary, assuming an orderly liquidation at the time of the determination. We do not have an obligation under ERISA or the Code with respect to such reports or valuation although management will use good faith efforts to assist fiduciaries with their valuation reports. There can be no assurance, however, that any value so established (i) could or will actually be realized by the IRA, ERISA Plan or Keogh Plan upon sale of the Shares or upon liquidation of us, or (ii) will comply with the ERISA or Code requirements.

The income earned by a qualified pension, profit sharing or stock bonus plan (collectively, "Qualified Plan") and by an individual retirement account ("IRA") is generally exempt from taxation. However, if a Qualified Plan or IRA earns "unrelated business taxable income" ("UBTI"), this income will be subject to tax to the extent it exceeds \$1,000 during any fiscal year. The amount of unrelated business taxable income in excess of \$1,000 in any fiscal year will be taxed at rates up to 36%. In addition, such unrelated business taxable income may result in a tax preference, which may be subject to the alternative minimum tax. It is anticipated that income and gain from an investment in the Shares will not be taxed as UBTI to tax exempt shareholders, because they are participating only as passive financing sources.

INVESTOR ELIGIBILITY STANDARDS

The Shares will be sold only to a person who is not an accredited investor if the aggregate purchase price paid by such person is no more than 10% of the greater of such person's annual income or net worth, not including the value of his primary residence, as calculated under Rule 501 of Regulation D promulgated under Section 4(a)(2) of the Securities Act of 1933, as amended. In the case of sales to fiduciary accounts (Keogh Plans, Individual Retirement Accounts (IRAs) and Qualified Pension/Profit Sharing Plans or Trusts), the above suitability standards must be met by the fiduciary account, the beneficiary of the fiduciary account, or by the donor who directly or indirectly supplies the funds for the purchase of Shares. Investor suitability standards in certain states may be higher than those described in this Offering Circular. These standards represent minimum suitability requirements for prospective investors, and the satisfaction of such standards does not necessarily mean that an investment in the Company is suitable for such persons.

Each investor must represent in writing that he/she meets the applicable requirements set forth above and in the Subscription Agreement, including, among other things, that (i) he/she is purchasing the Shares for his/her own account and (ii) he/she has such knowledge and experience in financial and business matters that he/she is capable of evaluating without outside assistance the merits and risks of investing in the Shares, or he/she and his/her purchaser representative together have such knowledge and experience that they are capable of evaluating the merits and risks of investing in the Shares. Transferees of Shares will be required to meet the above suitability standards.

SIGNATURES

Pursuant to the requirements of Regulation A, the issuer certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form 1-A and has duly caused this offering statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of El Cajon, State of California on October 06, 2020.

Solar Integrated Roofing Corp.

By: <u>/s/ David Massey</u>	Dated: October 06, 2020
CEO	

This offering statement has been signed by the following persons in the capacities and on the dates indicated.

By: <u>/s/ Brian Milholland</u>	Dated: October 06, 2020
President, Director	

By: <u>/s/ David Massey</u>	Dated: October 06, 2020
CEO, Principal Executive Officer, Director	

By: <u>/s/ Jennifer Bees</u>	Dated: October 06, 2020
CFO, Principal Accounting Officer, Principal Financial Officer	

ACKNOWLEDGEMENT ADOPTING TYPED SIGNATURES

The undersigned hereby authenticate, acknowledge, and otherwise adopt the typed signatures above and as otherwise appear in this filing and Offering.

By: <u>/s/ Brian Milholland</u>	Dated: October 06, 2020
President, Director	

By: <u>/s/ David Massey</u>	Dated: October 06, 2020
CEO, Principal Executive Officer, Director	

By: <u>/s/ Jennifer Bees</u>	Dated: October 06, 2020
CFO, Principal Accounting Officer, Principal Financial Officer	

Solar Integrated Roofing Corp.
INDEX TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

	<u>Pages</u>
1) Consolidated Balance Sheets as of February 29, 2020 and February 28, 2019	F-1
2) Consolidated Statements of Operations for the year ended February 29, 2020 and February 28, 2019	F-2
3) Consolidated Statements of Stockholders' Equity/Deficit for the year ended February 29, 2020 and February 28, 2019	F-3
4) Consolidated Statements of Cash Flows for the year ended February 29, 2020 and February 28, 2019	F-4
5) Notes to Consolidated Financial Statements	F-5

Solar Integrated Roofing Corp.
Consolidated Balance Sheets

	February 29, 2020	February 28, 2019
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 639,977	\$ 77,378
Accounts receivable, net	1,035,550	226,820
Prepaid and other current assets	67,468	22,080
Total Current Assets	1,742,995	326,278
Operating lease right-of-use assets	1,912,061	-
Equipment, net of accumulated depreciation	781,901	179,668
Goodwill	2,068,134	-
TOTAL ASSETS	\$ 6,505,091	\$ 505,946
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 1,954,384	\$ 691,400
Due to related parties	586,719	25,739
Other current liabilities	203,556	102,064
Operating lease liabilities, current portion	140,781	-
Notes payable	226,730	236,029
Debenture payable	2,400,000	-
Convertible notes payable, net of unamortized discounts	496,673	383,408
Derivative liabilities	1,440,532	819,533
Total Current Liabilities	7,449,375	2,258,173
Operating lease liabilities, non-current portion	1,771,280	-
TOTAL LIABILITIES	9,220,655	2,258,173
Stockholders' Deficit		
Preferred stock, \$0.00001 par value; authorized 25,000,000 shares		
Series A Preferred stock, \$0.00001 par value, 5,000,000 shares issued and outstanding	50	50
Series B Preferred stock, \$0.00001 par value, 8,000,000 shares issued and outstanding	80	-
Common stock, \$0.00001 par value, 250,000,000 shares authorized; 154,103,723 and 95,535,416 shares issued and outstanding, respectively	1,541	955
Additional paid-in capital	6,898,357	3,509,070
Accumulated deficit	(9,615,593)	(5,262,302)
Total Stockholders' Deficit	(2,715,564)	(1,752,227)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 6,505,091	\$ 505,946

The accompanying notes are an integral part of these unaudited financial statements.

Solar Integrated Roofing Corp.
Consolidated Statements of Operations

	For the Year Ended	
	February 29, 2020	February 28, 2019
Revenue	\$ 9,122,685	\$ 4,975,907
Cost of Sales	(6,707,287)	(3,888,576)
Gross profit	2,415,397	1,087,331
Operating expenses		
Salaries and wages	1,140,535	435,935
Professional fees	906,851	146,233
Marketing	602,365	288,852
General and administrative	3,061,079	914,298
Total operating expenses	5,710,830	1,785,318
Net loss from operations	(3,295,432)	(697,987)
Other income (expense)		
Interest expense and finance fees	(748,594)	(324,344)
Change in fair value of derivative liabilities	(295,999)	(46,796)
Total other expense	(1,044,593)	(371,140)
Loss from operations	(4,340,025)	(1,069,127)
Net loss before tax	(4,340,025)	(1,069,127)
Provision for income taxes	13,265	-
Net loss	\$ (4,353,291)	\$ (1,069,127)
Basic and diluted loss per common share	\$ (0.03)	\$ (0.01)
Weighted average number of common shares outstanding, basic and diluted	126,153,148	97,381,899

The accompanying notes are an integral part of these unaudited financial statements.

Solar Integrated Roofing Corp.
Consolidated Statements of Cash Flows

	For the Year Ended	
	February 29, 2020	February 28, 2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (4,353,291)	\$ (1,069,127)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	2,000,000	9,144
Amortization of debt discount	367,688	151,209
Change in fair value of derivative liabilities	295,999	46,796
Depreciation	107,653	42,709
Changes in operating assets and liabilities:		
Accounts receivable	(808,731)	46,717
Prepaid expenses and other assets	(45,388)	(3,881)
Accounts payable and accrued liabilities	1,630,079	24,878
Due to related parties	560,980	25,739
Operating lease liabilities	(57,865)	-
Other current liabilities	101,492	11,305
Net Cash Provided by (Used in) Operating Activities	<u>(201,383)</u>	<u>(714,511)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of subsidiaries	(1,750,000)	-
Sale (purchase) and acquisition of property, plant and equipment	<u>(709,886)</u>	<u>(10,749)</u>
Net Cash Provided by Investing Activities	<u>(2,459,886)</u>	<u>(10,749)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds (repayments) of notes payable and interest	(9,298)	(356,982)
Proceeds from issuance of debenture payable	2,400,000	-
Proceeds (repayments) of convertible notes payable and interest	(12,000)	279,829
Common stock issued for cash	845,167	858,802
Net Cash Provided by (Used in) Financing Activities	<u>3,223,868</u>	<u>781,649</u>
Net change in cash and cash equivalents	562,599	56,389
Cash and cash equivalents, beginning of period	77,378	20,990
Cash and cash equivalents, end of period	<u>\$ 639,977</u>	<u>\$ 77,379</u>
Supplemental cash flow information		
Cash paid for interest	<u>\$ 126,041</u>	<u>\$ 126,041</u>
Cash paid for taxes	<u>\$ -</u>	<u>\$ -</u>
Non-cash financing transactions:		
Issuance of common stock for conversion of debt and accrued interest	<u>\$ 173,337</u>	<u>\$ 16,041</u>
Debt discount from derivative liability	<u>\$ -</u>	<u>\$ 170,000</u>
Common stock issued for settlement of payables	<u>\$ 127,400</u>	<u>\$ -</u>
Common stock issued for acquisition of subsidiary	<u>\$ 250,000</u>	<u>\$ -</u>
Common stock issued for services	<u>\$ 5,951</u>	<u>\$ -</u>
Common stock surrendered	<u>\$ 230</u>	<u>\$ 585</u>
Convertible notes payable issued for services	<u>\$ 6,150</u>	<u>\$ 110,000</u>
Operating lease right-of-use assets	<u>\$ 1,969,926</u>	<u>\$ -</u>

The accompanying notes are an integral part of these unaudited financial statements.

Solar Integrated Roofing Corp.
Consolidated Statements of Stockholders' Equity (Deficit)

	Series A Preferred Stock		Series B Preferred Stock		Common Stock		Additional	Accumulated	
	<u>Shares</u> <u>Outstanding</u>	<u>Amount</u>	<u>Shares</u> <u>Outstanding</u>	<u>Amount</u>	<u>Shares</u> <u>Outstanding</u>	<u>Amount</u>	<u>Paid in</u> <u>Capital</u>	<u>Deficit</u>	<u>Total</u>
Balance, February 28, 2018	5,000,000	\$ 50	-	\$ -	118,991,649	\$ 1,190	\$ 2,624,849	\$ (4,193,176)	\$ (1,567,087)
Common stock surrendered	-	-	-	-	(58,500,000)	(585)	585	-	-
Common stock issued for conversion of debt and interest	-	-	-	-	9,448,741	94	15,947	-	16,041
Common stock issued for cash	-	-	-	-	23,120,000	231	858,571	-	858,802
Common stock issued for services					2,475,000	25	9,119		9,144
Net loss	-	-	-	-	-	-	-	(1,069,127)	(1,069,127)
Balance, February 28, 2019	5,000,000	\$ 50	-	\$ -	95,535,390	\$ 955	\$ 3,509,071	\$ (5,262,303)	\$ (1,752,227)
Common stock surrendered	-	-	-	-	(23,030,383)	(230)	230	-	-
Common stock issued for services					19,882,812	199	(6,150)		(5,951)
Common stock issued for conversion of debt and interest	-	-	-	-	6,299,238	63	173,274	-	173,337
Common stock issued for deposit of acquisition					6,250,000	63	249,938		250,000
Common stock issued for settlement of payables					2,500,000	25	127,375	-	127,400
Common stock issued for cash	-	-	-	-	46,666,666	467	844,700	-	845,167
Series B shares - stock based compensation	-	-	8,000,000	80	-	-	1,999,920		2,000,000
Net loss	-	-	-	-	-	-	-	(4,353,291)	(4,353,291)
Balance, February 29, 2020	<u>5,000,000</u>	<u>\$ 50</u>	<u>8,000,000</u>	<u>\$ 80</u>	<u>154,103,723</u>	<u>\$ 1,541</u>	<u>\$ 6,898,357</u>	<u>\$ (9,615,593)</u>	<u>\$ (2,715,564)</u>

Solar Integrated Roofing Corp.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
February 29, 2020 and February 28, 2019

NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

The Company was incorporated under the laws of the state of Nevada on May 1, 2007 as Sterling Oil & Gas Company. The name was changed on February 14, 2014 to Landstar Development Group.

On November 9, 2015 the Board approved a name change to SOLAR INTEGRATED ROOFING CORP. The company is an integrated solar and roofing installation company specializing in commercial and residential properties.

On February 11, 2016, the Company acquired the issued and outstanding shares of Secure Roofing and Solar Inc. (SRS) whereby the shareholders of (SIRC) became the controlling shareholders of the combined entity.

Acquisitions

During the year ended February 29, 2020, the Company acquired Narrate, LLC, McKay Roofing Company Inc. and Milholland Electric, Inc and entered into an agreement to acquire Montross Companies, Inc.:

- Narrate, LLC: On August 20, 2019, the Company acquired Narrate, LLC through an Interest Purchase Agreement. Total consideration for the transaction was to be \$350,000 cash plus shares of Company Common Stock. However, upon taking control of Narrate, the Company had to make several unplanned expenditures to maintain Narrate's operations. As a result of those unplanned expenditures and in an effort to balance the financial impact to the Company, the parties are in the process of amending the Interest Purchase Agreement to be a cash only purchase for \$350,000.

- McKay Roofing Company, Inc.: On October 7, 2019, the Company entered into a stock purchase agreement with McKay Roofing Company, Inc. Under the terms of the agreement, the purchase price is \$1,000,000, to be paid as follows: \$200,000 due and payable at Closing; \$100,000 due and payable on the first day of each month, for a period of eight months (for a total of \$800,000), with the first such monthly payment due on October 1, 2019.

- Milholland Electric, Inc.: On January 17, 2020, the Company acquired Milholland Electric, Inc., a California subchapter S-Corporation, for \$1,200,000 cash and 3,500,000 shares of Series B preferred stock. The issuance of Series B preferred stock was completed on March 5, 2020.

Subsequent acquisitions

- Montross Companies, Inc.: The Company entered into an asset purchase agreement to purchase the assets of Montross Companies, Inc. A total of 6,250,000 common shares have been issued and recorded as deposit for acquisition of subsidiary as of February 29, 2020. The Company took control of the assets and completed the acquisition on March 1, 2020.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis of consolidation

The consolidated financial statement comprises of the financial statement of Solar Integrated Roofing Corp (The Company) and the subsidiaries, Secure Roofing and Solar Inc., Narrate LLC, McKay Roofing Company, Inc., and Milholland Electric, Inc. as of February 29, 2020 and February 28, 2019.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the estimated useful lives of property and equipment. Actual results could differ from those estimates.

Concentrations of Credit Risk

The Company maintains its cash in bank deposit accounts, the balances of which at times may exceed federally insured limits. The Company continually monitors its banking relationships and consequently has not experienced any losses in its accounts. Management believes the Company is not exposed to any significant credit risk on cash.

Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents was \$639,977 and \$77,378 as of February 29, 2020 and February 28, 2019, respectively.

Accounts Receivable

Management reviews accounts receivable periodically to determine if any receivables will potentially be uncollectible. Management's evaluation includes several factors including the aging of the accounts receivable balances, a review of significant past due accounts, economic conditions, and our historical write-off experience, net of recoveries. The Company includes any accounts receivable balances that are determined to be uncollectible, along with a general reserve, in its allowance for doubtful accounts. After all attempts to collect a receivable have failed, the receivable is written off against the allowance. The Company's allowance for doubtful accounts was \$0 and \$0 as of February 29, 2020 and February 28, 2019, respectively.

Property and Equipment

Property and equipment are carried at cost less amortization and depreciation. Major betterments that extend the useful lives of assets are also capitalized. Normal maintenance and repairs are charged to expense as incurred. When assets are sold or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in operations. Property and equipment consist of Motor Vehicle, Computer Equipment, Machinery and Equipment, Furniture and Equipment and Trucks which are depreciated on a straight-line basis over their expected useful lives as follows.

Motor Vehicle	5 years
Computer Equipment	5 years
Machinery and Equipment	5 years
Furniture & Equipment	5 years
Trucks	5 years

Leases

Effective March 1, 2019, the Company adopted the Financial Accounting Standards Board's (the "FASB") Accounting Standards Update ("ASU") No. 2016-02, Leases (Topic 842) ("ASU 2016-02"), and additional ASUs issued to clarify and update the guidance in ASU 2016-02 (collectively, the "new leases standard"), which modifies lease accounting for lessees to increase transparency and comparability by recording lease assets and liabilities for operating leases and disclosing key information about leasing arrangements. The Company adopted the new leases standard utilizing the modified retrospective transition method, under which amounts in prior periods presented were not restated. For contracts existing at the time of adoption, the Company elected to not reassess (i) whether any are or contain leases, (ii) lease classification, and (iii) initial direct costs. Upon adoption, the Company recorded \$1,969,926 of right-of-use ("ROU") assets and \$1,969,926 of lease liabilities on its Consolidated Balance Sheet.

Advertising

The Company conducts advertising for the promotion of its services. In accordance with ASC Topic 720-35-25, advertising costs are charged to operations when incurred.

Fair Value of Financial Instruments

The Company follows paragraph 825-10-50-10 of the FASB Accounting Standards Codification for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB Accounting Standards Codification ("Paragraph 820-10-35-37") to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in accounting principles generally accepted in the United States of America (U.S. GAAP), and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three (3) broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three (3) levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

Level 1: Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.

Level 2: Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.

Level 3: Pricing inputs that are generally unobservable inputs and not corroborated by market data.

The carrying amount of the Company's financial assets and liabilities, such as cash, prepaid expenses and accrued expenses approximate their fair value because of the short maturity of those instruments. The Company's notes payable approximates the fair value of such instruments based upon management's best estimate of interest rates that would be available to the Company for similar financial arrangements at February 29, 2020.

Revenue Recognition

In May 2014, the FASB issued new accounting guidance related to revenue from contracts with customers. The core principle of the Standard is that recognition of revenue occurs when a customer obtains control of promised goods or services in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, the new guidance requires that companies disclose the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The Company has chosen to early adopt and apply the standards beginning in the fiscal year ended February 28, 2019, using the modified retrospective approach, which applies the new standard to contracts that are not completed as of the date of adoption. The Company concluded that no adjustment to the opening balance of retained earnings was required upon the adoption of the new standard.

The Company recognizes revenue from its contracts with customers in accordance with *ASC 606 – Revenue from Contracts with Customers*. The Company recognizes revenues when satisfying the performance obligation of the associated contract that reflects the consideration expected to be received based on the terms of the contract.

Revenue is recognized when a customer obtains control of promised goods or services and is recognized in an amount that reflects the consideration that an entity expects to receive in exchange for those goods or services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The amount of revenue that is recorded reflects the consideration that the Company expects to receive in exchange for those goods. The Company applies the following five-step model in order to determine this amount:

- (i) identification of the promised goods in the contract; (ii) determination of whether the promised goods are performance obligations, including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations; and (v) recognition of revenue when (or as) the Company satisfies each performance obligation.

The Company only applies the five-step model to contracts when it is probable that the entity will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer. Once a contract is determined to be within the scope of ASC 606 at contract inception, the Company reviews the contract to determine

which performance obligations the Company must deliver and which of these performance obligations are distinct. The Company recognizes as revenues the amount of the transaction price that is allocated to the respective performance obligation when the performance obligation is satisfied or as it is satisfied. Generally, the Company's performance obligations are transferred to customers at a point in time, typically upon delivery.

Income taxes

The Company follows Section 740-10-30 of the FASB Accounting Standards Codification, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the fiscal year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Income in the period that includes the enactment date.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification ("Section 740-10-25") with regards to uncertainty income taxes. Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures. The Company had no material adjustments to its liabilities for unrecognized income tax benefits according to the provisions of Section 740-10-25.

Stock-based Compensation

The Company accounts for equity-based transactions with nonemployees under the provisions of ASC Topic No. 505-50, *Equity-Based Payments to Non-Employees* ("ASC 505-50"). ASC 505-50 establishes that equity-based payment transactions with nonemployees shall be measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. The fair value of common stock issued for payments to nonemployees is measured at the market price on the date of grant. The fair value of equity instruments, other than common stock, is estimated using the Black-Scholes option valuation model. In general, we recognize the fair value of the equity instruments issued as deferred stock compensation and amortize the cost over the term of the contract.

The Company accounts for employee stock-based compensation in accordance with the guidance of FASB ASC Topic 718, *Compensation—Stock Compensation*, which requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values. The fair value of the equity instrument is charged directly to compensation expense and credited to additional paid-in capital over the period during which services are rendered.

Net Income (Loss) per Common Share

Net income (loss) per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock and potentially outstanding shares of common stock during the period. The weighted average number of common shares outstanding and potentially outstanding common shares assumes that the Company incorporated as of the beginning of the first period presented.

The Company's diluted loss per share is the same as the basic loss per share for the years ended February 29, 2020 and February 28, 2019, as the inclusion of any potential shares would have had an anti-dilutive effect due to the Company generating a loss.

On June 20, 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-07, *Compensation—Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting*. ASU 2018-07 is intended to reduce cost and complexity and to improve financial reporting for share-based payments to nonemployees (for example, service providers, external legal counsel, suppliers, etc.). Under the new standard, companies will no longer be required to value non-employee awards differently from employee awards. Meaning that companies will value all equity classified awards at their grant-date under ASC718 and forgo revaluing the award after this date. The guidance is effective for interim and annual periods beginning after December 15, 2018.

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

NOTE 3 – GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has an accumulated deficit of \$9,615,593 at February 29, 2020, had a net loss of \$4,353,291 and net cash used in operating activities of \$201,383 for the year ended February 29, 2020. The Company's ability to continue as a going concern is dependent upon its ability to repay or settle its current indebtedness, generate positive cash flow from an operating company, and/or raise capital through equity and debt financing or other means on desirable terms. If the Company is unable to obtain additional funds when they are required or if the funds cannot be obtained on favorable terms, management may be required to restructure the Company or cease operations. The financial statements do not include any adjustments that might result from the outcome of these uncertainties.

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment stated at cost, less accumulated depreciation consisted of the following

	February 29, 2020	February 28, 2019
Motor Vehicle	\$ 1,042,409	\$ 254,645
Computer Equipment	4,742	4,742
Machinery and Equipment	65,202	7,000
Trucks	580,260	30,865
Leasehold Improvement	13,473	
Furniture and Equipment	118,879	29,910
Less: accumulated depreciation	(1,043,064)	(147,494)
Property and equipment, net	\$ 781,901	\$ 179,668

Depreciation expense for the year ended February 29, 2020 and February 28, 2019, was \$107,653 and \$42,708, respectively.

NOTE 5 – ACCOUNTS RECEIVABLE

As of February 29, 2020 and February 28, 2019, all receivables are deemed recoverable.

Concentration of Accounts Receivable

As of February 29, 2020, and February 28, 2019, no individual customers held over 10% of the overall accounts receivable balance.

NOTE 6 – RELATED PARTY TRANSACTIONS

During the year ended February 29, 2020, there was \$182,220 of expenses incurred with related parties. During the year ended February 28, 2019, there was \$178,511 of expenses paid to related parties. As of February 29, 2020, and February 28, 2019, amounts owing to related parties was \$586,719 and \$25,739, respectively.

NOTE 7 – COMMON STOCK

The Company is authorized to issue 250,000,000 shares of common stock par value \$0.00001. During the year ended February 29, 2020, the Company reduced its authorized shares down from 750,000,000 to 250,000,000.

Year ended February 29, 2020

During the year ended February 29, 2020, shareholders surrendered 23,030,383 common shares for no consideration.

During the year ended February 29, 2020, the Company issued 19,882,812 shares of common stock for services of \$49,151.

During the year ended February 29, 2020, Company issued 6,299,238 shares of common stock for debt and interest conversion of \$173,337.

During the year ended February 29, 2020, the Company issued 6,250,000 shares of common stock for the deposit of an acquisition of a subsidiary.

During the year ended February 29, 2020, the Company issued 2,500,000 shares of common stock for settlement of payables of \$72,099.

During the year ended February 29, 2020, the Company issued 46,666,666 shares of common stock for total cash proceeds of \$845,167.

Year ended February 28, 2019

During the year ended February 28, 2019, shareholders surrendered 58,500,000 shares of common stock for no consideration. During the year ended February 28, 2019, the Company issued 9,448,741 shares of common stock for debt conversion of \$16,054.

During the year ended February 28, 2019, the Company issued 23,120,000 shares of common stock for total cash proceeds of \$858,802. During the year ended February 28, 2019, the Company issued 2,475,000 shares of common stock for services of \$9,144.

NOTE 8 – PREFERRED STOCK

The Company is authorized to issue up to 5,000,000 shares of Class A preferred stock, Par value \$0.0001 and 20,000,000 shares of Class B preferred stock, par value \$0.0001. As of February 29, 2020, and February 28, 2019, there are 5,000,000 shares of Class A preferred stock issued and outstanding. As of February 29, 2020 and February 28, 2019, there are 8,000,000, and 0 shares of Class B preferred stock issued and outstanding, respectively. Each Class B preferred share is convertible into 10 shares of common stock.

During the year ended February 29, 2020, the Company issued 8,000,000 preferred shares, Class B as stock-based compensation valued at \$2,000,000.

NOTE 9 – DERIVATIVE LIABILITY

The Company analyzed the conversion option for derivative accounting consideration under ASC 815, "*Derivatives and Hedging*," and determined that the convertible notes should be classified as a liability since the conversion option becomes effective at issuance resulting in there being no explicit limit to the number of shares to be delivered upon settlement of the above conversion options.

The Company determined our derivative liabilities to be a Level 3 fair value measurement and used the Black-Scholes pricing model to calculate the fair value as of February 29, 2020 and February 28, 2019. The Black-Scholes model requires six basic data inputs: the exercise or strike price, time to expiration, the risk-free interest rate, the current stock price, the estimated volatility of the stock price in the future, and the dividend rate. Changes to these inputs could produce a significantly higher or lower fair value measurement. The fair value of each convertible note is estimated

using the Black-Scholes valuation model. The following weighted-average assumptions were used for the year ended February 29, 2020 and February 28, 2019:

The following table summarizes the derivative liabilities included in the balance sheet at February 29, 2020 and February 28, 2019:

Fair Value Measurements Using Significant Observable Inputs (Level 3)

Balance - February 28, 2018	\$	602,737
Addition of new derivative liabilities upon issuance of convertible notes as debt discounts		170,000
Fair value of derivative liability in excess of debt		280,396
Reduction of derivatives liabilities from pay off of convertible notes and conversion of convertible notes to common shares		(320,000)
Loss on change in fair value of the derivative liabilities		86,400
Balance - February 28, 2019	\$	819,533
Addition of new derivative liabilities upon issuance of convertible notes as debt discounts		325,000
Fair value of derivative liability in excess of debt		339,180
Reduction of derivatives liabilities from pay off of convertible notes and conversion of convertible notes to common shares		(123,366)
Loss on change in fair value of the derivative liabilities		80,185
Balance - February 29, 2020	\$	1,440,532

The following table summarizes the loss on derivative liability included in the income statement for the year ended February 29, 2020 and February 28, 2019, respectively.

	Year Ended		Year Ended	
	February 29,		February 28,	
	2020		2019	
Day one loss due to derivative liabilities on convertible notes		(339,180)		(280,396)
Loss on change in fair value of the derivative liabilities	\$	(80,185)	\$	(86,400)
Reduction of derivatives liabilities from pay off of convertible notes and conversion of convertible notes to common shares		123,366		320,000
Gain (Loss) on change in the fair value of derivative liabilities	\$	(295,999)	\$	(46,796)

The table below shows the Black-Scholes option-pricing model inputs used by the Company to value the derivative liability at each measurement date:

	Year Ended February 29, 2020	Year Ended February 28, 2019
Expected term	0.05 – 0.18 years	0.25 - 0.92 years
Expected average volatility	75% - 212%	102% - 147%
Expected dividend yield	-	-
Risk-free interest rate	1.11 - 2.35	0.82 - 2.08

NOTE 10 – DEBENTURE PAYABLE

In January 2020, the Company received \$2,400,00 for the issuance of a senior secured redeemable debenture. The debenture bears interest at 16% and matures 24 months after issuance. As of February 29, 2020, \$2,400,000 of principle and \$32,000 of interest outstanding

NOTE 11 – CONVERTIBLE NOTES

The Company recognized amortization expense related to the debt discount of \$367,688 and \$109,421 for the year ended February 29, 2020 and February 28, 2019, respectively, which is included in interest expense in the statements of operations.

During the year ended February 29, 2020 and February 28, 2019, holders of certain of the convertible notes converted notes with principal amounts of \$94,829 and \$85,000 into common shares.

During the year ended February 29, 2020 and February 28, 2019, the interest expense on convertible notes was \$74,027 and \$28,954, respectively. As of February 29, 2020 and February 28, 2019, the accrued interest payable was \$82,160 and \$41,547, respectively.

NOTE 12 – LEASES

The Company has several operating leases. As of February 29, 2020, the Company owned ROU assets under operating leases for three office premises of \$1,912,061 and operating lease liabilities of \$1,912,061.

	February 29, 2020
Operating lease ROU assets	\$ 1,912,061
Current portion of operating lease liabilities	140,781
Noncurrent portion of operating lease liabilities	1,771,280
Total operating lease liabilities	\$ 1,912,061

Information associated with the measurement of our remaining operating lease obligations as of February 29, 2020 is as follows:

Weighted-average remaining lease term	8.76 years
Weighted-average discount rate	3.63%

The following table summarizes the maturity of our operating lease liabilities as of February 29, 2020:

Year Ended February 28, 2023	\$ 212,848
Thereafter	2,165,464
Total operating lease payments	\$ 2,378,312
Less: Imputed interest	466,251
Total operating lease liabilities	\$ 1,912,061

We had operating lease costs of \$79,444 for the year ended February 29, 2020, which are included in general and administrative expenses in the statement of operations.

Our leases have remaining lease terms of 1.7 to 14.4 years, inclusive of renewal or termination options that we are reasonably certain to exercise.

NOTE 13 – INCOME TAXES

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company has evaluated Staff Accounting Bulletin No. 118 regarding the impact of the decreased tax rates of the Tax Cuts & Jobs Act. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment. The U.S. federal income tax rate of 21% is being used due to the new tax law recently enacted.

The following is a reconciliation of the federal statutory tax rate to the effective tax rate for the period ended February 29, 2020 and February 28, 2019:

	2020	2019
Income tax benefit (federal and state)	\$ (914,191)	\$ (224,517)
Change in valuation allowance	914,191	224,517
Income tax benefit	\$ -	\$ -

The cumulative tax effect at the expected rate of 21% of significant items comprising our net deferred tax amount is as follows:

	February 29, 2020	February 28, 2019
Net operating loss carry forward	\$ 9,615,593	\$ 5,262,302
Effective tax rate	21%	21%
Deferred tax asset	2,019,274	1,105,083
Less: Valuation allowance	(2,019,274)	(1,105,083)
Net deferred asset	\$ -	\$ -

At February 29, 2020, the Company had net operating loss carry forwards of approximately \$2.0m that maybe offset against future taxable income. No tax benefit has been reported in the February 29, 2020 or February 28, 2019 financial statements since the potential tax benefit is offset by a valuation allowance of the same amount.

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cut and Jobs Act (the "Tax Act"). The Tax Act establishes new tax laws that affects 2018 and future years, including a reduction in the U.S. federal corporate income tax rate to 21% effective January 1, 2018.

Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carry forwards for Federal income tax reporting purposes are subject to annual limitations. Should a change in ownership occur, net operating loss carry forwards may be limited as to use in future years.

ASC Topic 740 provides guidance on the accounting for uncertainty in income taxes recognized in a company's financial statements. Topic 740 requires a company to determine whether it is more likely than not that a tax position will be sustained upon examination based upon the technical merits of the position. If the more-likely-than-not threshold is met, a company must measure the tax position to determine the amount to recognize in the financial statements. The Company includes interest and penalties arising from the underpayment of income taxes in the statements of operations in the provision for income taxes. At February 29, 2020 and February 28, 2019, the Company had no accrued interest or penalties related to uncertain tax positions.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

On January 2, 2020, Oscaleta Partners, LLC filed a lawsuit in the state of Connecticut against the Company and its officers, David Massey, CEO, and Robert N. Jones, CFO (former). The suit was filed in an effort to compel the

Company and its officers to convert several convertible notes, into common shares of the Company's common stock. The Company is attempting to engage in settlement discussions to resolve the issue.

NOTE 15 - SUBSEQUENT EVENTS

In accordance with SFAS 165 (ASC 855-10) management has performed an evaluation of subsequent events through the date that the financial statements were available to be issued.

In early 2020, there was a global outbreak of COVID-19, which continues to rapidly evolve. The extent to which the COVID-19 coronavirus may impact the Company's operations will be dependent on future developments, which are highly uncertain and cannot be predicted with confidence, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, and social distancing and other countries, business closures or business disruptions, and the effectiveness of actions taken in the United States and other countries to contain and treat the disease.

Subsequent to February 29, 2020, the Company:

- Acquired Montross Companies, Inc. The Company entered into an asset purchase agreement to purchase the assets of Montross Companies, Inc. A total of 6,250,000 common shares have been issued. The Company took control of the assets on March 1, 2020.
- Received a total of \$997,300 in PPP SBA loans. All of the loans have a term of two years, interest bearing at 1%.
- Issued 1,000,000 common shares to the current CFO of the Company as compensation

PART III: EXHIBITS

INDEX TO EXHIBITS

Description	Item	Exhibit
<u>Articles of Incorporation</u>	Item 17.2	1A-2A
<u>Bylaws</u>	Item 17.2	1A-2B
<u>Subscription Agreement</u>	Item 17.4	1A-4
<u>Robert N. Jones Common Stock Purchase Agreement dated 1/9/2019</u>	Item 17.6	1A-6A.1
<u>McKay Roofing Stock Purchase Agreement dated 9/10/2019 as amended</u>	Item 17.6	1A-6A.2
<u>Milholland Electric, Inc. Stock Purchase Agreement dated 1/17/2020</u>	Item 17.6	1A-6A.3
<u>Montross Companies, Inc. Stock Purchase Agreement dated 3/20/2019 as amended</u>	Item 17.6	1A-6A.4
<u>Narrate, LLC Interest Purchase Agreement dated 8/20/219</u>	Item 17.6	1A-6A.5
<u>Robert N. Jones Preferred Stock Purchase Agreement dated January 9, 2019</u>	Item 17.6	1A-6B
<u>Legal Opinion of JDT Legal, PLLC</u>	Item 17.12	1A-12

STATE OF NEVADA

BARBARA K. CEGAYSKA
Secretary of State

KIMBERLEY PERONDI
Deputy Secretary
for Commercial Recordings



OFFICE OF THE
SECRETARY OF STATE

Commercial Recordings Division

202 N. Carson Street
Carson City, NV 89701-4201
Telephone (775) 684-5706
Fax (775) 684-7138

ROBERT NICKOLAS JONES

Job: C20190411-0426

April 12, 2019

NV

Special Handling Instructions:

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JOB: C20190411-0426

NICKJONES@SECUREHOMEIMPROVEMENT.COM

Charges

Description	Document Number	Filing Date/Time	Qty	Price	Amount
Entity Copies	00011296527-43		11	\$2.00	\$22.00
24-HR Copy Expedite	00011296527-43		1	\$125.00	\$125.00
Total					\$147.00

Payments

Type	Description	Amount
Credit	555082601175696200401 7	\$147.00
Total		\$147.00
		Credit Balance: \$0.00

Job Contents:

NV Corp Copy Request Cover 1
Letter

ROBERT NICKOLAS JONES

NV

STATE OF NEVADA

BARBARA K. CEGAVSKE
Secretary of State

KIMBERLEY PERONDI
Deputy Secretary
for Commercial Recordings



OFFICE OF THE
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Commercial Recordings Division

502 N. Carson Street
Carson City, NV 89701-4201
Telephone (775) 684-5708
Fax (775) 684-7138

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April 12, 2019

Job Number: C20190411-0426
Reference Number: 00011296527-43
Expedite:
Through Date:

Document Number(s)	Description	Number of Pages
20070305411-93	Articles of Incorporation	5 Pages/1 Copies
20140125669-26	Amendment	1 Pages/1 Copies
20150453533-61	Amendment	5 Pages/1 Copies

Respectfully,

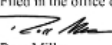
A handwritten signature in black ink that reads "Barbara K. Cegavske".

Barbara K. Cegavske
Secretary of State

Commercial Recording Division
202 N. Carson Street
Carson City, Nevada 89701-4201
Telephone (775) 684-5708
Fax (775) 684-7138



ROSS MILLER
Secretary of State
206 North Carson Street
Carson City, Nevada 89701-4299
(775) 684-5708
Website: secretaryofstate.biz

Filed in the office of	Document Number
	20070305411-93
Ross Miller	Filing Date and Time
Secretary of State	05/01/2007 11:30 AM
State of Nevada	Entity Number
	E0304132007-3

Articles of Incorporation

(PURSUANT TO NRS 78)

USE BLACK INK ONLY - DO NOT HIGHLIGHT		ABOVE SPACE IS FOR OFFICE USE ONLY	
1. Name of Corporation:	STERLING OIL & GAS COMPANY		
2. Resident Agent Name and Street Address:	The Corporation Trust Company of Nevada		
	6100 Neil Road, Suite 500	Reno	Nevada 89511
	(MANDATORY) Physical Street Address City State Zip Code		
	None		
	(OPTIONAL) Mailing Address City State Zip Code		
3. Shares:	Number of shares with par value: 200,000,000 Par value per share: \$0.00001 Number of shares without par value: None		
4. Names & Addresses of Six Board of Directors/Trustees:	1. Timothy Barrett Name 201 W. Lakeside, Suite 1000 Street Address Gillette WY 82718 City State Zip Code		
	2. Ray Murphy Name 201 W. Lakeside, Suite 1000 Street Address Gillette WY 82718 City State Zip Code		
	3. Richard Stockdale Name 201 W. Lakeside, Suite 1000 Street Address Gillette WY 82718 City State Zip Code		
5. Purpose:	The purpose of this Corporation shall be: To engage in and carry on any lawful business activity.		
6. Name, Address and Signature of Incorporator:	Cory C. Lysak Name 601 West First Avenue, Suite 905 Address Spokane WA 99201 City State Zip Code		
7. Certificate of Acceptance of Appointment of Resident Agent:	I hereby accept appointment as Resident Agent for the above named corporation. <input checked="" type="checkbox"/> Authorized Signature of R. A. or On Behalf of R. A. Company Date		

This form must be accompanied by appropriate fees.

Nevada Secretary of State Form 78-A (Article 2007)
Revised on: 01/01/07



ROSS MILLER
Secretary of State
252 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5700
Website: secretaryofstate.nv.gov

Resident Agent Acceptance

General instructions for this form:

1. Please print legibly or type; Black ink Only
2. Complete all fields. Do not highlight.
3. Ensure that document is signed in signature field.

ABOVE SPACE IS FOR OFFICE USE ONLY

In the matter of Sterling Oil & Gas Company
(Name of business entity)

I, The Corporation Trust Company of Nevada
(Name of resident agent)

hereby state that on 05/01/07 I accepted the appointment as resident agent
(Date)
for the above named business entity. The street address of the resident agent in this
state is as follows:

6100 Neil Road
(MANDATORY) Physical Street Address

500
Suite number

Reno NEVADA
City

89511
Zip Code

Optional: (address where mail will be sent)

(OPTIONAL) Additional Mailing Address

Suite number

City State

Zip Code

Signature:

X [Signature]
Authorized Signature of R.A. or On Behalf of R.A. Company

Lois D. Stuhlmiller, Asst. Sec.

4/17/07
Date

Notice: Signature of State RA Acceptance 05/07
Revised per 01/05/07

STERLING OIL & GAS COMPANY
ADDITIONAL ARTICLES

Section 1. Capital Stock

The aggregate number of shares that the Corporation will have authority to issue is Two Hundred Million (200,000,000) of which One Hundred Million (100,000,000) shares will be common stock, with a par value of \$0.00001 per share, and One Hundred Million (100,000,000) shares will be preferred stock, with a par value of \$0.00001 per share.

The Preferred Stock may be divided into and issued in series. The Board of Directors of the Corporation is authorized to divide the authorized shares of Preferred Stock into one or more series, each of which shall be so designated as to distinguish the shares thereof from the shares of all other series and classes. The Board of Directors of the Corporation is authorized, within any limitations prescribed by law and this Article, to fix and determine the designations, rights, qualifications, preferences, limitations and terms of the shares of any series of Preferred Stock including but not limited to the following:

- (a) The rate of dividend, the time of payment of dividends, whether dividends are cumulative, and the date from which any dividends shall accrue;
- (b) Whether shares may be redeemed, and, if so, the redemption price and the terms and conditions of redemption;
- (c) The amount payable upon shares in the event of voluntary or involuntary liquidation;
- (d) Sinking fund or other provisions, if any, for the redemption or purchase of shares;
- (e) The terms and conditions on which shares may be converted, if the shares of any series are issued with the privilege of conversion;
- (f) Voting powers, if any, provided that if any of the Preferred Stock or series thereof shall have voting rights, such Preferred Stock or series shall vote only on a share for share basis with the Common Stock on any matter, including but not limited to the election of directors, for which such Preferred Stock or series has such rights; and,
- (g) Subject to the foregoing, such other terms, qualifications, privileges, limitations, options, restrictions, and special or relative rights and preferences, if any, of shares or such series as the Board of Directors of the Corporation may, at the time so acting, lawfully fix and determine under the laws of the State of Nevada.

The Corporation shall not declare, pay or set apart for payment any dividend or other distribution (unless payable solely in shares of Common Stock or other class of stock junior to the Preferred Stock as to dividends or upon liquidation) in respect of Common Stock, or other class of stock junior to the Preferred Stock, nor shall it redeem, purchase or otherwise acquire for consideration shares of any of the foregoing, unless dividends, if any, payable to holders of Preferred Stock for the current period (and in the case of cumulative dividends, if any, payable to holder of Preferred Stock for the current period and in the case of cumulative dividends, if any, for all past periods) have been paid, are being paid or have been set aside for payments, in accordance with the terms of the Preferred Stock, as fixed by the Board of Directors.

In the event of the liquidation of the Corporation, holders of Preferred Stock shall be entitled to received, before any payment or distribution on the Common Stock or any other class of stock junior to the Preferred Stock upon liquidation, a distribution per share in the amount of the liquidation preference, if any, fixed or determined in accordance with the terms of such Preferred Stock plus, if so provided in such terms, an amount per share equal to accumulated and unpaid dividends in respect of such Preferred Stock (whether or not earned or declared) to the date of such distribution. Neither the sale, lease or exchange of all or substantially all of the property and assets of the Corporation, nor any consolidation or merger of the Corporation, shall be deemed to be a liquidation for the purposes of this Article.

Section 2. Acquisition of Controlling Interest.

The Corporation elects not to be governed by NRS 78.378 to 78.3793, inclusive.

Section 3. Combinations with Interest Stockholders.

The Corporation elects not to be governed by NRS 78.411 to 78.444, inclusive.

Section 4. Liability.

To the fullest extent permitted by NRS 78, a director or officer of the Corporation will not be personally liable to the Corporation or its stockholders for damages for breach of fiduciary duty as a director or officer, provided that this article will not eliminate or limit the liability of a director or officer for:

- (a) acts or omissions which involve intentional misconduct, fraud or a knowing violation of law; or
- (b) the payment of distributions in violation of NRS 78.300, as amended.

Any amendment or repeal of this Section 4 will not adversely affect any right or protection of a director of the Corporation existing immediately prior to such amendment or repeal.

Section 5. Indemnification

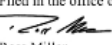
- (a) **Right to Indemnification.** The Corporation will indemnify to the fullest extent permitted by law any person (the "Indemnitee") made or threatened to be made a party to any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative (whether or not by or in the right of the Corporation) by reason of the fact that he or she is or was a director of the Corporation or is or was serving as a director, officer, employee or agent of another entity at the request of the Corporation or any predecessor of the Corporation against judgments, fines, penalties, excise taxes, amounts paid in settlement and costs, charges and expenses (including attorneys' fees and disbursements) that he or she incurs in connection with such action or proceeding.
- (b) **Inurement.** The right to indemnification will inure whether or not the claim asserted is based on matters that predate the adoption of this Section 5, will continue as to an Indemnitee who has ceased to hold the position by virtue of which he or she was entitled to indemnification, and will inure to the benefit of his or her heirs and personal representatives.
- (c) **Non-exclusivity of Rights.** The right to indemnification and to the advancement of expenses conferred by this Section 5 are not exclusive of any other rights that an Indemnitee may have or acquire under any statute, bylaw, agreement, vote of stockholders or disinterested directors, the Certificate of Incorporation or otherwise.
- (d) **Other Sources.** The Corporation's obligation, if any, to indemnify or to advance expenses to any Indemnitee who was or is serving at the request as a director, officer employee or agent of another corporation, partnership, joint venture, trust, enterprise or other entity will be reduced by any amount such Indemnitee may collect as indemnification or advancement or expenses from such other entity.
- (e) **Advancement of Expenses.** The Corporation will, from time to time, reimburse or advance to any Indemnitee the funds necessary for payment of expenses, including attorneys' fees and disbursements, incurred in connection with defending any proceeding from which he or she is indemnified by the Corporation, in advance of the final disposition of such proceeding; provided that the Corporation has received the undertaking of such director or officer to repay any such amount so advanced if it is ultimately determined by a final and unappealable judicial decision that the director or officer is not entitled to be indemnified for such expenses.



ROSS MILLER
Secretary of State
204 North Carson Street, Suite 1
Carson City, Nevada 89701-4520
(775) 684-5708
Website: www.nvsos.gov



000200

Filed in the office of	Document Number
	20140125669-26
Ross Miller Secretary of State State of Nevada	Filing Date and Time 02/21/2014 8:00 AM
	Entity Number E0304132007-3

Certificate of Amendment
(PURSUANT TO NRS 78.385 AND 78.390)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Amendment to Articles of Incorporation
For Nevada Profit Corporations

(Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock)

1. Name of corporation:

STERLING OIL & GAS COMPANY

2. The articles have been amended as follows: (provide article numbers, if available)

Name of Corporation will be changed to: LANDSTAR DEVELOPMENT GROUP, INC.

To increase the authorized number of shares from Two Hundred Million (200,000,000) to Seven Hundred Fifty Million (750,000,000) at .00001 par value and to add a Preferred Stock A series of 5 Million (5,000,000) and a Preferred Stock B series of Twenty Million (20,000,000) at .00001 par value.

A reverse stock split of the common stock of the Company at a ratio of 30:1 (the "Reverse Split")

3. The vote by which the stockholders holding shares in the corporation entitling them to exercise at least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation have voted in favor of the amendment is:

52%

4. Effective date and time of filing: (optional) Date: 2/18/14 Time: 12:00
(must not be later than 90 days after the certificate is filed)

5. Signature: (required)



Signature of Officer

"If any proposed amendment would alter or change any preference or any relative or other right given to any class or series of outstanding shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless to limitations or restrictions on the voting power thereof.

IMPORTANT: Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.
This form must be accompanied by appropriate fees.

Nevada Secretary of State Amend Profit After
Revised: 11-27-13



BARBARA K. CEGAVSKE
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5708
Website: www.nvsoa.gov



090204

Filed in the office of <i>Barbara K. Cegavske</i> Barbara K. Cegavske Secretary of State State of Nevada	Document Number 20150453533-61 Filing Date and Time 10/14/2015 8:50 AM Entity Number E0304132007-3
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Certificate of Amendment
(PURSUANT TO NRS 78.385 AND 78.390)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Amendment to Articles of Incorporation
For Nevada Profit Corporations
(Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock)

1. Name of corporation:

Landstar Development Group, Inc.

2. The articles have been amended as follows: (provide article numbers, if available)

Name of the corporation will be changed to Solar Integrated Roofing Corp.

A reverse stock split of common stock of the corporation at a ratio of 30:1

3. The vote by which the stockholders holding shares in the corporation entitling them to exercise at least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation* have voted in favor of the amendment is:

over 51%

4. Effective date and time of filing: (optional)

Date: 3/5/15

Time:

(must not be later than 90 days after the certificate is filed)

5. Signature: (required)

X *[Signature]*

Signature of Officer

*If any proposed amendment would alter or change any preference or any relative or other right given to any class or series of outstanding shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless to limitations or restrictions on the voting power thereof.

IMPORTANT: Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Amend Profit After
Revised: 1-5-15

**UNANIMOUS WRITTEN CONSENT OF THE
MEMBERS OF THE BOARD OF DIRECTORS OF
LANDSTAR DEVELOPMENT GROUP, INC.**

The undersigned, constituting all of members of the Board of Directors (the "Board") of **LANDSTAR DEVELOPMENT GROUP, INC.**, a Nevada corporation (the "Corporation"), by written consent pursuant to the authority contained in the corporate laws of the State of Nevada and without the formality of convening a meeting, do hereby consent to the following actions of the Company, to be effective as of the 10th day of September 2015.

WHEREAS, the Board believes that it is in the best interests of the Corporation that it amends its Articles of Incorporation to change its name to Solar Integrated Roofing Corp.

NOW THEREFORE BE IT RESOLVED, that the Corporation is hereby authorized to amend its Articles of Incorporation to create change its name.

WHEREAS, the Board believes that it is in the best interest of the Corporation to perform a reverse stock split, ratio 30:1.

NOW THEREFORE BE IT RESOLVED, that the Corporation is hereby authorized to perform a reverse stock split.

RESOLVED FURTHER, that the Corporation shall attach the amendment to change its name to its Articles of Incorporation, in the form attached hereto as Exhibit "A" (the "Name Change Amendment") and maintains a copy thereof with the Corporation's records.

RESOLVED FURTHER, that the officers of the Corporation be and hereby are authorized, empowered and directed to take any and all actions and to execute, deliver and file any and all agreements, instruments and documents as the officer or officers so acting shall determine to be necessary or appropriate to consummate the transactions contemplated by the foregoing resolutions. The taking of such action to be conclusive evidence that the same was deemed to be necessary or appropriate and was authorized hereby.

The undersigned, constituting the entire Board of Directors, hereby consent to and adopt the foregoing.


Richard Melland

**UNANIMOUS WRITTEN CONSENT OF THE
MEMBERS OF THE BOARD OF DIRECTORS OF
LANDSTAR DEVELOPMENT GROUP, INC.**

The undersigned, constituting all of members of the Board of Directors (the "Board") of **LANDSTAR DEVELOPMENT GROUP, INC.**, a Nevada corporation (the "Corporation"), by written consent pursuant to the authority contained in the corporate laws of the State of Nevada and without the formality of convening a meeting, do hereby consent to the following actions of the Company, to be effective as of the 10th day of September 2015.

WHEREAS, the Board believes that it is in the best interests of the Corporation to terminate Walter Luce as the Corporation's President and Treasurer.

NOW THEREFORE BE IT RESOLVED, that the Corporation is hereby authorized the termination of Walter Luce.

WHEREAS, the Board believes that it is in the best interest of the Corporation to appoint the Corporation's Secretary and Director, Richard Melland, to the positions of President.

NOW THEREFORE BE IT RESOLVED, that the Corporation is hereby authorized to appoint Richard Melland as President and, in addition to his current positions of Secretary and Director.

WHEREAS, the Board believes that it is in the best interest of the Corporation to appoint the Corporation's James DiPrima, to the positions of CFO and Treasurer.

NOW THEREFORE BE IT RESOLVED, that the Corporation is hereby authorized to appoint James DiPrima as CFO and Treasurer.

RESOLVED FURTHER, that the Corporation shall attach the Nevada Secretary of State's Annual List to update the Officers and Directors, in the form attached hereto as Exhibit "A" (the "Annual List") and maintains a copy thereof with the Corporation's records.

RESOLVED FURTHER, that the officers of the Corporation be and hereby are authorized, empowered and directed to take any and all actions and to execute, deliver and file any and all agreements, instruments and documents as the officer or officers so acting shall determine to be necessary or appropriate to consummate the transactions contemplated by the foregoing resolutions. The taking of such action to be conclusive evidence that the same was deemed to be necessary or appropriate and was authorized hereby.

The undersigned, constituting the entire Board of Directors, hereby consent to and adopt the foregoing.


Richard Melland

**UNANIMOUS WRITTEN CONSENT OF THE
MEMBERS OF THE BOARD OF DIRECTORS OF
LANDSTAR DEVELOPMENT GROUP, INC.**

The undersigned, constituting all of members of the Board of Directors (the "Board") of **LANDSTAR DEVELOPMENT GROUP, INC.**, a Nevada corporation (the "Corporation"), by written consent pursuant to the authority contained in the corporate laws of the State of Nevada and without the formality of convening a meeting, do hereby consent to the following actions of the Company, to be effective as of the 10th day of September 2015.

WHEREAS, the Board believes that it is in the best interests of the Corporation that it accept the resignation of Walter Luce as the Corporation's President and Treasurer.

NOW THEREFORE BE IT RESOLVED, that the Corporation is hereby authorized to accept the resignation of Walter Luce.

WHEREAS, the Board believes that it is in the best interest of the Corporation to appoint the Corporation's Secretary and Director, Richard Melland, to the positions of President and Treasurer.

NOW THEREFORE BE IT RESOLVED, that the Corporation is hereby authorized to appoint Richard Melland as President and Treasurer, in addition to his current positions of Secretary and Director.

RESOLVED FURTHER, that the Corporation shall attach the Nevada Secretary of State's Annual List to update the Officers and Directors, in the form attached hereto as Exhibit "A" (the "Annual List") and maintains a copy thereof with the Corporation's records.

RESOLVED FURTHER, that the officers of the Corporation be and hereby are authorized, empowered and directed to take any and all actions and to execute, deliver and file any and all agreements, instruments and documents as the officer or officers so acting shall determine to be necessary or appropriate to consummate the transactions contemplated by the foregoing resolutions. The taking of such action to be conclusive evidence that the same was deemed to be necessary or appropriate and was authorized hereby.

The undersigned, constituting the entire Board of Directors, hereby consent to and adopt the foregoing.


Richard Melland

Landstar Development Group, Inc.
Acceptance

The undersigned, Richard Melland, hereby accepts the position of President and Treasurer of Landstar Development Group, Inc., effective immediately.


Richard Melland

September 10, 2015

BYLAWS
OF
STERLING OIL & GAS COMPANY

I. SHAREHOLDER'S MEETING.

.01 Annual Meetings.

The annual meeting of the shareholders of this Corporation, for the purpose of election of Directors and for such other business as may come before it, shall be held at the registered office of the Corporation, or such other places, either within or without the State of Nevada, as may be designated by the notice of the meeting, on the first week in August of each and every year, at 1:00 p.m., commencing in 2008 but in case such day shall be a legal holiday, the meeting shall be held at the same hour and place on the next succeeding day not a holiday.

.02 Special Meeting.

Special meetings of the shareholders of this Corporation may be called at any time by the holders of ten percent (10%) of the voting shares of the Corporation, or by the President, or by the Board of Directors or a majority thereof. No business shall be transacted at any special meeting of shareholders except as is specified in the notice calling for said meeting. The Board of Directors may designate any place, either within or without the State of Nevada, as the place of any special meeting called by the president or the Board of Directors, and special meetings called at the request of shareholders shall be held at such place in the State of Nevada, as may be determined by the Board of Directors and placed in the notice of such meeting.

.03 Notice of Meeting.

Written notice of annual or special meetings of shareholders stating the place, day, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called shall be given by the secretary or persons authorized to call the meeting to each shareholder of record entitled to vote at the meeting. Such notice shall be given not less than ten (10) or more than fifty (50) days prior to the date of the meeting, and such notice shall be deemed to be delivered when deposited in the United States mail addressed to the shareholder at his/her address as it appears on the stock transfer books of the Corporation.

.04 Waiver of Notice.

Notice of the time, place, and purpose of any meeting may be waived in writing and will be waived by any shareholder by his/her attendance thereat in person or by proxy. Any shareholder so waiving shall be bound by the proceedings of any such meeting in all respects as if due notice thereof had been given.

.05 Quorum and Adjourned Meetings.

A majority of the outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. A majority of the shares represented at a meeting, even if less than a quorum, may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The shareholders present at a duly

organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

.06 Proxies.

At all meetings of shareholders, a shareholder may vote by proxy executed in writing by the shareholder or by his/her duly authorized attorney in fact. Such proxy shall be filed with the secretary of the Corporation before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

.07 Voting of Shares

Except as otherwise provided in the Articles of Incorporation or in these Bylaws, every shareholder of record shall have the right at every shareholder's meeting to one (1) vote for every share standing in his/her name on the books of the Corporation, and the affirmative vote of a majority of the shares represented at a meeting and entitled to vote thereat shall be necessary for the adoption of a motion or for the determination of all questions and business which shall come before the meeting.

II. DIRECTORS.

.01 General Powers.

The business and affairs of the Corporation shall be managed by its Board of Directors.

.02 Number, Tenure and qualifications.

The number of Directors of the Corporation shall be not less than one nor more than thirteen. Each Director shall hold office until the next annual meeting of shareholders and until his/her successor shall have been elected and qualified. Directors need not be residents of the State of Nevada or shareholders of the Corporation

.03 Election.

The Directors shall be elected by the shareholders at their annual meeting each year; and if, for any cause the Directors shall not have been elected at an annual meeting, they may be elected at a special meeting of shareholders called for that purpose in the manner provided by these Bylaws.

.04 Vacancies

In case of any vacancy in the Board of Directors, the remaining Directors, whether constituting a quorum or not, may elect a successor to hold office for the unexpired portion of the terms of the Directors whose place shall be vacant, and until his/her successor shall have been duly elected and qualified. Further, the remaining Directors may fill any empty seats on the Board of Directors even if the empty seats have never been occupied.

.05 Resignation.

Any Director may resign at any time by delivering written notice to the secretary of the Corporation

.06 Meetings.

At any annual, special or regular meeting of the Board of Directors, any business may be transacted, and the Board may exercise all of its powers. Any such annual, special or regular meeting of the Board of Directors of the Corporation may be held outside of the State of Nevada, and any member or members of

the Board of Directors of the Corporation may participate in any such meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time; the participation by such means shall constitute presence in person at such meeting.

A. Annual Meeting of Directors.

Annual meetings of the Board of Directors shall be held immediately after the annual shareholders' meeting or at such time and place as may be determined by the Directors. No notice of the annual meeting of the Board of Directors shall be necessary.

B. Special Meetings.

Special meetings of the Directors shall be called at any time and place upon the call of the president or any Director. Notice of the time and place of each special meeting shall be given by the secretary, or the persons calling the meeting, by mail, radio, telegram, or by personal communication by telephone or otherwise at least one (1) day in advance of the time of the meeting. The purpose of the meeting need not be given in the notice. Notice of any special meeting may be waived in writing or by telegram (either before or after such meeting) and will be waived by any Director in attendance at such meeting.

C. Regular Meetings of Directors

Regular meetings of the Board of Directors shall be held at such place and on such day and hour as shall from time to time be fixed by resolution of the Board of Directors. No notice of regular meetings of the Board of Directors shall be necessary.

.07 Quorum and Voting.

A majority of the Directors presently in office shall constitute a quorum for all purposes, but a lesser number may adjourn any meeting, and the meeting may be held as adjourned without further notice. At each meeting of the Board at which a quorum is present, the act of a majority of the Directors present at the meeting shall be the act of the Board of Directors. The Directors present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Directors to leave less than a quorum.

.08 Compensation

By resolution of the Board of Directors, the Directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as Director. No such payment shall preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

.09 Presumption of Assent.

A Director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his/her dissent shall be entered in the minutes of the meeting or unless he/she shall file his/her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

.10 Executive and Other Committees.

The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate from among its members an executive committee and one or more other committees, each of which, to the

extent provided in such resolution, shall have and may exercise all the authority of the Board of Directors, but no such committee shall have the authority of the Board of Directors, in reference to amending the Articles of Incorporation, adoption a plan of merger or consolidation, recommending to the shareholders the sale, lease, exchange, or other disposition of all of substantially all the property and assets of the dissolution of the Corporation or a revocation thereof, designation of any such committee and the delegation thereto of authority shall not operate to relieve any member of the Board of Directors of any responsibility imposed by law.

.11 Chairman of Board of Directors.

The Board of Directors may, in its discretion, elect a chairman of the Board of Directors from its members; and, if a chairman has been elected, he/she shall, when present, preside at all meetings of the Board of Directors and the shareholders and shall have such other powers as the Board may prescribe.

.12 Removal.

Directors may be removed from office with or without cause by a vote of shareholders holding a majority of the shares entitled to vote at an election of Directors.

III. ACTIONS BY WRITTEN CONSENT.

Any corporate action required by the Articles of Incorporation, Bylaws, or the laws under which this corporation is formed, to be voted upon or approved at a duly called meeting of the Directors or shareholders may be accomplished without a meeting if a written memorandum of the respective Directors or shareholders, setting forth the action so taken, shall be signed by all the Directors or shareholders, as the case may be.

IV. OFFICERS.

.01 Officers Designated.

The Officers of the Corporation shall be a president, one or more vice presidents (the number thereof to be determined by the Board of Directors), a secretary and a treasurer, each of whom shall be elected by the Board of Directors. Such other Officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any Officer may be held by the same person, except that in the event that the Corporation shall have more than one director, the offices of president and secretary shall be held by different persons.

.02 Election, Qualification and Term of Office.

Each of the Officers shall be elected by the Board of Directors. None of said Officers except the president need be a Director, but a vice president who is not a Director cannot succeed to or fill the office of president. The Officers shall be elected by the Board of Directors. Except as hereinafter provide, each of said Officers shall hold office from the date of his/her election until the next annual meeting of the Board of Directors and until his/her successor shall have been duly elected and qualified.

.03 Powers and Duties.

The powers and duties of the respective corporate Officers shall be as follows:

A. President.

The president shall be the chief executive Officer of the Corporation and, subject to the direction and control of the Board of Directors, shall have general charge and supervision over its property, business, and affairs. He/she shall, unless a Chairman of the Board of Directors has been elected and is present, preside at meetings of the shareholders and the Board of Directors.

B. Vice President

In the absence of the president or his/her inability to act, the senior vice president shall act in his place and stead and shall have all the powers and authority of the president, except as limited by resolution of the Board of Directors.

C. Secretary.

The secretary shall:

1. Keep the minutes of the shareholder's and of the Board of Directors meetings in one or more books provided for that purpose;
2. See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;
3. Be custodian of the corporate records and of the seal of the Corporation and affix the seal of the Corporation to all documents as may be required;
4. Keep a register of the post office address of each shareholder which shall be furnished to the secretary by such shareholder;
5. Sign with the president, or a vice president, certificates for shares of the Corporation, the issuance of which shall have been authorized by resolution of the Board of Directors;
6. Have general charge of the stock transfer books of the corporation; and,
7. In general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him/her by the president or by the Board of Directors.

D. Treasurer.

Subject to the direction and control of the Board of Directors, the treasurer shall have the custody, control and disposition of the funds and securities of the Corporation and shall account for the same; and, at the expiration of his/her term of office, he/she shall turn over to his/her successor all property of the Corporation in his/her possession.

E. Assistant Secretaries and Assistant Treasurers.

The assistant secretaries, when authorized by the Board of Directors, may sign with the president or a vice president certificates for the shares of the Corporation the issuance of which shall have been authorized by a resolution of the Board of Directors. The assistant treasurers shall, respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The assistant secretaries and assistant

treasurers, in general, shall perform such duties as shall be assigned to them by the secretary or the treasurer, respectively, or by the president or the Board of Directors.

.04 Removal.

The Board of Directors shall have the right to remove any Officer whenever in its judgment the best interest of the Corporation will be served thereby.

.05 Vacancies.

The Board of Directors shall fill any office which becomes vacant with a successor who shall hold office for the unexpired term and until his/her successor shall have been duly elected and qualified.

.06 Salaries.

The salaries of all Officers of the Corporation shall be fixed by the Board of Directors.

V. SHARE CERTIFICATES

.01 Form and Execution of Certificates.

Certificates for shares of the Corporation shall be in such form as is consistent with the provisions of the Corporation laws of the State of Nevada. They shall be signed by the president and by the secretary, and the seal of the Corporation shall be affixed thereto. Certificates may be issued for fractional shares.

.02 Transfers.

Shares may be transferred by delivery of the certificates therefor, accompanied either by an assignment in writing on the back of the certificates or by a written power of attorney to assign and transfer the same signed by the record holder of the certificate. Except as otherwise specifically provided in these Bylaws, no shares shall be transferred on the books of the Corporation until the outstanding certificate therefore has been surrendered to the Corporation.

.03 Loss or Destruction of Certificates.

In case of loss or destruction of any certificate of shares, another may be issued in its place upon proof of such loss or destruction and upon the giving of a satisfactory bond of indemnity to the Corporation. A new certificate may be issued without requiring any bond, when in the judgment of the Board of Directors it is proper to do so.

VI. BOOKS AND RECORDS.

.01 Books of Accounts, Minutes and Share Register.

The Corporation shall keep complete books and records of accounts and minutes of the proceedings of the Board of Directors and shareholders and shall keep at its registered office, principal place of business, or at the office of its transfer agent or registrar a share register giving the names of the shareholders in alphabetical order and showing their respective addresses and the number of shares held by each.

.02 Copies of Resolutions.

Any person dealing with the Corporation may rely upon a copy of any of the records of the proceedings, resolutions, or votes of the Board of Directors or shareholders, when certified by the president or secretary.

VII. CORPORATE SEAL

The Corporation is not required to have a seal

VIII. LOANS.

No loans shall be made by the Corporation to its Officers or Directors.

IX. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

.01 Indemnification.

The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that such person is or was a Director, Trustee, Officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, Trustee, Officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgment, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interest of the

Corporation and with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interest of the Corporation, and with respect to any criminal action proceeding, had reasonable cause to believe that such person's conduct was unlawful.

.02 Derivative Action

The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in the Corporation's favor by reason of the fact that such person is or was a Director, Trustee, Officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, Trustee, Officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees) and amount paid in settlement actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to amounts paid in settlement, the settlement of the suit or action was in the best interests of the Corporation; provided, however, that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for gross negligence or willful misconduct in the performance of such person's duty to the Corporation unless and only to the extent that, the court in which such action or suit was brought shall determine upon application that, despite circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as such court shall deem proper. The termination of any action or suit by judgment or settlement shall not of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Corporation .

.03 Successful Defense.

To the extent that a Director, Trustee, Officer, employee or Agent of the Corporation has been successful on the merits or otherwise, in whole or in part in defense of any action, suit or proceeding referred to in Paragraphs .01 and .02 above, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by such person in connection therewith.

.04 Authorization.

Any indemnification under Paragraphs .01 and .02 above (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director, Trustee, Officer, employee or agent is proper in the circumstances because such person has met the applicable standard of conduct set forth in Paragraphs .01 and .02 above. Such determination shall be made (a) by the Board of Directors of the Corporation by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, by a majority vote of the Directors who were

not parties to such action, suit or proceeding, or (c) by independent legal counsel (selected by one or more of the Directors, whether or not a quorum and whether or not disinterested) in written opinion, or (d) by the Shareholders. Anyone making such a determination under this Paragraph .04 may determine that a person has met the standards therein set forth as to some claims, issues or matters but not as to others, and may reasonably prorate amounts to be paid as indemnification.

.05 Advances.

Expenses incurred in defending civil or criminal action, suit or proceeding shall be paid by the Corporation, at any time or from time to time in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided in Paragraph .04 above upon receipt of an undertaking by or on behalf of the Director, Trustee, Officer, employee or agent to repay such amount unless it shall ultimately be by the Corporation is authorized in this Section.

.06 Nonexclusively.

The indemnification provided in this Section shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any law, bylaw, agreement, vote of shareholders or disinterested Directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, Trustee, Officer, employee or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

.07 Insurance.

The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, Trustee, Officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, Trustee, Officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability assessed against such person in any such capacity or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liability.

.08 "Corporation" Defined.

For purposes of this Section, references to the "Corporation" shall include, in addition to the Corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had the power and authority to indemnify its Directors, Trustees, Officers, employees or agents, so that any person who is or was a Director, Trustee, Officer, employee or agent of such constituent corporation or of any entity a majority of the voting stock of which is owned by such constituent corporation or is or was serving at the request of such constituent corporation as a Director, Trustee, Officer, employee or agent of the corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Section with respect to the resulting or surviving Corporation as such person would have with respect to such constituent corporation if its separate existence had continued.

X. AMENDMENT OF BYLAWS.

.01 By the Shareholders.

These Bylaws may be amended, altered, or repealed at any regular or special meeting of the shareholders if notice of the proposed alteration or amendment is contained in the notice of the meeting.

.02 By the Board of Directors.

These Bylaws may be amended, altered, or repealed by the affirmative vote of a majority of the entire Board of Directors at any regular or special meeting of the Board.

XI. FISCAL YEAR.

The fiscal year of the Corporation shall be set by resolution of the Board of Directors.

XII. RULES OF ORDER.

The rules contained in the most recent edition of the Robert's Rules of Order, Newly Revised, shall govern all meetings of shareholders and Directors where those rules are not inconsistent with the Articles of Incorporation, Bylaws, or special rules or order of the Corporation.

XIII. REIMBURSEMENT OF DISALLOWED EXPENSES.

If any salary, payment, reimbursement, employee fringe benefit, expense allowance payment, or other expense incurred by the Corporation for the benefit of an employee is disallowed in whole or in part as a deductible expense of the Corporation for Federal Income Tax purposes, the employee shall reimburse the Corporation, upon notice and demand, to the full extent of the disallowance. This legally enforceable obligation is in accordance with the provisions of Revenue Ruling 69-115, 1969-1 C.B. 50, and is for the purpose of entitling such employee to a business expense deduction for the taxable year in which the repayment is made to the Corporation. In this manner, the Corporation shall be protected from having to bear the entire burden of disallowed expense items.

**SUBSCRIPTION AGREEMENT
BETWEEN**

AND

Solar Integrated Roofing Corp.

This SUBSCRIPTION AGREEMENT (this "Agreement") effective _____, by and between, **Solar Integrated Roofing Corp.** A Nevada Corporation (the "Seller") and _____ (the "Purchaser") with respect to the following facts and circumstances:

A. Seller publicly traded Nevada Corporation, ("the Company"), and,

B. Purchaser desires to purchase the Securities at the purchase price and subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements, representations and warranties set forth herein, each of the parties hereto hereby agrees as follows:

1.1 Purchase of Common Stock.

a) Purchase. Subject to the terms and conditions of this Agreement, Seller hereby agrees to sell to Purchaser the Securities, _____ shares at per share of \$ _____.

b) Receipt of Information: Purchaser represents that it has received all of the information it considers necessary or appropriate for deciding whether to purchase the Shares. The Purchaser further represents that it has had the opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the purchase of the Shares and the business, properties, prospects and financial condition of the Company and to obtain additional information necessary to verify the accuracy of any information furnished to him which he has access.

c) Purchase Entirely For Own Account: The Purchaser represents that the Shares to be purchased will be acquired for investment purposes for its own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof.

1.2 Delivery of Securities. The Securities shall be transferred upon payment by Purchaser to Seller at (the "Issue Date"), to the Purchaser.

1.3 Further Assurances. Each of the parties hereto shall execute any and all further documents and writings and perform such other reasonable actions that may be or become necessary or expedient to effectuate the purchase of the Securities as contemplated hereby.

2. Representations, Warranties and Covenants of Seller.

2.1 As an inducement for Purchaser to enter into this Agreement, as of the date hereof and as of the Issue Date, Seller represents, warrants, and agrees as follows:

2.1.1 This Agreement has been or, as of the Closing Date, will have been duly executed and delivered by Seller and constitutes or, upon execution, will constitute a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms (except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws affecting creditors' rights generally and by limitations on the availability of equitable remedies).

2.1.2 On the Issue Date, Seller will deliver the Securities free and clear of any liens, claims, security interest or other encumbrances created by or through Seller, and Seller has full power and right to issue the Securities pursuant to the terms hereof. On and at all times after the Issue Date, all of the Securities shall be duly authorized, validly issued, fully paid, and non-assessable.

3. Representations, Warranties and Covenants of the Purchaser. The Purchaser hereby represents, warrants and covenants to the Company and each officer, employee and agent of the Company that The Purchaser is an "accredited investor" within the meaning of SEC Regulation D, as presently in effect.

(b) The Purchaser qualifies for the institutional exemption under Sec. 36b-21(b)(9) of the Uniform Securities Act of the Connecticut Code.

(c) The Purchaser has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Securities.

(d) The Purchaser recognizes that this investment in the Securities involves a high degree of risk which may result in the loss of the total amount of his/her investment. The Purchaser acknowledges that it has carefully considered all risks incident to the purchase of the Securities and that he/she has been advised and is fully aware that an investment in the Company is highly speculative.

(c) The Purchaser is acquiring the Securities for its own account (as principal) or for the account of his spouse (either in a joint tenancy, tenancy by the entirety or tenancy in common) or for his family trust for investment and not with a view to the distribution or resale thereof.

(d) The Purchaser is aware that it must bear the economic risk of its investment in the Securities for an indefinite period of time because the Securities have not been registered under the Securities Act of 1933, as amended, or under the securities laws of any state, and therefore cannot be sold unless they are subsequently registered under the Securities Act of 1933, as amended, and any applicable state securities laws or unless an exemption from such registration is available and, further that only the Company can take action to register the Securities and the Company is under no obligation and do not propose to attempt to do so.

(e) The Purchaser represents that it has never been guaranteed or warranted to the undersigned by the company, its officers or directors or by any other person, expressly or by implication, that the undersigned will receive any approximate or exact amount of return or other type of consideration, profit or loss as a result of any investment in the Securities; or that the past performance or experience on the part of the Company, any director, officer or any affiliate, will in any way indicate or predict the results of the ownership of Securities or of the overall success of the Company.

(f) The Purchaser understands and agrees that the following restrictions and limitations imposed by the Securities Act of 1933, as amended, and by applicable state securities laws, are applicable to his/her purchase and the resale, assignment, pledge, hypothecation or other transfer of the Securities:

(i) The Purchaser agrees that the Securities shall not be sold, assigned, pledged, hypothecated or otherwise transferred unless they are registered under the Securities Act of 1933, as amended, and applicable state securities laws or unless an exemption from such registration is available.

(ii) A legend in substantially the following form will be placed on each Certificate and will be placed on any certificate(s) or other document(s) evidencing the Securities:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THESE SECURITIES MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED UNLESS SUCH TRANSACTION IS DULY REGISTERED UNDER THE ACT OR UNLESS IN THE OPINION OF COUNSEL FOR THE COMPANY SUCH TRANSACTION IS EXEMPT FROM THE REGISTRATION PROVISION OF THE ACT. THE SALE, IF ANY, OF THESE SECURITIES SHALL BE GOVERNED BY THE PROVISIONS OF RULE 144 OR ANY OTHER RULE PROMULGATED BY THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED.

(iii) Stop transfer instructions have been or will be issued with respect to the Securities so as to restrict the resale, assignment, pledge, hypothecation or other transfer thereof.

4. Indemnification. The undersigned acknowledges that he/she understands the meaning and legal consequences of the representations, warranties and covenants set forth in Section 3 hereof and that the Company has relied and will rely upon such representations, warranties, covenants and certifications, and he/she hereby agrees to indemnify and hold harmless the Company and its respective officers, directors, controlling persons, agents and employees, from and against any and all loss, damage or liability, joint or several, and any action in respect thereof, to which any such person may become subject due to or arising out of a breach of any such representation, warranty or covenant or the inaccuracy of such certifications. Notwithstanding the foregoing, however, no representation, warranty, acknowledgement, or agreement made herein by the undersigned shall in any manner be deemed to constitute a waiver of any rights granted to him/her under federal or state securities laws.

5. Miscellaneous.

5.1 All representations and warranties of Seller made under Section 2 of this Agreement shall survive for a period of one (1) year from execution hereon.

5.2 This Agreement constitutes the entire agreement among the parties and supersedes all prior agreements, representations, warranties, statements and understandings, whether oral or written, with respect to the subject matter hereof.

5.3 This Agreement shall be governed by the laws of the State of California, without giving effect to the conflict of law provisions thereof.

5.4 This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assign. This Agreement and the rights and obligations of the parties hereto shall not be assignable by any party hereto without the written consent of the other parties hereto.

5.5 The validity, legality, or enforceability of the remainder of this Agreement shall not be affected even if one or more of the provisions of this Agreement shall be held to be invalid, illegal, or unenforceable in any respect.

5.6 None of the terms or provisions of this Agreement shall be modified, waived, or amended, except by a written instrument signed by the party against which any modification, waiver, or amendment is to be enforced.

5.7 This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

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

Seller acknowledges receipt of funds this _____ day of _____ 2020.

SELLER:

PURCHASER:

Solar Integrated Roofing Corp.

David Massey, CEO

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (the "Agreement") is dated as of January 9, 2019 (the "Effective Date") by and between Robert Nickolas Jones, an individual residing at 533 W. 650 S., Layton UT 84041 (the "Purchaser") and Solar Integrated Roofing Corporation, a Nevada corporation (the "Company"). The Purchaser and Company, may hereinafter be referred to as the "Parties" and each, a "Party."

WHEREAS, subject to the terms and conditions set forth in this Agreement and pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), and Rule 506 promulgated thereunder, the Company desires to issue and sell to the Purchaser, and the Purchaser, desires to purchase from the Company, shares of the Company's common stock as more fully described in this Agreement; and

WHEREAS, the Company wishes to sell and Purchaser wishes to purchase from the Company, 11,250,000 shares of the Company's common stock (the "Shares") in exchange for the Purchase Price (as defined in Section 1.1 herein). The 11,250,000 shares of the Company's common stock to be issued pursuant to this Agreement is equal to the shares of common stock held in the name of or on behalf of David Massey at the time of the Closing.

NOW THEREFORE, in consideration of the mutual promises, covenants and representations contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereof, the Parties hereby agree as follows:

ARTICLE I PURCHASE AND SALE

1.1 Purchase and Sale; Purchase Price.

(a) Subject to the terms and conditions set forth in this Agreement, Company shall sell to Purchaser, and Purchaser shall purchase from Company, the Shares in exchange for an aggregate purchase price equal to Two Hundred Forty Five Thousand Dollars (\$245,000.00) paid in accordance with the following payment schedule: (i) One Hundred Forty Five Thousand Dollars (\$145,000.00) shall be paid by the Purchaser to the Company upon execution of this Agreement and (ii) One Hundred Thousand Dollars (\$100,000.00) shall be paid to the Company by the Purchaser no more than 180 days from the Effective Date (the "Purchase Price").

(b) The Shares shall be issued by the Company to the Purchaser and sold to and purchased by Purchaser upon execution of this Agreement, as of the date first indicated above (the "Closing"), in consideration for the Purchase Price.

1.2 Closing.

(a) Upon Closing, Company shall deliver to Purchaser the following:

- (i) Fully executed documentation, including, without limitation, the Agreement, that completely effectuates the sale of the Shares; and
- (ii) certificate(s) for the Shares, if applicable; and
- (iii) Resolutions or related agreements pursuant to which the Shares were issued to the Company

(b) Upon Closing, Purchaser shall deliver to Company the following:

- (i) Fully executed documentation, including, without limitation, the Agreement, that completely effectuates the purchase of the Shares; and
- (ii) the Initial Payment.

ARTICLE II REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties of Company. Company hereby makes the following representations and warranties to Purchaser:

(a) Full Power and Authority. Company has full power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Company and constitutes the legal, valid and binding obligation of Company, enforceable in accordance with its terms;

(b) No Violation or Conflict; Consent The execution, delivery and performance by Company of this Agreement and consummation by Company of the transactions contemplated hereby do not and will not: (i) violate any decree or judgment of any court or other governmental authority applicable to or binding on Company or (ii) violate any contract to which Company is bound, or conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which Company is a party;

(c) Title. With respect to the sale of the Shares, (i) the Shares, when delivered and paid for in accordance with the terms of this Agreement, will be validly issued, fully paid and nonassessable, free from any taxes, liens, security interests, adverse claims or other encumbrances whatsoever, other than restriction on resales of the Shares or other restrictions that may exist under applicable securities laws; (ii) the Shares to be delivered are not and will not be as of the Closing subject to any transfer restriction, other than the restriction that the Shares have not been registered under the Securities Act and, therefore, cannot be resold unless it is registered under the Securities Act or in a transaction exempt from or not subject to the registration requirements of the Securities Act ("Permitted Transfer Restriction"); (iii) upon the transfer of the Shares to Purchaser, Purchaser will acquire good and marketable title thereto, and will be the legal and beneficial owner of such the Shares, free and clear of any Encumbrances or

transfer restrictions, other than the Permitted Transfer Restriction; (iv) there are no outstanding rights, options, subscriptions or other agreements or commitments obligating Company with respect to the Shares, and Company has not granted any person a proxy that has not expired or been validly withdrawn;

2.2 Representations and Warranties of Purchaser. Purchaser hereby makes the following representations and warranties to Company:

(a) Full Power and Authority. Purchaser has full power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Purchaser and constitutes the legal, valid and binding obligation of Purchaser, enforceable in accordance with its terms;

(b) Restricted Securities. Purchaser understands that the Shares are characterized as "restricted securities" under the Securities Act inasmuch as they were acquired from Company in a transaction not registered under the Securities Act; and

(c) Investment Intent. Purchaser is acquiring the Shares for his own account and not with a view towards, or for resale in connection with, the public sale or distribution thereof, except pursuant to sales registered or exempted under the Securities Act.

ARTICLE III MISCELLANEOUS

3.1 Entire Agreement. The Agreement contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral or written, with respect to such matters.

3.2 Amendments; Waivers. No provision of this Agreement may be waived or amended except in a written instrument signed, in the case of an amendment, by Company and Purchaser or, in the case of a waiver, by the Party against whom enforcement of any such waiver is sought. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of either Party to exercise any right hereunder in any manner impair the exercise of any such right accruing to it thereafter.

3.3 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

3.4 No Third-Party Beneficiaries. This Agreement is intended for the benefit of the Parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other person or entity.

3.5 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance

with the internal laws of the State of California, without regard to the principles of conflicts of law thereof. Each Party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in Florida for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper. Each Party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery). Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each Party irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. If either Party shall commence an action or proceeding to enforce any provisions of the documents contemplated herein, then the prevailing Party in such action or proceeding shall be reimbursed by the other Party for its reasonable attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

3.6 Survival. The representations, warranties, agreements and covenants contained herein shall not survive the Closing.

3.7 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each Party and delivered to the other Party, it being understood that the Parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission, such signature shall create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such facsimile signature page were an original thereof.

3.8 Severability. In case any one or more of the provisions of this Agreement shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Agreement shall not in any way be affecting or impaired thereby and the Parties will attempt to agree upon a valid and enforceable provision which shall be a reasonable substitute therefore, and upon so agreeing, shall incorporate such substitute provision in this Agreement.

3.9 Notices. All notices or other communications required or permitted by this Agreement shall be in writing and sent to the other Party at the address set forth in the preamble hereto or to such other address as may be specified by any such Party to the other Party pursuant to notice given by such Party in accordance with the provisions of this Section 3.9, and shall be deemed to have been duly received:

- (a) if given by courier, messenger or other means, when received or personally delivered;
- (b) if given by certified or registered mail, return receipt requested, postage prepaid,

three business days after being deposited in the U.S. mails; and

(c) if given by fax, when transmitted and the appropriate confirmation received, as applicable, if transmitted on a business day and during normal business hours of the recipient, and otherwise on the next business day following transmission

3.10 Headings. The headings used in this Agreement are for convenience of reference only and shall not be deemed to limit, characterize or in any way affect the interpretation of any provision of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the Parties have caused this Stock Purchase Agreement to be duly executed as of the date first indicated above.

COMPANY:

SOLAR INTEGRATED ROOFING CORPORATION

Name: David Massey
Title: Chief Executive

PURCHASER:

Robert Nicholas Jones, an Individual

*[- Signature Page to Stock Purchase Agreement -
]*

ASSET PURCHASE AGREEMENT

by and among

MCKAY ROOFING COMPANY, INC.
as Seller

SOLAR INTEGRATED ROOFING CORP.
as Parent
and
SOLAR ACQUISITIONS I, INC.
as Buyer
and

TOD MCKAY, BRAD MCKAY AND SCOTT MCKAY
as Shareholders

September 10, 2019

ARTICLE 1	DEFINITIONS	1
ARTICLE 2	BASIC TRANSACTION	8
Section 2.01	Purchase and Sale of Assets	8
Section 2.02	Assumption of Liabilities	8
Section 2.03	Purchase Price	8
Section 2.04	Excluded Assets and Liabilities	8
Section 2.05	Working Capital	8
Section 2.06	Closing	8
Section 2.07	Deliveries at the Closing	9
Section 2.08	Allocation	9
Section 2.09	Transfer and Maintenance of Books and Records	9
Section 2.10	Power of Attorney	10
ARTICLE 3	REPRESENTATIONS AND WARRANTIES OF SELLER AND SHAREHOLDERS	10
Section 3.01	Organization of Seller and Shareholders	10
Section 3.02	Authorization of Transaction; Enforceability	10
Section 3.03	Noncontravention	11
Section 3.04	Brokers' Fees	11
Section 3.05	Client Lists	11
Section 3.06	Financial Statements	11
Section 3.07	Events Subsequent to Term Sheet	11
Section 3.08	Legal Compliance	12
Section 3.09	Tax Matters	13
Section 3.10	Assumed Contracts	13
Section 3.11	Litigation	13
Section 3.12	Insurance	14
Section 3.13	Subsidiaries	14
Section 3.14	Undisclosed Liabilities	14
Section 3.15	Warranties	14
Section 3.16	Employee Benefit Plans	15
Section 3.17	Permits	15
Section 3.18	Books and Records	16
Section 3.19	Inventory	16
Section 3.20	Real Property	16
Section 3.21	Real and Personal Property Leases	16
Section 3.22	Title to Tangible Personal Property	17
Section 3.23	Intellectual Property	17
Section 3.24	Environmental Matters	18
Section 3.25	Employees	18
Section 3.26	Accounts Receivable	20
Section 3.27	Vendor Lists	20
Section 3.28	Disclosure	20

ARTICLE 4	REPRESENTATIONS AND WARRANTIES OF BUYER AND PARENT	20
Section 4.01	Organization of Buyer	20
Section 4.02	Authorization of Transaction	21
Section 4.03	Noncontravention	21
Section 4.04	Brokers' Fees	21
Section 4.05	No Other Representations and Warranties	21
ARTICLE 5	PRE-CLOSING COVENANTS	21
Section 5.01	Conduct of the Business	21
Section 5.02	Access to Information	23
Section 5.03	Notification	23
Section 5.04	No Negotiation	23
Section 5.05	Best Efforts	24
Section 5.06	Transition	24
Section 5.07	Required Consents	24
ARTICLE 6	POST-CLOSING COVENANTS	24
Section 6.01	General	24
Section 6.02	Litigation Support	24
Section 6.03	Proprietary Information	25
Section 6.04	Solicitation and Hiring	25
Section 6.05	Non-Competition	25
Section 6.06	Apportionment	25
Section 6.07	Alternate Forms of Asset Transfer	26
Section 6.08	Reserved	26
Section 6.09	Certain Tax Considerations	26
ARTICLE 7	CONDITIONS TO OBLIGATION TO CLOSE	26
Section 7.01	Conditions to Obligation of Buyer	26
Section 7.02	Conditions to Obligation of Seller	27
ARTICLE 8	REMEDIES FOR BREACHES OF THIS AGREEMENT	28
Section 8.01	Survival	28
Section 8.02	Indemnification	28
Section 8.03	Matters Involving Third Parties	29
ARTICLE 9	EMPLOYEES OF THE BUSINESS	30
Section 9.01	Communications with Employees	30
Section 9.02	No Obligations of Employees	30
Section 9.03	Transferred Employees	30
Section 9.04	Compensation and Term of Employment	31
Section 9.05	Severance	31

ARTICLE 10 MISCELLANEOUS 31

Section 10.01	Press Releases and Public Announcements	31
Section 10.02	No Third-Party Beneficiaries	32
Section 10.03	Entire Agreement	32
Section 10.04	Termination and Abandonment of this Agreement	32
Section 10.05	Succession and Assignment	32
Section 10.06	Counterparts	32
Section 10.07	Headings	33
Section 10.08	Notices	33
Section 10.09	Governing Law	34
Section 10.10	Amendments and Waivers	34
Section 10.11	Severability	34
Section 10.12	Expenses	35
Section 10.13	Construction	35
Section 10.14	Incorporation of Exhibits and Schedules	35
Section 10.15	No Breach of Fiduciary Duty Required	35

Exhibits/Schedules

Exhibit A	Client List Exhibit B
Exhibit C	Form of Bill of Sale
Exhibit D	Description of Real Property

Disclosure Schedule Schedule with respect to Representations and Warranties

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is dated as of September 10, 2019, by and among **MCKAY ROOFING COMPANY, INC.**, a California corporation ("Seller"), **SOLAR INTEGRATED ROOFING CORP.**, a Nevada corporation ("Parent"), **SOLAR ACQUISITIONS I, INC.**, a Nevada corporation and wholly-owned subsidiary of Parent ("Buyer"), and **TOD MCKAY, BRAD MCKAY AND SCOTT MCKAY**, the shareholders who collectively own all of the issued and outstanding stock of Seller (each, a "Shareholder" and, collectively, the "Shareholders"). Buyer, Seller and Shareholders are sometimes each referred to separately as a "Party" and collectively herein as the "Parties."

WITNESSETH:

WHEREAS, Seller operates a full service roofing, decking and waterproofing company (the "Business");

WHEREAS, Seller wishes to sell to Buyer, and Buyer wishes to purchase and assume from Seller, certain assets and liabilities with respect to the Business on the terms and subject to the conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties, and covenants herein contained, the Parties agree as follows.

ARTICLE 1 DEFINITIONS

For purposes of this Agreement, the following terms have the meanings assigned to them in this Article 1:

"Accounts Receivable" means (a) all trade accounts receivable and other rights to payment from customers of Seller and the full benefit of all security for such accounts or rights to payment, including all trade accounts receivable representing amounts receivable in respect of goods shipped or products sold or services rendered to customers of Seller, (b) all other accounts or notes receivable of Seller and the full benefit of all security for such accounts or notes and (c) any claim, remedy or other right related to any of the foregoing; provided, however, that all such Accounts Receivable will be reduced and offset by Work-in-Progress Costs.

"Acquired Assets" means all the following assets of the Business:

(a) the Client List, which is set forth on Exhibit A attached hereto, along with all rights, benefits and privileges arising thereunder or with respect thereto;

(b) the Vendor List, which is set forth on Exhibit B attached hereto, along with all rights, benefits and privileges arising thereunder or with respect thereto;

(c) the Assumed Contracts, which are set forth on Section 3.10 of the Disclosure Schedule, along with all rights, benefits and privileges arising thereunder or with respect thereto;

(d) all books, records, files, correspondence and other documents relating to the Business, Client Lists, Vendor Lists, Inventory, Contracts, Leases and Intellectual Property;

(e) the Lease which is set forth in Section 3.21 of the Disclosure Schedule;

(f) the tangible personal property (such as equipment and furniture) which is set forth in Section 3.22 of the Disclosure Schedule;

(g) the Intellectual Property of the Business including, without limitation, the Intellectual Property which is set forth in Section 3.23 of the Disclosure Schedule;

(h) the Real Property described in Exhibit D;

(i) all Permits relating to the Business which are set forth in Section 3.17 of the Disclosure Schedule;

(j) all goodwill of Seller and all other assets related to or used in connection with the Business;

(k) Accounts Receivable in the amount equal to, and not to exceed, the amount of Work-in-Progress Costs¹;

(l) all Inventory relating to or used in connection with the Business which is set forth in Section 3.19 of the Disclosure Schedule; and

(m) all other assets related to the Business other than the Excluded Assets.

"Adverse Consequences" means all actions, suits, proceedings, hearings, investigations, charges, complaints, claims, demands, injunctions, judgments, orders, decrees, rulings, damages, dues, penalties, fines, costs, reasonable amounts paid in settlement, liabilities, obligations, taxes, liens, losses, expenses, and fees, including court costs and reasonable attorneys' fees and expenses.

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. The term "control" (including, with its correlative meanings, "controlled by" and "under common control with") means possession, directly or indirectly, of the power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other equity interests, by contract or otherwise).

"Agreement" has the meaning set forth in the preface above.

¹ NTD: Accounts Receivable are offset/reduced by Work-in-Progress.

"Applicable Law" means any constitutional provision, statute or ordinance, whether foreign, federal, state or local, applicable in the United States or any other nation, including any other law, rule, regulation, judgment, injunction, order, executive order, ruling, assessment, writ, decree or interpretation thereof of any Governmental Entity, or any common law.

"Assumed Contracts" means the agreements, leases, contracts, purchase agreements, purchase orders and licenses of the Business (whether written or oral) set forth in Section 3.10 of the Disclosure Schedule.

"Business" has the meaning set forth in the first recital above.

"Business Day" means any day other than a day that is a Saturday, Sunday or legal holiday in New York, New York.

"Buyer" has the meaning set forth in the preface above.

"Client List" means all lists, spreadsheets, worksheets and tables of any type or form identifying each and every client of Seller since inception of the Business (including those engagements where no writing may exist) which are listed on Exhibit A attached hereto.

"Closing" has the meaning set forth in Section 2.06 below. "Closing Date" has the meaning set forth in Section 2.06 below. "Code" means the Internal Revenue Code of 1986, as amended. "Competitor" has the meaning set forth in Section 6.05 below. "Disclosure Schedule" has the meaning set forth in Article 3 below. "Employees" means the employees of the Business.

"Environmental Law" means a legal rule pertaining to land use, air, soil, surface water, groundwater (including the protection, cleanup, removal, remediation or damage thereof), public or employee health or safety or any other environmental matter, including, without limitation, the following laws as the same have been amended from time to time: (i) Clean Air Act (42 U.S.C. § 7401, *et seq.*); (ii) Clean Water Act (33 U.S.C. § 1251, *et seq.*); (iii) Resource Conservation and Recovery Act (42 U.S.C. § 6901, *et seq.*); (iv) Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601, *et seq.*); (v) Safe Drinking Water Act (42 U.S.C. § 300f, *et seq.*); (vi) Toxic Substances Control Act (15 U.S.C. § 2601, *et seq.*); (vii) Rivers and Harbors Act (33 U.S.C. § 401, *et seq.*); (viii) Occupational Safety and Health Act (29 U.S.C. § 651, *et seq.*); together with all other legal rules regulating emissions, discharges, releases or threatened releases of any hazardous substance into ambient air, land, surface water, groundwater, personal property or structures, or otherwise regulating the manufacture, processing, distribution, use, treatment, storage, disposal, transport, discharge or handling of any hazardous substance.

amended.

"ERISA" means the Employee Retirement Income Security Act of 1974, as

"Excluded Assets" means all other assets, properties, rights and claims (other than

the Acquired Assets) of Seller of any nature whatsoever and wherever situated. For the avoidance of doubt, any Accounts Receivable, to the extent they exceed Work-in-Progress Costs, shall be deemed to be Excluded Assets.

"Excluded Liabilities" means all liabilities, including, without limitation:

- (a) the liabilities set forth in Section 2.02 of the Disclosure Schedule;
- (b) any liabilities or obligations that should have been paid prior to the Closing Date relating to any employee, any Plan, any employee benefits or commissions, salaries, wages or other compensation arrangements existing on or prior to the Closing Date with respect to Seller or the Business;
- (c) any other liability or obligation, to the extent related to an Excluded Asset;
- (d) any payment obligation of Seller to vendors or other service providers for goods and/or services;
- (e) any Taxes of Seller and any other Taxes accruing on or prior to the Closing Date;
- (f) any liabilities relating to any current pending or threatened litigation, arbitration or any other Proceeding against Seller or any future litigation, arbitration or Proceeding relating to the Acquired Assets to the extent related to events occurring prior to the Closing Date;

any liabilities arising out of any violation of Environmental Law;

any liabilities not related to the Acquired Assets;

- (i) any liabilities for legal fees and expenses of Seller related to the transactions contemplated hereby; and
- (j) any other liabilities or obligations of Seller or the Business accruing on or prior to the Closing Date.

"Financial Statements" has the meaning set forth in Section 3.06 below.

"GAAP" means United States generally accepted accounting principles as in effect from time to time.

"Governmental Entity" shall mean any government (including any United States of foreign federal, state, provincial, cantonal, municipal or county government), any political subdivision thereof and any governmental, administrative, ministerial, regulatory, central bank,

self-regulatory, quasi-governmental, taxing, executive, or legislative department, commission, body, agency, authority or instrumentality of any thereof.

"Inactive Transferred Employees" means those Transferred Employees who, as of the Closing Date, are on leave of absence, are on short or long term disability leave, or are otherwise not actively at work; provided that Inactive Transferred Employees shall not include Transferred Employees who are not actively at work on the Closing Date due to a vacation day, personal day absence or occasional absence day or other similar short term leave for reasons other than illness.

"Indemnified Party" has the meaning set forth in Section 8.03 below.

"Indemnifying Party" has the meaning set forth in Section 8.03 below.

"Intellectual Property" means: (a) inventions (whether patentable or unpatentable and whether or not reduced to practice), improvements thereon, and patents, patent applications and patent disclosures, together with reissues, continuations, continuations-in-part, revisions, extensions and reexaminations thereof; (b) trademarks, service marks, trade dress, logos, trade names, URLs, domain names and corporate names, together with translations, adaptations, derivations, and combinations thereof, and including but not limited to goodwill associated therewith, applications, registrations and renewals in connections therewith including, without limitation, the names "McKay Roofing Company, Inc.": "McKay" and any names similar thereto, and all iterations and permutations thereof, together with all logos, slogans, trademarks, and service marks relating thereto used by Seller in connection therewith, including, without limitation, the e-mail mckayroofingsantee@yahoo.com and the McKay Roofing Facebook account; (c) copyrightable works, copyrights, and applications, registrations and renewals in connections therewith, mask works and applications, registrations and renewals in connections therewith; (d) trade secrets and confidential business information (including but not limited to research and development, know-how, formulas, compositions, manufacturing and reproductions processes and techniques, methods, schematics, technology, flowcharts, block diagrams, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information and business and marketing plans and proposals); (e) computer software (including but not limited to data related documentation); (f) copies and tangible embodiments of any of the foregoing (in whatever form or medium); and (g) licenses, sublicenses, permissions or contacts in connection with any of the foregoing.

"Intellectual Property Rights" means the rights or interest of any Person in or to any Intellectual Property.

"Inventory" shall mean any and all of the finished inventory, raw goods and works- in-progress related to or used in connection with the Business.

"Judicial Authority" shall mean any court, arbitrator, special master, receiver, tribunal or similar body of any kind.

"Knowledge" means actual knowledge of a Person after due inquiry.

"Lease" shall mean any lease or sublease pursuant to which Seller leases or subleases from another party any real or personal property.

"Material Adverse Effect" means (i) with respect to Seller, a material adverse effect on (A) the Acquired Assets, (B) the results of operations, financial condition or prospects of the Business, (C) the ability of Seller to perform its obligations under this Agreement, or (D) the validity or enforceability of this Agreement, and (ii) with respect to Buyer, a material adverse effect on (A) the ability of Buyer to perform its obligations under this Agreement, or (B) the validity or enforceability of this Agreement.

"Most Recent Fiscal Month End" has the meaning set forth in Section 3.06 below.

"Notice of Claim" has the meaning set forth in Section 8.03.

"Ordinary Course of Business" means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

"Parent" has the meaning set forth in the preface above.

"Party" has the meaning set forth in the preface above.

"Permits" shall have the meaning set forth in Section 3.17.

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

"Plans" means all employee benefit plans (as defined in Section 3(3) of the ERISA) and all bonus, incentive, deferred compensation, retiree medical or life insurance, supplemental retirement, severance or other benefit plans, stock option, restricted stock, phantom stock, or other equity incentive plans, programs or arrangements, and all termination, severance or other contracts or agreements, whether formal or informal, whether or not set forth in writing, whether covering one person or more than one person, and whether or not subject to any of the provisions of ERISA, that are maintained, contributed to or sponsored by Seller for the benefit of any employee or which otherwise cover any employee.

"Proceeding" shall mean any action, suit, counter-claim, arbitration, mediation, litigation, inquiry, hearing, investigation or other proceeding of any kind involving any Governmental Entity, any Judicial Authority or any other Person.

"Purchase Price" has the meaning set forth in Section 2.03 below.

"Required Consent" means, with respect to the Acquired Assets listed in Section 7.01 of the Disclosure Schedule, the consent, approval, permission, amendment or waiver by a party or parties thereto that is required in order to effect the transfer to, and assumption by, Buyer of such Acquired Assets.

"Security Interest" means any mortgage, pledge, lien, encumbrance, charge, or other security interest, *other than* (a) mechanic's, materialmen's, and similar liens, (b) liens for Taxes not yet due and payable or for Taxes that the taxpayer is contesting in good faith through appropriate proceedings, (c) purchase money liens and liens securing rental payments under capital lease arrangements, and (d) other liens arising in the Ordinary Course of Business and not incurred in connection with the borrowing of money.

"Seller" has the meaning set forth in the preface above.

"Seller Representatives" has the meaning set forth in Section 5.02.

"Shareholders" has the meaning set forth in the preface above.

"Taxes" means (A) all income taxes (including any tax on or based upon net income, gross income, income as specially defined, earnings, profits or selected items of income, earnings or profits) and all gross receipts, sales, use, ad valorem, transfer, franchise, license, withholding, payroll, employment, excise, severance, stamp, occupation, premium, property or windfall profits taxes, alternative or add-on minimum taxes, customs duties and other taxes of any kind whatsoever, together with all interest and penalties, additions to tax and other additional amounts imposed by any Governmental Entity on such entity, and (B) any liability for the payment of any amount of the type described in the immediately preceding clause (A) as a result of being a "transferee" (within the meaning of Section 6901 of the Code or any other applicable law) of another entity, a member of an affiliated or combined group, a contract or otherwise.

"Tax Return" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule, exhibit or attachment thereto.

"Third Party Claim" has the meaning set forth in Section 8.03 below. "Transferred Employee" means each employee of the Business who is hired by Buyer under Section 9.03(a) of this Agreement.

"Vendor List" means all lists, spreadsheets, worksheets and tables of any type or form identifying each and every vendor, supplier and consultant of Seller since inception of the Business (including those engagements where no writing may exist), which are listed on Exhibit B attached hereto.

"Work-in-Progress Costs" means all costs, expenses and/or fees (including for labor) incurred prior to the Closing Date in connection with the performance of work for which customers have not yet paid in full as of the Closing Date, to the extent unpaid as of the Closing Date.

ARTICLE 2

BASIC TRANSACTION

Section 2.01 Purchase and Sale of Assets. On and subject to the terms and conditions of this Agreement, Buyer agrees to purchase from Seller, and Seller agrees to sell,

transfer, convey, and deliver to Buyer, all of the Acquired Assets at the Closing in consideration of the payment of the Purchase Price as specified below in Sections 2.02 and 2.03.

Section 2.02 Assumption of Liabilities The Buyer and the Seller hereby agree that the Buyer shall not assume any liabilities in connection with the sale, transfer, conveyance and delivery to Buyer of the Acquired Assets.

Section 2.03 Purchase Price The "Purchase Price" means One Million Nine Hundred Fifty Thousand Dollars (\$1,950,000) in cash, due and payable as follows: (i) \$200,000 at Closing, payable as follows: (a) a \$20,000 non-refundable deposit due on the date of this Agreement; (b) \$80,000 payable on the 7th calendar day following the date of this Agreement; and (c) \$100,000 payable on the 14th calendar day following the date of this Agreement (the "Closing Payment"); (ii) \$100,000 due and payable on the first day of each month, for a period of seventeen months (for a total of \$1,750,000), with the first such monthly payment due on October 1, 2019 (each, a "Monthly Payment" and, collectively, the "Monthly Payments"); the total sum of \$1,750,000, shall be evidenced by two separate secured promissory notes. One note shall be in the amount of \$900,000 ("Note #1"), with monthly payments of \$100,000 per month to begin October 1, 2019, and which note shall be paid in full upon a ninth monthly payment of \$100,000.00. Additionally, Note #1 shall be secured by all of the assets that are being purchased by Buyer from Seller pursuant to a concurrently executed Security Agreement which will be signed by the parties and the lien created thereby shall be filed/recorded with the California Secretary of State's office by the filing of a UCC-1 financing statement therewith at the close of escrow. Upon payment of the ninth payment pursuant to Note #1, Seller will file a UCC-3 statement which will reflect the termination of the lien held by Seller in respect of the obligations under Note#1. Lastly, assuming that the Buyers take the full nine months to pay off Note #1, then concurrently, i.e. for that 9 month time frame there will be in existence a lease agreement (flat fee-gross lease) for use of the premises and the yard in Santee, California that is being purchased by way of this Agreement. The amount of rent do under the subject lease will be \$3,000 per month to be paid pursuant to the terms that are set out in said lease agreement (will be attached to this Agreement) is part of this Agreement.

Thereafter, a note in the amount of \$850,000 ("Note #2") will be in effect, and one month from the ninth payment made on Note #1, then the first payment on Note #2 shall be due on the same terms and conditions regarding due date, late date, acceleration rights and the like. Furthermore, at the time Note # 2 comes into effect, concurrently a grant deed for the real property and improvements being bought as part of the overall sales transaction will be recorded along with a trust deed in favor of Sellers for the remaining balance of \$850,000. At the same time as that title transfer, the lease between Buyer and Seller for those same premises, which was in effect from the close of escrow through the ninth payment on Note #1, shall terminate. Thereafter, once all payments are made under Note #2, then the Sellers will execute a full reconveyance of the trust deed that has been recorded as a lien against the real property pending the payoff of Note #2; Additionally, all parties to the within Agreement agree and understand that all documents being utilized in this transaction will be fully signed, executed and or witnessed where necessary, and fully executed copies will be exchanged between the parties at the close. Further, specifically with reference to the real property being purchased, the grant deed, deed of trust , and Change of Ownership Reports will be fully executed and notarized as well. The parties will keep a copy of the same real estate documents, but the originals will be forwarded to Seller's attorney and held by him until he receives notification of payment in full of Secured Promissory Note #1, where

upon he will transmit the grant deed , trust deed and the Preliminary Change of Ownership Report to the San Diego County Recorder's offices for processing and recordation.

Furthermore, the parties to the within agreement acknowledge that shortly after the close herein, that the current operating company, McKay Roofing Company , Inc. will be changing its' name to McKay Brothers, Inc. and that all payments called for under the Asset Purchase Agreement or other ancillary documents to the transaction must be paid to McKay Brothers, Inc., or assignee provided, however, the entire balance of the Monthly Payments may be paid at any time and, in the event of such prepayment, such balance of the Monthly Payments will be reduced by 10%, as is set forth in the payment schedule attached hereto as Schedule I. For purposes of illustration only, in the event that the balance of the Monthly Payments is prepaid on December 15, 2019, with \$500,000 total having been paid as of the first of Month 3 from Close, such prepayment amount, required to satisfy the balance in full, would be \$1,305,000, based on a balance of \$1,450,000 remaining, reduced by 10% (\$145,000). If this prepayment were to occur, then depending upon the timing of the same then whatever security was in effect at the time would be either terminated and or reconveyed. Also, the reduction calculated at the time would pertain to whatever balances were in existence at the time of the prepayment and the 10% reduction would be given full effect.

Section 2.04 Excluded Assets and Liabilities Notwithstanding anything herein to the contrary, the Acquired Assets shall not include and Buyer shall not acquire any right, title or interest in and to the Excluded Assets. All accounts receivable incurred up through the day of the close belong to the Sellers. If Buyer collects any of these receivables owned by the Seller, Buyer must be remit the cash to the Seller forthwith. Receivables for any portion of work not completed by the close date will be the property of the Buyer. Notwithstanding anything herein to the contrary, Buyer shall not assume or have responsibility for any of the Excluded Liabilities.

Section 2.05 Working Capital Sellers agree to leave \$80,000 in the cash account as working capital for the Buyer.

Section 2.06 Closing The Closing of the transactions contemplated by this Agreement (the "Closing") shall take place three (3) Business Days following the satisfaction or waiver of the conditions set forth in Article 7 or at such other date and time that the Parties may mutually agree, at the offices of Lucosky Brookman LLP, located at 101 Wood Avenue South, Iselin, New Jersey 08830, or another mutually agreeable location. The date on which the Closing occurs is referred to herein as the ("Closing Date") and the Closing shall be deemed effective as of 12:00 p.m. New York time on the Closing Date.

Section 2.07 Deliveries at the Closing At the Closing, (i) Seller will deliver to Buyer the various certificates, instruments, and documents referred to in Section 7.01 below; (ii) Buyer will deliver to Seller the various certificates, instruments, and documents referred to in Section 7.02 below; (iii) Seller will execute, acknowledge (if appropriate), and deliver to Buyer (A) a bill of sale in the form attached hereto as Exhibit C, and (B) such other instruments of sale, transfer, conveyance and assignment as Buyer and its counsel reasonably may request; (iv) Buyer will execute, acknowledge (if appropriate), and deliver to Seller such instruments of assumption as Seller and its counsel reasonably may request; (v) the Parties shall make payments and deliveries of the Cash Payment and Payment Shares in accordance with Section 2.03 herein.

Section 2.08 Allocation. The Parties agree to allocate the Purchase Price (and all other capitalizable costs) among the Acquired Assets for all purposes (including financial accounting and tax purposes) in accordance with Section 2.03 herein as set forth in Schedule 2.08 hereof, and the Parties shall make all necessary filings (including those under Section 1060 of the Code) in accordance with such allocation.

Section 2.09 Transfer and Maintenance of Books and Records.

(a) Upon request from Buyer to Seller, Buyer shall be granted access to the books and records of Seller within twenty four (24) hours solely for audit purposes. Seller shall transfer to Buyer at Closing all of the Acquired Assets, including without limitation (i) the Contracts, (ii) the Client Lists, (iii) the Leases, (iv) the Intellectual Property, (v) the Permits, all tangible personal property, (vii) the Vendor Lists, (viii) the Inventory, and (ix) all other books and records. Seller shall use its reasonable best efforts to deliver to Buyer, in such locations as designated by Buyer, actual possession of all books and records, including the Client Lists, the Vendor Lists, the Leases and the Contracts, as soon as possible after Closing, but in no event later than ten (10) Business Days after the Closing Date, and Seller shall be responsible for all books and records until delivery thereof to Buyer. Any Acquired Assets, including any Client Lists, Vendor Lists or Contracts, held by Seller after the Closing shall be held by Seller as agent for Buyer pursuant to this Agreement. In addition, Seller shall within five (5) Business Days of receipt forward to Buyer all notices, correspondence and other documents received from customers, lenders, vendors or other similar Persons, which documents relate to the Acquired Assets and are received by Seller after the Closing. Nevertheless, Seller shall retain those documents, agreements and all other books and records relating primarily to any Excluded Asset or Excluded Liability.

(b) Any books and records relating to the Acquired Assets or the Business held by either Seller or Buyer after Closing shall be maintained in accordance with (and for the period provided in) that party's record keeping policies and procedures. Throughout that period, the party holding any such books and records shall comply with the reasonable request of the other party to provide copies of specified documents. The requesting party shall give reasonable notice of any such request. Without limiting the foregoing, neither party will destroy any books or records relating to the Acquired Assets or the Business before the fifth (5th) anniversary of the Closing without first providing sixty (60) days written notice to the other party. Subject to any obligation to keep the records confidential, the party receiving the notice shall be permitted to inspect any such records and to take possession of them, provided that it shall reimburse the party providing the notice for any reasonable, out-of-pocket expense incurred in that regard. Notwithstanding anything to the contrary contained herein, the obligations set forth in this Section shall survive the Closing.

Section 2.10 Power of Attorney. Effective upon the Closing Date and thereafter until the first anniversary of the Closing Date, Seller hereby irrevocably names, constitutes and appoints Buyer and its representatives, its duly authorized attorney and agent with full power and authority to endorse in Seller's name, any checks relating to the Acquired Assets, to effect the

transfer of the Acquired Assets to Buyer, to obtain any consents and to take such actions as are reasonably necessary to effect the transactions contemplated by the this Agreement.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF SELLER AND SHAREHOLDERS

Seller and Shareholders represent and warrant, to the best of their knowledge, jointly and severally, to Buyer that the statements contained in this Article 3 are correct and complete as of the date hereof and as of the Closing Date, except as set forth in the disclosure schedule accompanying this Agreement or any amendments (or deemed amendments thereto) (the "Disclosure Schedule"). The Disclosure Schedule will be arranged in sections corresponding to the lettered and numbered sections contained in this Article 3.

Section 3.01 Organization of Seller and Shareholders Seller is corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of organization and is duly qualified to conduct business and is in good standing in each jurisdiction in which the nature of Seller's and Shareholders' business or the ownership or leasing of each of their properties requires such qualifications. Section 3.01 of the Disclosure Schedule sets forth each jurisdiction in which Seller does business and each jurisdiction in which Seller is authorized to do business. Seller has all requisite corporate power and authority to carry on the businesses in which it is engaged, to carry on the Business proposed to be conducted by the Buyer and to own and use the properties owned and used by it. Seller has delivered to Buyer correct and complete copies of Seller's organizational documents (as amended to date). Seller is not in default under or in violation of any provision of its organizational documents.

Section 3.02 Authorization of Transaction; Enforceability Seller and Shareholders have the power and authority necessary to execute and deliver this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement has been duly authorized by all necessary corporate, shareholder, member or other action by Seller and the Shareholders. This Agreement has been duly executed and delivered by Seller and the Shareholders. This Agreement constitutes the valid and legally binding obligations of Seller and the Shareholders, enforceable in accordance with its terms and conditions, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or law).

Section 3.03 Noncontravention Neither the execution and the delivery of this Agreement (including the documents referred to in Section 2.07 above), nor the consummation of the transactions contemplated hereby, will, to the best of the Seller's knowledge, (i) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, Governmental Entity, or court to which Seller or the Shareholders is subject or any provision of the operating agreement or other organizational documents of Seller or any Shareholder, or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under, any agreement, contract, lease, license, instrument, or other arrangement

to which Seller or a Shareholder is a party or by which it is bound or to which any of the Acquired Assets is subject (or result in the imposition of any Security Interest upon any of the Acquired Assets). Section 3.03 of the Disclosure Schedule sets forth each notice, filing, authorization, consent, or approval of any Person or any Governmental Entity needed in order for Seller and the Shareholders to enter into or perform their obligations under this Agreement.

Section 3.04 Brokers' Fees. Neither Seller nor any Shareholder has any liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement for which Buyer could become liable or obligated.

Section 3.05 Client List Exhibit A attached hereto contains a complete and correct list of each client, as amended, including the date of the Client Lists and each amendment thereto. The Client List, to the best of the Seller's knowledge, is a true, accurate, and complete listing of all clients of the Seller, including former clients, of the Business and there are no material disputes or threatened disputes with any Person listed on the Client List.

Section 3.06 Financial Statements. Attached hereto at Section 3.06 of the Disclosure Schedule are the following financial statements (collectively, the "Financial Statements"): (i) unaudited balance sheets, income statements and statements of cash flows as of and for the fiscal years ended December 31, 2016, December 31, 2017 and December 31, 2018 for Seller; and (ii) unaudited balance sheets, income statements and statements of cash flows as of and for the months ended January 31, 2019, February 28, 2019 and March 31, 2019 (the "Most Recent Fiscal Month End") for Seller. The Financial Statements were prepared in accordance with GAAP, are true and correct in all material respects as of the respective dates thereof and for the periods referred to therein and are consistent with the books and records of Seller, which books and records are, to the best of Seller's knowledge, complete, accurate and auditable.

Section 3.07 Events Subsequent to Term Sheet. Since the Seller and Buyer entered into that certain Term Sheet on January 4, 2019 (the "Term Sheet"), there has occurred no event or development which, individually or in the aggregate, has had, or could reasonably be expected to have in the future, a Material Adverse Effect. Without limiting the generality of the foregoing, since that date there has not been any:

- (a) declaration, setting aside or payment of any dividend or other distribution (whether in cash or property or any combination thereof) in respect of its stock;
- (b) creation, incurrence or assumption of any indebtedness (including obligations in respect of capital leases); assumption, guaranty, endorsement or other creation of liability or responsibility (whether directly, contingently or otherwise) for the obligations of any other person or entity; or made any loans, advances or capital contributions to, or investments in, any other person or entity;
- (c) commitment to make any capital expenditure in excess of \$10,000;
- (d) damage, destruction or loss, whether or not covered by insurance;
- (e) waiver by Seller of a right or of debt owed to it;

(f) satisfaction or discharge of any encumbrance or payment of any obligation by Seller not in the ordinary course of business consistent with past practice and in an aggregate amount exceeding \$10,000;

(g) labor dispute, other than routine individual grievances, or any activity or proceeding to organize any employees of the Business, or any lockouts, strikes, slowdowns, work stoppages or threats thereof by or with respect to such employees;

(h) change in the rate of compensation, commission, bonus or other direct or indirect remuneration payable, or payment of or agreement (written or oral) to pay, conditionally or otherwise, any bonus, incentive, retention or other compensation, retirement, welfare, fringe or severance benefit or vacation pay, to or in respect of any, director, officer, employee, consultant or agent, or new employment, compensation or deferred compensation agreement (or any amendment of any such existing agreement);

(i) initiation, receipt or settlement of any Proceeding or action affecting Seller or otherwise material to the Business;

(j) act to (i) accelerate the billing of any customers of Seller or the collection of any Accounts Receivable of Seller, (ii) delay the payment of any accounts payable or accrued expenses of Seller or (iii) defer any expenses of Seller; or

(k) any agreement, whether oral or written, fixed or contingent, by Seller to do any of the foregoing

Section 3.08 Legal Compliance. The Business is, to the best of Seller's knowledge, in compliance with all applicable laws (including rules, regulations, codes, plans, injunctions, judgments, orders, decrees, rulings, and charges thereunder) of all Governmental Entities, except where the failure to comply could not reasonably be expected to have a Material Adverse Effect.

Section 3.09 Tax Matters. Seller has filed all Tax Returns that it was required to file with respect to itself and the Business, and has paid all Taxes owing, except (i) where the failure to file Tax Returns or to pay Taxes could not reasonably be expected to have a Material Adverse Effect, or (ii) where the amount, applicability or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which Seller has established adequate reserves in accordance with GAAP.

Section 3.10 Assumed Contracts. Seller has delivered complete and accurate copies of each Assumed Contract to the Buyer. To the best of its knowledge, Seller does not have any contract that contains terms or conditions providing for such contract to be assigned upon the purchase of substantially all of the Seller's assets or any other event that may be triggered by the execution or closing of this Agreement. With respect to each Assumed Contract:

(a) each Assumed Contract is the legal, valid, binding and enforceable obligation of Seller, and is in full force and effect with respect to Seller;

(b) each Assumed Contract will continue to be legal, valid, binding, enforceable by Buyer, and in full force and effect immediately following the Closing in accordance with the terms that are in effect immediately prior to the Closing;

(c) Seller is in material compliance with the terms and conditions of each Assumed Contract;

(d) there are no material disputes or threatened disputes with any Person under any Assumed Contract;

(e) no party is in breach or default, and no event has occurred which with notice or lapse of time or both would constitute a breach or default, or permit termination, modification, or acceleration, under such Assumed Contract;

(f) no Person has provided Seller with notice that it intends to terminate any Assumed Contract;

(g) to the extent insurance is required under the terms of such Assumed Contract, Seller is in compliance with such requirements; and

(h) there has not been any assignment by Seller or, to the knowledge of Seller, any other Person of such Assumed Contract and there does not exist any Security Interest with respect to such Assumed Contract.

Section 3.11 Litigation.

(a) Seller or the Business is not (i) subject to any outstanding injunction, judgment, order, decree, ruling, or charge, or (ii) a party to or threatened to be made a party to any Proceeding.

(b) no Shareholder is subject to any Proceeding relating to the Business that could reasonably have a Material Adverse Effect on the Business or is reasonably likely to affect the legality, validity or enforceability of this Agreement or any of the transactions contemplated hereby.

Section 3.12 Insurance. Section 3.12 of the Disclosure Schedule sets forth the following information with respect to each insurance policy (including policies providing property, casualty, comprehensive general liability, business interruption, product liability, automobile and workers' compensation coverage and bond and surety arrangements) to which Seller has been a party, a named insured, or otherwise the beneficiary of coverage at any time within the past 3 years:

(i) the name, address, and telephone number of the agent;

(ii) the name of the insurer, the name of the policyholder, and the name of each covered insured;

(iii) the policy number and the period of coverage;

- (iv) the scope (including an indication of whether the coverage was on a claims made, occurrence, or other basis) and amount (including a description of how deductibles and ceilings are calculated and operate) of coverage; and
- (v) a description of any retroactive premium adjustments or other loss-sharing arrangements.

With respect to each such insurance policy, to the best of Seller's knowledge: (A) the policy is legal, valid, binding, enforceable, and in full force and effect; (B) the policy will continue to be legal, valid, binding, enforceable, and in full force and effect on identical terms following the consummation of the transactions contemplated hereby; (C) neither Seller, nor any other party to the policy is in breach or default (including with respect to the payment of premiums or the giving of notices), and no event has occurred that, with notice or the lapse of time, would constitute such a breach or default, or permit termination, modification, or acceleration, under the policy; and (D) no party to the policy has repudiated any provision thereof. Seller, to the best of its knowledge, has been covered during the past 3 years by insurance in scope and amount customary and reasonable for the Business during the aforementioned period.

Section 3.13 Subsidiaries. Seller has no Subsidiaries. Seller does not own, directly or indirectly, any capital stock or other equity securities of any company or have any direct or indirect equity or ownership interest, including interests in partnerships and joint ventures, in any business or Person.

Section 3.14 Undisclosed Liabilities. Except as reflected in the Most Recent Fiscal Month End balance sheet or incurred since the date thereof in the Ordinary Course of Business, Seller has no known material liability (whether absolute or contingent, whether liquidated or unliquidated and whether due or to become due) and, to the knowledge of Seller, there is no basis for any present or future Proceeding against the Seller giving rise to any liability.

Section 3.15 Warranties. Except to provide support services in the Ordinary Course of Business, the services delivered by Seller are not subject to any guaranty or warranty, and there is no right of return, right of credit or other indemnity, except with respect to infringement of third-party intellectual property rights, breach by the Seller of its obligations under a contract or as otherwise set forth herein. Seller does not know of any reason why such expenses should significantly increase as a percentage of sales in the future.

Section 3.16 Employee Benefit Plans.

(a) Section 3.16 of the Disclosure Schedule sets forth an accurate and complete list of all of Seller's Plans.

(b) Neither Seller nor any ERISA Affiliate (as herein defined) has maintained, contributed to or participated in a multi-employer plan (within the meaning of Section 3(37) or 4001(a)(3) of ERISA or a multiple employer plan subject to Sections 4063 and 4064 of ERISA) nor has any obligations or liabilities, including withdrawal or successor liabilities, regarding any such plan or a Plan subject to Title IV of ERISA. As used in this Agreement, the term "ERISA Affiliate" means any Person that, together with Seller, is considered a "single employer" pursuant to Section 4001(b) of ERISA.

(c) Each Plan is now and has been operated in all material respects in accordance with its terms and with the requirements of all applicable law, including, without limitation, ERISA, the Health Insurance Portability and Accountability Act of 1996, the Code, the Age Discrimination in Employment Act, the Family and Medical Leave Act, the Americans With Disabilities Act, the Equal Pay Act, and Title VII of the Civil Rights Act of 1964, and the regulations and authorities published thereunder. Seller, to the best of its knowledge, performed all material obligations required to be performed by it under, is not in any respect in default under or in violation of, and Seller has no knowledge of any default or violation by any party to, any Plan. No legal action, suit, audit, investigation or claim is pending or to the best knowledge of Seller, threatened, with respect to any Plan (other than claims for benefits in the ordinary course) and no fact, event or condition exists that would be reasonably likely to provide a legal basis for any such action, suit, audit, investigation or claim. To the best of Seller's knowledge, all reports, disclosures, notices and filings with respect to such Plans required to be made to Employees, participants, beneficiaries, alternate payees and government agencies have been timely made or an extension has been timely obtained. There has been no prohibited transaction (within the meaning of Section 406 of ERISA or Section 4975 of the Code) with respect to any Plan subject to ERISA.

(d) All contributions, premiums or payments (including all employer contributions and, if applicable, all employee salary reduction contributions) required to be made, paid or accrued with respect to any Plan have been made, paid or accrued on or before their due dates.

Section 3.17 Permits. To the best of Seller's knowledge, section 3.17 of the Disclosure Schedule accurately and completely describes each license, franchise, permit, certificate, approval or other similar authorization required in connection with the conduct of, or otherwise affecting or relating in any way to, the Business or any of the Acquired Assets (the "Permits") together with the name of the Person issuing such Permit. Except as otherwise set forth in Section 3.17 of the Disclosure Schedule, (i) the Permits are valid and in full force and effect; (ii) Seller is not in default, and no condition exists that with notice or lapse of time could constitute a default, under the Permits; (iii) no Proceedings are pending or threatened to revoke or amend any Permit; (iv) the Permits are freely assignable; and (v) none of the Permits shall be terminated or impaired or become terminable, in whole or in part, as a result of the transactions contemplated by this Agreement.

Section 3.18 Books and Records. The minute books and other similar records of Seller contain complete and accurate records of all actions taken at any meetings of Seller's shareholders, board of directors or any committee thereof and of all written consents executed in lieu of the holding of any such meeting. The books and records of Seller, as previously made available to Buyer, accurately reflect the assets, liabilities, business, financial condition and results of operations of Seller and have been maintained in accordance with good business and bookkeeping practices.

Section 3.19 Inventory. Section 3.19 of the Disclosure Schedule accurately and completely describes all of Seller's inventory as of the Closing Date ("Inventory").

Section 3.20 Real Property. Except as described in Section 3.20 of the Disclosure Schedule, Seller owns no real property and has never owned any real property.

Section 3.21 Real and Personal Property Leases. Section 3.21 of the Disclosure Schedule lists all Leases, as amended, including the date of such Lease and each amendment thereto, the term of each such Lease, any extension and expansion options thereof, and the amounts payable thereunder. Seller has delivered to the Buyer complete and accurate copies of the Leases. With respect to each Lease:

- (a) Except as set forth in Section 3.21 of the Disclosure Schedule, such Lease is legal, valid, binding, enforceable by Buyer and in full force and effect;
- (b) except as otherwise set forth in Section 3.21 of the Disclosure Schedule, such Lease will continue to be legal, valid, binding, enforceable and in full force and effect immediately following the Closing in accordance with the terms thereof as in effect immediately prior to the Closing;
- (c) except as otherwise set forth in Section 3.21 of the Disclosure Schedule, Seller is in compliance in all material respects with the terms and conditions of each such Lease.
- (d) except as otherwise set forth in Section 3.21 of the Disclosure Schedule, neither Seller, nor any other party, is in breach or violation of, or default under, any such Lease, and no event has occurred, is pending or, to the knowledge of Seller is threatened, which, after the giving of notice, with lapse of time, or otherwise, would constitute a breach or default by Seller or, to the knowledge of Seller, any other party under such Lease;
- (e) except as otherwise set forth in Section 3.21 of the Disclosure Schedule, there are no disputes, oral agreements or forbearance programs in effect as to such Lease;
- (f) no Person has provided Seller with notice that it intends to terminate any Lease;
- (g) Seller has not assigned, transferred, conveyed, mortgaged, deeded in trust or encumbered any interest in the leasehold or subleasehold;
- (h) all facilities leased or subleased thereunder are supplied with utilities and other services adequate for the operation of said facilities; and
- (i) Seller is not aware of any Security Interest, easement, covenant or other restriction applicable to the property subject to such lease which would reasonably be expected to materially impair the current uses or the occupancy by Seller of the property subject thereto.

Section 3.22 Title to Tangible Personal Property.

Section 3.22 of the Disclosure Schedule lists the material tangible personal property of the Business which is used regularly in the Business. Except as set forth in Section 3.22 of the Disclosure Schedule, Seller, to the best of its knowledge, has good title to, or a valid leasehold

interest in, such tangible assets free of any Security Interests. All personal tangible property of the Business is freely assignable by Seller to Buyer.

Section 3.23 Intellectual Property.

(a) Section 3.23 of the Disclosure Schedule contains a complete and accurate list of all of the material Intellectual Property owned, used or held for use by the Seller in the conduct of its Business and there is no other Intellectual Property owned, used or held for use by the Seller material to the conduct of its Business. Such Intellectual Property is the only Intellectual Property necessary to operate the Business materially as it is currently operated.

(b) Neither Seller nor the license or other use of any Intellectual Property not owned by Seller included in the Acquired Assets has to Seller's knowledge violated or infringed, and currently does not violate or infringe, upon the Intellectual Property of any Person. Seller has not been a defendant in any action, suit, investigation or proceeding relating to, or otherwise has been notified of, any alleged claim of infringement of any other Person's Intellectual Property, which Proceedings are still active, and Seller has no outstanding Proceedings for (or any knowledge of) any continuing infringement of Intellectual Property by any other Person.

(c) Seller (i) is the sole and exclusive owner of, with all right, title and interest in and to (free and clear of any Security Interests), any and all Intellectual Property owned by it included in the Acquired Assets, (ii) has rights to the use of all such Intellectual Property used by it pursuant to license, sublicense, agreement, or permissions and, except as set forth in Section 3.23 of the Disclosure Schedule, is not contractually obligated to pay any compensation or grant any rights to any third party in respect thereof and (iii) has the right to require the application of any such Intellectual Property owned by Seller that constitutes an application for registration, including but not limited to all patent applications, trademark application service mark applications, copyright applications and mask work applications, and to transfer ownership to Buyer of the application and of the registration once it issues.

(d) Seller has kept secret and has not disclosed the source code for any Intellectual Property owned by the Seller to any Person other than in the Ordinary Course of Business to persons who are subject to the terms of a binding confidentiality agreement with respect thereto. The Seller has taken all appropriate measure to protect the confidential and proprietary nature of any Intellectual Property owned by the Seller including without limitation the use of confidentiality agreements with all of its employees or other persons having access to any source and object codes.

(e) Any and all Intellectual Property owned by Seller included in the Acquired Assets that are registrations, including but not limited to all registered patents, trademarks, service marks, copyrights and masks works, are valid and subsisting and in full force and effect.

(f) Seller has not granted any licenses to or other rights in any Intellectual Property included in the Acquired Assets to any Person; to Seller's knowledge, no Person is currently using such Intellectual Property except in connection with the Business.

(g) The execution, delivery and performance by Seller and the Shareholders of this Agreement and the consummation of the transactions contemplated hereby and thereby

shall not alter or impair or result in the loss of any rights or interests of Seller in any Intellectual Property included in the Acquired Assets owned by Seller or as to which Seller obtains any consent to the transactions contemplated hereby and all such Intellectual Property shall be owned or available for use by Buyer on identical terms and conditions immediately subsequent to the Closing.

(h) None of the Intellectual Property owned by Seller included in the Acquired Assets, if any, is subject to any outstanding order or agreement restricting in any manner the use of licensing thereof by Seller.

(i) all of the Intellectual Property used in the Business is freely assignable to Buyer.

Section 3.24 Environmental Matters. The present and former activities of Seller, to the best of its knowledge, comply with all applicable Environmental Laws and Seller is not in violation and has never been in violation of any Environmental Laws.

Section 3.25 Employees.

(a) Section 9.03 of the Disclosure Schedule sets forth a complete list of the Transferred Employees as of the date of this Agreement. There are no Inactive Transferred Employees. Prior to the Closing Date, Seller shall have provided Buyer with a complete and accurate list, to the best of Seller's knowledge, (under Section 9.03 of the Disclosure Schedule) of the following information for each Transferred Employee: name; date of hire; work location; title; position held; salary; incentive compensation (including any bonus or profit sharing arrangements); balance of accumulated paid time off; schedule of regular weekly hours of employment; special work arrangements, if any, with description; Fair Labor Standards Act status; shift differential, if any, and annual vacation entitlement.

(b) All Transferred Employees are employees "at-will" whose employment is terminable without liability to Seller (other than for benefits under the Seller's applicable severance policy and other employee benefit plans and programs and benefits required to be provided under Applicable Law), and there are no employment contracts entered into between Seller and any of the Employees.

(c) No Transferred Employee of the Business has received a written warning from the Seller or has been placed on "corrective action" by Seller or is under any internal, or, external investigation. None of the Transferred Employees, to the best of Seller's knowledge, is covered by any union, collective bargaining or similar agreement or arrangement in connection with his or her employment with Seller.

(d) Seller, to the best of its knowledge, has not received notification of any impediment to the employment of any Transferred Employee based on the results of fingerprinting or drug testing and is not otherwise aware of any such impediment.

(e) All Transferred Employees are authorized to work in accordance with the Immigration and Reform Control Act ("IRCA"), and no Transferred Employee is employed by

Seller under any employer-sponsored non-resident visa. Section 9.03 of the Disclosure Schedule contains a list of all Transferred Employees who are not citizens of the United States.

(f) Except as set forth in Section 9.03 of the Disclosure Schedule, there are no agreements or offer letters providing for stay bonuses, sign-on bonuses, commissions, compensation, special monetary or vacation awards, non-compete provisions or similar agreements with respect to the Transferred Employees. Seller has not increased the base salary paid to any Transferred Employee within three months of the Closing Date in excess of Seller's regularly scheduled increase to such Transferred Employee.

(g) Any notices required to be given by the Seller pursuant to the Worker Adjustment and Retraining Act of 1988 (the "WARN Act") and COBRA, if any, in connection with the transactions contemplated by this Agreement have been given or shall be given by the time required under such laws in order to comply therewith.

(h) Seller is not and has not been a party to any collective bargaining or other labor agreement or understanding with a labor union or labor organization. There has not been, and there is not presently pending or existing, and to Seller's knowledge there is not threatened, (i) any strike, slowdown, picketing, work stoppage, or employee grievance process, (ii) any proceeding against Seller based on the alleged violation of any Applicable Law pertaining to labor relations or employment matters, including any charge or complaint filed by an employee or union with the National Labor Relations Board, the Equal Employment Opportunity Commission, or any comparable Governmental Entity, organizational activity, or other labor or employment dispute against Seller arising with respect to the Transferred Employees, (iii) any application for certification of a collective bargaining agent. Seller is in material compliance with all Applicable Laws respecting employment practices, civil rights, occupational safety, conditions of employment and wages and hours and has not engaged in any unfair labor practices.

(i) Seller has supplied Buyer with complete and accurate descriptions of all material employee benefit plans applicable to the Transferred Employees.

Section 3.26 Accounts Receivable. All Accounts Receivable of Seller existing on the business day immediately preceding the Closing Date are reflected on Section 3.26 of the Disclosure Schedule (other than those paid since the date hereof), are valid receivables subject to no setoffs or counterclaims and are current and collectible, net of the applicable reserve for bad debts as of Most Recent Fiscal Month End. A complete and accurate list of the Accounts Receivable reflected as of Most Recent Fiscal Month End, showing the aging thereof, is included in Section 3.26 of the Disclosure Schedule, together with a complete and accurate list of Work-in- Progress Costs. All Accounts Receivable of Seller that have arisen since the Most Recent Fiscal Month End arose from bona fide third party sales in the ordinary course of business consistent with past practice, are valid receivables subject to no setoffs or counterclaims, are current and collectible, and is scheduled to be collected within ninety (90) days after the date on which it first became due and payable in accordance with their terms at their recorded amounts, except as set forth in Section 3.26 of the Disclosure Schedule. Seller, to the best of its knowledge, has not received any written notice from an account debtor stating that any Account Receivable is subject to any contest, claim or set-off by such account debtor except as set forth in Section 3.26 of the Disclosure Schedule.

Section 3.27 Vendor List. Exhibit B attached hereto contains a complete and correct list of all vendors (the "Vendor List"), as amended, including the date of the Vendor List and each amendment thereto. The Vendor List, to the best of Seller's knowledge, is a true, accurate, and complete listing of all vendors, suppliers and consultants of the Seller of the Business and there are no material disputes or threatened disputes with any Person listed on the Vendor List.

Section 3.28 Disclosure. No (i) representation or warranty by Seller or the Shareholders contained in this Agreement or any certificate, or (ii) any statement contained in the Disclosure Schedule delivered to Buyer by or on behalf of Seller pursuant to this Agreement, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary, in light of the circumstances under which it was or will be made, in order to make the statements herein or therein not misleading.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF BUYER AND PARENT.

Buyer and Parent represent and warrant to Seller and the Shareholders that the statements contained in this Article 4 are correct and complete as of the Closing Date.

Section 4.01 Organization of Buyer and Parent Buyer is a [enter Buyer's State of Incorporation] corporation duly incorporated, validly existing, and in good standing under the laws of the jurisdiction of its incorporation. Parent is a Nevada corporation duly incorporated, validly existing, and in good standing under the laws of the jurisdiction of its incorporation.

Section 4.02 Authorization of Transaction Buyer and Parent have full power and authority to execute and deliver this Agreement and to perform its obligations hereunder and thereunder. The execution and delivery of this Agreement has been duly authorized by all necessary action by Buyer and Parent. This Agreement has been duly executed and delivered by Buyer and Parent. This Agreement constitutes the valid and legally binding obligation of Buyer and Parent, enforceable in accordance with its terms and conditions, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or law).

Section 4.03 Noncontravention. Neither the execution and the delivery of this Agreement (including the documents referred to in Section 2.07 above), nor the consummation of the transactions contemplated hereby and thereby, will (i) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which Buyer or Parent is subject or any provision of the organizational documents of Buyer or Parent or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under, any agreement, contract, lease, license, instrument, or other arrangement to which Buyer or Parent is a party or by which it is bound or to which any of its assets is subject. Neither Buyer nor Parent needs to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order to enter into or perform its obligations under this Agreement.

Section 4.04 Brokers' Fees. Buyer and Parent have no liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement for which Seller could become liable or obligated.

Section 4.05 No Other Representations and Warranties Except as set forth in this Agreement, Buyer makes no other representation or warranty, express or implied, with respect to any of the transactions contemplated by this Agreement, with respect to Buyer, or with respect to any other matter whatsoever.

ARTICLE 5

PRE-CLOSING COVENANTS

Section 5.01 Conduct of the Business Except as expressly agreed to in writing by Buyer, during the period from the date of this Agreement to the earlier of (i) the Closing Date and (ii) the termination of this Agreement pursuant to Section 10.04, Seller shall operate the Business in the Ordinary Course of Business and use its commercially reasonable efforts to preserve intact with respect to the Business, its current business organizations, keep available the services of its current officers, suppliers, licensors, licensees, advertisers, distributors and others having business dealings with it, maintain its relationships with its customers and preserve goodwill. Without limiting the generality of the foregoing, Seller shall not, without the prior written consent of Buyer, which shall not be unreasonably withheld:

- (a) except in the Ordinary Course of Business, sell, lease, license or otherwise dispose of any assets, securities or property of the Business;
- (b) except in the Ordinary Course of Business, make any capital expenditures over \$2,500;
- (c) make payments towards any of the Excluded Liabilities, including, without limitation, payments towards the SAP lease;
- (d) accelerate any payment terms or grant any early payment discounts to customers;
- (e) alter through merger, liquidation, reorganization, restructuring or in any other fashion the corporate structure or ownership of the Business;
- (f) settle or compromise any litigation (whether or not commenced prior to the date of this Agreement) relating to the Business;
- (g) transfer or grant any Security Interest on any Acquired Asset;
- (h) make any change with respect to management of inventory for the Business;
- (i) (i) take any action that would make any representation and warranty of Seller hereunder inaccurate in any material respect at, or as of any time prior to, the Closing Date

or (ii) omit to take any action necessary to prevent any such representation or warranty from being materially inaccurate in any respect at any such time;

(j) cancel, modify or waive any of the Assumed Contracts or Leases or any of the terms thereof;

(k) except as otherwise provided by GAAP, to refrain from making or causing to be made any change in the accounting methods, principles or practices of Seller with respect to the Business;

(l) enter into any agreement or transaction with respect to the Business, other than in the Ordinary Course of Business consistent with Seller's past practices or pursuant to presently existing plans or agreements disclosed herein or in a schedule hereto;

(m) cancel any debt or waive or compromise any claim or right with respect to the Acquired Assets;

(n) maintain and keep in full force and effect all insurance policies, as well as all other insurance currently maintained by Seller, with respect to the Business or comparable replacement policies;

(o) incur any indebtedness, guaranties of indebtedness or any other contingent obligations;

(p) issue any equity, options, warrants or other rights to acquire equity interests in the Seller; or

(q) authorize, or commit or agree to take, any of the foregoing actions.

Section 5.02 Access to Information. From the date of this Agreement until the earlier to occur of Closing Date or the termination of this Agreement pursuant to Section 10.04, Seller agrees to give, and to cause the Business and each of its officers, directors, employees, counsel, advisors and representatives (collectively, the "Seller Representatives") to give, Buyer and its officers, employees, counsel, advisors and representatives (collectively, the "Buyer Representatives") reasonable access, upon reasonable notice and during normal business hours, to the offices and other facilities and to the books and records of the Business and shall cause the Seller Representatives to furnish Buyer and the Buyer Representatives with such financial and operating data and such other information with respect to the Business as Buyer may from time to time reasonably request.

Section 5.03 Notification. Between the date of this Agreement and the earlier to occur of Closing Date or the termination of this Agreement pursuant to Section 10.04, Seller shall promptly notify Buyer in writing if it becomes aware of (a) any fact or condition that causes or constitutes a breach of any of Seller's representations and warranties made as of the date of this Agreement, (b) the occurrence after the date of this Agreement of any fact or condition that would or be reasonably likely to (except as expressly contemplated by this Agreement) cause or constitute a breach of any such representation or warranty had that representation or warranty been made as of the time of the occurrence of, or Seller's discovery of, such fact or condition, (c) any notice or

other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement, (d) any notice or other communication from any Governmental Entity in connection with the transaction contemplated by this Agreement, (e) any Proceeding commenced or, to its knowledge threatened, relating to or involving or otherwise affecting Seller, the Business or any of the Acquired Assets that, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to this Agreement or that otherwise relate to the consummation of the transactions contemplated hereby, (f) any Material Adverse Effect on Seller, the Business or the Acquired Assets, (g) receipt of any notice of any dispute or threatened dispute among any of Seller, vendor, lender, participant, licensor, lessee and customer under any Assumed Contract, Client Agreement or Lease, and (h) receipt of any notice of any change of control or other material change in the organizational structure with respect to any customer or vendor under any Assumed Contract, Client Agreement or Lease. During the same period, Seller also shall promptly notify Buyer of the occurrence of any breach of any covenant in this Article 5 of the occurrence of any event that may make the satisfaction of the conditions in Article 7 impossible or unlikely.

Section 5.04 No Negotiation. Until the earlier to occur of the Closing or the termination of this Agreement pursuant to Section 10.04, Seller shall not directly or indirectly solicit, initiate, encourage or entertain any inquiries or proposals from, discuss or negotiate with, provide any nonpublic information to or any Person (other than Buyer or Buyer Representatives) involving any business combination transaction involving Seller, the merger or consolidation of Seller or the sale of the Business or any of the Acquired Assets. Seller shall notify Buyer or any such inquiry or proposal within twenty-four (24) hours of receipt of awareness of the same by Seller.

Section 5.05 Best Efforts. Each Party shall use its reasonable best efforts to cause the conditions of the other Parties' obligation to consummate the Closing under Article 7 to be satisfied.

Section 5.06 Transition. Immediately after the date hereof, Buyer, Seller and the Shareholders will develop a joint client communication program, under which (among other things) the Seller and Shareholders will make introductions to customers of the Business and assist in responding to any questions raised, and will encourage customers of the Business to move and maintain their business to Buyer and to consent as necessary to the transfer to Buyer of the Assumed Contracts, Vendor Lists and Client Lists, as applicable. Neither Seller nor the Shareholders will take any action that is designed or intended to have the effect of discouraging any lessor, licensor, customer, supplier, or other business associate of Seller from maintaining the same business relationships with Buyer after the Closing as it maintained with Seller prior to the Closing. Each of Seller and the Shareholders will refer all customer inquiries relating to the Business to Buyer after the Closing.

Section 5.07 Required Consents. Until the earlier to occur of the Closing or the termination of this Agreement pursuant to Section 10.04, Seller shall use its reasonable best efforts to obtain all Required Consents in connection with the transactions contemplated by this Agreement. Seller shall bear the reasonable out-of-pocket costs, expenses incurred or fees paid by Buyer or its Affiliates to third parties or Governmental Entities in order to obtain such Required Consents.

POST-CLOSING COVENANTS

Section 6.01 General. In case at any time after the Closing any further action is necessary to carry out the purposes of this Agreement, each of the Parties will take such further action (including the execution and delivery of such further instruments and documents) as the other Party reasonably may request, at the sole cost and expense of the requesting Party (unless the requesting Party is entitled to indemnification therefore under Article 8 below).

Section 6.02 Litigation Support. In the event and for so long as any Party actively is contesting or defending against any Proceeding in connection with (i) any transaction contemplated under this Agreement or (ii) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction on or prior to the Closing Date involving the Business, the other Party will cooperate with the contesting or defending Party and its counsel in the contest or defense, make available its personnel, and provide such testimony and access to its books and records as shall be necessary in connection with the contest or defense, all at the sole cost and expense of the contesting or defending Party (unless the contesting or defending Party is entitled to indemnification therefore under Article 8 below).

Section 6.03 Proprietary Information. From and after the Closing, neither Seller nor any Shareholder shall, either directly or indirectly (including through an Affiliate), disclose to any third party or make use of (except as required by law or to pursue their rights, under this Agreement), any information or documents of a confidential nature concerning Seller, the Shareholders, the Business, the Acquired Assets or the Buyer or its business, except to the extent that such information or documents shall have become public knowledge other than through improper disclosure by Seller or the Shareholders or any of their Affiliates.

Section 6.04 Solicitation and Hiring. For a period of two years after the Closing Date, neither Seller nor any Shareholder shall, either directly or indirectly (including through an Affiliate), (a) solicit or attempt to induce any Employee of Buyer to terminate his employment with Buyer or any Affiliate of Buyer or (b) hire or attempt to hire any Employee of Buyer.

Section 6.05 Non-Competition.

(a) Each Shareholder agrees that he will not, beginning on the Closing Date and ending on the third (3rd) anniversary of the Closing, either directly or indirectly as principal, a shareholder, investor, partner, consultant or otherwise, (i) perform services in any business that competes directly with the Seller's or Buyer's business (a "Competitor") or (ii) interfere with, disrupt or attempt to disrupt the relationship, contractual or otherwise, between Buyer and any customer (prospective or otherwise), supplier, lessee or employee of Buyer in the Business. Notwithstanding the foregoing, this Section 6.05 shall not preclude Seller or the Shareholder from owning any investment which does not exceed one percent (1%) of the equity of a publicly traded company.

(b) Each Shareholder agrees that the duration and geographic scope of the non-competition provisions set forth in this Section 6.05 are reasonable. Each Shareholder

acknowledges that the covenants provided in this Section 6.05 represent a material and substantial part of this Agreement. Each Shareholder further acknowledges that the remedies at law for breach of the provisions of this Section may be inadequate and that Buyer may suffer irreparable harm from such a breach. Therefore, in the event of any breach or threatened breach of the provisions of this Section, Buyer shall be entitled to seek appropriate injunctive relief without the requirement of posting a bond. The foregoing right shall be in addition to any of the remedies Buyer may have at law or in equity. In the event that any court determines that the duration or the geographic scope, or both, are unreasonable and that such provision is to that extent unenforceable, the Parties agree that the provision shall remain in full force and effect for the greatest time period and in the greatest area that would not render it unenforceable.

Section 6.06 Apportionment. If Seller, or a Shareholder, or any of their Affiliates receive any amounts in payment of obligations owed to Buyer, including, but not limited to, payments owed to Buyer in respect of the Acquired Assets, then the receiving party shall promptly deliver or pay them over to Buyer. If Buyer or any of its Affiliates receives any amounts in payment of obligations owed to Seller or a Shareholder or any of their respective Affiliates then Buyer shall promptly deliver or pay them over to Seller.

Section 6.07 Alternate Forms of Asset Transfer.

Buyer shall undertake performance of any obligation contained in the Acquired Assets, in Seller's stead, and, if any such obligation cannot be assigned without the consent of a third party which shall not have been obtained, Buyer's undertaking shall constitute a sub-contract of Seller's obligation or other kind of arrangement between Buyer and Seller, if any, pursuant to which Buyer can undertake such performance (and receive the benefit thereof) without such third party's consent; or if no such arrangement shall exist, Buyer shall nonetheless perform such obligation, unless the third party shall expressly reject Buyer's performance, in which case, Buyer shall be released of the undertaking with respect to such obligation, and Seller shall be liable for any damages that the third party shall establish that it suffered and indemnify Buyer and hold Buyer harmless with respect thereto.

Section 6.08 Reserved.

Section 6.09 Certain Tax Considerations

(a) All transfer, documentary, sales, use, stamp, registration and other such Taxes and fees (including any penalties and interest) incurred in connection with the sale of the Acquired Assets (including any real property transfer Tax and any similar Tax) shall be borne and paid by Seller, when due, and the Seller will, at its own expense, file all necessary Tax Returns and other documentation with respect to all such Taxes, fees and charges.

(b) The Seller shall take all actions required to comply with all bulk sales laws which may be applicable to the transactions contemplated herein, including, without limitation, the timely filing of any required Tax Returns.

(c) For the avoidance of doubt, the Seller shall be responsible for the filing of all Tax Returns and the payment of all Taxes (whether or not shown on such returns) with respect

to Seller, the Acquired Assets and the Business for all periods up to and including the Closing Date and all such Taxes shall be Excluded Liabilities.

ARTICLE 7

CONDITIONS TO OBLIGATION TO CLOSE

Section 7.01 Conditions to Obligation of Buyer. The obligation of Buyer to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

- (a) (i) the representations and warranties set forth in Article 3 above, shall be true and correct in all material respects, and (ii) all agreements and covenants contained in this Agreement shall have been performed or complied with by Seller, in each case, at and as of the Closing Date;
- (b) Seller shall have delivered to Buyer a certificate to the effect that each of the conditions specified above in Section 7.01(a) is satisfied in all respects;
- (c) Seller shall have delivered to Buyer the bill of sale required under Section 2.07, together with any other instrument of transfer necessary to convey to Buyer all of the Acquired Assets, which instruments shall be reasonably satisfactory in form and substance to Buyer;
- (d) there shall not be any injunction, judgment, order, decree, ruling, or charge in effect preventing consummation of any of the transactions contemplated by this Agreement;
- (e) Buyer shall have received copies of the resolutions of Seller's board of directors, certified by the Secretary or Assistant Secretary of Seller as of the Closing Date, authorizing (i) the consummation of the transactions contemplated by this Agreement, and (ii) the execution and delivery of this Agreement and all other documents contemplated or required hereunder and thereunder;
- (f) Buyer shall have received good standing certificates of Seller from the Secretary of State of the State of its jurisdiction of organization and any other jurisdiction in which Seller does business or is authorized to do business.
- (g) Seller shall have received all Required Consents set forth in Section 7.01 of the Disclosure Schedule;
- (h) Buyer shall have received evidence that all franchise and other taxes and fees have been paid in full to the State of California and any other jurisdiction in which the Seller does business or is authorized to do business, all on terms satisfactory to Buyer;
- (i) Buyer shall have received duly executed UCC-3 termination statements and such other release and termination instruments (or copies thereof) as the Buyer shall reasonably request in order to vest all right, title and interest in and to the Acquired Assets free and clear of all Security Interests;

(j) There shall have been no Material Adverse Effect on Seller, the Business or the Acquired Assets;

(k) The Seller shall have timely filed any and all required Tax Returns and other documents necessary to comply with all bulk sales laws which may be applicable to the transactions contemplated herein; and

(l) Buyer may waive any condition specified in this Section 7.01 if it executes a writing so stating at or prior to the Closing.

Section 7.02 Conditions to Obligation of Seller The obligation of Seller to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

(a) (i) the representations and warranties set forth in Article 4 above shall be true and correct in all material respects and (ii) all agreements and covenants contained in this Agreement shall have been performed or complied with by Buyer, in each case, at and as of the Closing Date;

(b) Buyer shall have delivered to Seller a certificate to the effect that each of the conditions specified above in Section 7.02(a) is satisfied in all respects;

(c) Buyer shall have delivered to Seller the items required under Section 2.07, together with any other instruments necessary to acquire right, title and interest in and to the Acquired Assets, which instruments shall be reasonably satisfactory in form and substance to Seller;

(d) Buyer shall have procured insurance coverage from a reputable insurance provider equal in both scope of coverage and amount of coverage as Seller had in effect immediately prior to the Closing Date, including without limitation, any insurance relating to the Acquired Assets and the Business, comprehensive general liability, property, casualty, business interruption, automobile and worker's compensation arrangements, all on terms satisfactory to Buyer; and

(e) there shall not be any injunction, judgment, order, decree, ruling, or charge in effect preventing consummation of any of the transactions contemplated by this Agreement.

Seller may waive any condition specified in this Section 7.02 if it executes a writing so stating at or prior to the Closing.

ARTICLE 8

REMEDIES FOR BREACHES OF THIS AGREEMENT.

Section 8.01 Survival. All of the representations, warranties and covenants contained in this Agreement, and the Exhibits and Disclosure Schedule attached hereto shall survive the Closing and remain in full force and effect for three (3) years commencing on the Closing Date.

Section 8.02 Indemnification.

(a) Seller and the Shareholders, jointly and severally, agree to indemnify, defend and hold harmless Buyer, its Affiliates and, if applicable, their respective directors, managers, officers, shareholders, members, partners, employees, attorneys, accountants, agents and representatives and their heirs, successors and assigns from and against any and all Adverse Consequences based upon, arising out of or otherwise in respect of (i) any inaccuracy in or any breach of any representation, warranty or covenant of Seller or any Shareholder contained in this Agreement, (ii) any Adverse Consequences Buyer shall suffer under Section 6.07 hereof and (iii) any Adverse Consequences Buyer shall suffer from, or any Third Party Claim, arising out of or in connection with, the Business, the Acquired Assets prior to the Closing Date, including, without limitation, related to Taxes or Tax Returns of Seller.

(b) Buyer agrees to indemnify, defend and hold harmless Seller and Shareholders, their Affiliates and, if applicable, their respective directors, managers, officers, shareholders, members, partners, employees, attorneys, accountants, agents and representatives and their heirs, successors and assigns from and against any and all Adverse Consequences based upon, arising out of or otherwise in respect of (i) any inaccuracy in or any breach of any representation, warranty or covenant of Buyer or Parent contained in this Agreement, and (ii) any Adverse Consequences Seller shall suffer from, or any Third Party Claim, arising out of or in connection with, the Business, the Acquired Assets after the Closing Date.

(c) The obligations to indemnify and hold harmless pursuant to paragraphs (a) and (b) of this Section 8.02 shall survive the consummation of the transactions contemplated hereby for the period set forth in Section 8.01, except for claims for indemnification asserted prior to the end of such period, which claims shall survive until final resolution thereof.

(d) Each of Buyer, Seller and Shareholders agree that any legal fees and expenses that result from a meritorious claim made under this Article 8 that is not a Third Party Claim shall be paid by the Indemnifying Party.

Section 8.03 Matters Involving Third Parties.

(a) If any Party entitled to be indemnified pursuant to Section 8.02 (an "Indemnified Party") receives notice of the assertion of any claim in respect of Adverse Consequences (a "Third Party Claim"), such Indemnified Party shall give the party who may become obligated to provide indemnification hereunder (the "Indemnifying Party") written notice describing such claim or fact in reasonable detail (the "Notice of Claim") promptly (and in any event within ten (10) Business Days after receiving any written notice from a third party). The failure by the Indemnified Party to timely provide a Notice of Claim to the Indemnifying Party shall not relieve the Indemnifying Party of any liability, except to the extent that the Indemnifying Party is prejudiced by the Indemnified Party's failure to provide timely notice hereunder.

(b) In the event any Indemnifying Party notifies the Indemnified Party within ten (10) Business Days after the Indemnified Party has provided a Notice of Claim that the Indemnifying Party is assuming the defense thereof: (i) the Indemnifying Party will defend the

Indemnified Party against the matter with counsel of its choice, subject to the consent of the Indemnified Party; (ii) the Indemnified Party may retain separate co-counsel at its sole cost and expense (except that the Indemnifying Party will be responsible for the fees and expenses of the separate co-counsel to the extent the Indemnified Party reasonably concludes that the counsel the Indemnifying Party has selected has a conflict of interest); (iii) the Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to the matter without the written consent of the Indemnifying Party; and (iv) the Indemnifying Party will not consent to the entry of any judgment with respect to the matter, or enter into any settlement which does not include a provision whereby the plaintiff or claimant in the matter releases the Indemnified Party from all liability with respect thereto.

(c) In the event the Indemnifying Party does not notify the Indemnified Party within ten (10) Business Days after the Indemnified Party provides the Indemnifying Party with a Notice of Claim that the Indemnifying Party is assuming the defense thereof, then the Indemnified Party shall have the right, subject to the provisions of this Article, to undertake the defense, compromise or settlement of such claim for the account of the Indemnifying Party. Unless and until the Indemnifying Party assumes the defense of any claim, the Indemnifying Party shall advance to the Indemnified Party any of its reasonable attorneys' fees and other costs and expenses incurred in connection with the defense of any such action or proceeding. Each Indemnified Party shall agree in writing prior to any such advance that, in the event it receives any such advance, such Indemnified Party shall reimburse the Indemnifying Party for such fees, costs and expenses to the extent that it shall be determined that it was not entitled to indemnification under this Article 8.

(d) In the event that the Indemnifying Party undertakes the defense of any claim, the Indemnifying Party will keep the Indemnified Party advised as to all material developments in connection with such claim, including, but not limited to, promptly furnishing the Indemnified Party with copies of all material documents filed or served in connection therewith.

ARTICLE 9

EMPLOYEES OF THE BUSINESS

Section 9.01 Communications with Employees. Seller and Buyer agree to cooperate regarding announcing Buyer's proposed acquisition of the Business to the Employees. Thereafter, Buyer shall be permitted to meet with the Employees at times mutually convenient to Buyer and Seller to discuss employment with Buyer.

Section 9.02 No Obligations to Employees Except as provided in this Agreement, Seller shall be solely responsible for all obligations it may have with respect to all Employees of Seller, and Buyer shall not assume Seller's obligations with respect to Seller's Employees. Subject to any express requirements in this Article 9, Buyer reserves the right following the Closing to establish any employment policies, practices, procedures, benefits, wages, or other remuneration or to change the same, at its sole discretion.

Section 9.03 Transferred Employees.

(a) Section 9.03 of the Disclosure Schedule sets forth a complete list of the Employees that Buyer has requested transfer to the employment of Buyer (the "Transferred Employees"). All Transferred Employees shall become full time employees of Buyer at 12:01 a.m. on the day immediately following the Closing Date upon completion of Buyer's on-boarding process, unless specified otherwise in Section 9.03 of the Disclosure Schedule. Those Business Employees who are not listed in Section 9.03 of the Disclosure Schedule shall not be considered Transferred Employees for any purpose under this Agreement.

(b) Each Transferred Employee may be fingerprinted and/or drug tested by Buyer in accordance with Buyer's employment practices and procedures. Each Transferred Employee shall be employed in a position with similar compensation, duties and responsibilities to those in effect with such Employee's position with the Seller prior to the Closing Date and with the comparable hours of work to other similarly situated employees of the Buyer. Additionally, the annual base salary terms of such offers shall comply with Section 9.04.

(c) Buyer shall have sole responsibility for any activity in connection with advising Employees to whom it offers employment of the details of such employment and answering any questions relating thereto and any subsequent communications relating to the interviewing and hiring by Buyer of the Employees.

(d) As of the Closing Date, the Transferred Employees shall cease active participation in each benefit plan of the Seller, and no additional benefits shall be accrued thereunder for such employees. Seller shall cause any retirement plan assets to be transferred to Buyer.

Section 9.04 Compensation and Term of Employment. Following the Closing Date, Buyer shall pay each of the Transferred Employees an annual base salary or hourly rate no less than the annual base salary or hourly rate paid by Seller as of the Closing Date; provided, that this provision shall in no event be deemed to limit the obligation of Buyer to provide total compensation to any Transferred Employee as required by Section 9.03(b). Buyer shall not be responsible for the payment of any discretionary performance bonus to Transferred Employees which relates to the Transferred Employees' job performance for Seller prior to the Closing Date. Such performance bonus, if any, shall be paid by Seller.

Section 9.05 Severance. Buyer shall pay severance benefits to any Transferred Employee whose employment involuntarily terminates (as defined in Buyer's severance plan) after the Closing Date; provided that eligibility for such severance benefits as well as the amount of such benefits, if any, shall be determined in accordance with Buyer's severance plan then in effect. Notwithstanding anything to the contrary contained herein, any Transferred Employee who fails any drug test administered by Buyer or fails to satisfy Buyer's background check (including any fingerprint requirement) and is terminated shall not be entitled to any severance benefits in accordance with Buyer's policies and procedures then in effect.

Section 9.06 Commission Payments Owed By Seller. Buyer shall not be responsible for any outstanding commission payments due to Employees for the period prior to the Closing Date and/or other sales made by the Employees on or prior to the Closing Date. Seller and the Shareholders represent and agree that the payment of any such commissions, to the extent

required, is an obligation of solely of the Seller and/or the Shareholders. Each of Seller and each of the Shareholders further represents that it shall, on the Closing Date, pay Employees any and all outstanding commission amounts due.

ARTICLE 10 MISCELLANEOUS.

Section 10.01 Press Releases and Public Announcements. Commencing on the Closing Date, Parent may issue any press release or make any public announcement relating to the subject matter of this Agreement. Seller and the Shareholders are precluded at all times from issuing any press release or making any public announcement relating to the subject matter of this Agreement without the prior written approval of the Parent.

Section 10.02 No Third-Party Beneficiaries This Agreement shall not confer any rights or remedies upon any Person other than the Parties, the Indemnified Parties and their respective successors and permitted assigns.

Section 10.03 Entire Agreement. This Agreement (including the documents referred to herein) constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they related in any way to the subject matter hereof.

Section 10.04 Termination and Abandonment of this Agreement. This Agreement may be terminated or abandoned at any time prior to the Closing.

- (a) by mutual written consent of Buyer and Seller; or
- (b) by Buyer or Seller if the closing shall not have occurred on or before ninety (90) days from the date of this Agreement, unless such term has been extended by the mutual written consent of Buyer and Seller; provided, however, that if any party has breached or defaulted with respect to its obligations under this Agreement on or before such date, such party may not terminate this Agreement pursuant to this Section 10.04(b), and the other party to this Agreement may at its option enforce its rights against such breaching or defaulting party and seek any remedies against such party, in either case as provided hereunder;
- (c) by Buyer in the event that Seller has breached any representation, warranty, covenant or agreement contained in this Agreement, Buyer has notified Seller of the breach, and the breach has continued without cure for a period of five days after notice of breach.

In the event of termination of this Agreement by either or both of the parties pursuant to this Section 10.04, written notices thereof shall be given to the other party specifying the provision hereof pursuant to which such termination is made, and this Agreement shall become void and of no further force and effect.

Section 10.05 Succession and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests, or

obligations hereunder without the prior written approval of the other Party; *provided, however*, that Buyer may (i) assign any or all of its rights and interests hereunder to one or more of its Affiliates and (ii) designate one or more of its Affiliates to perform its obligations hereunder (in any or all of which cases Buyer nonetheless shall remain responsible for the performance of all of its obligations hereunder).

Section 10.06 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

Section 10.07 Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 10.08 Notices. Any notice or other communications hereunder must be in writing and shall be deemed to have been duly given and received on the day on which it is served by personal delivery upon the party for whom it is intended, on the third Business Day after it is mailed by registered or certified mail, return receipt requested, on the Business Day after it is delivered to a national courier service addressed to the party for whom it is intended, or on the Business Day on which it is sent by telecopier; provided, that the telecopy is promptly confirmed by telephone confirmation thereof, to the person at the address set forth below, or such other address as may be designated in writing hereafter, in the same manner, by such person:

To Buyer:

Solar Acquisitions I, Inc. 12411
Poway Road
Poway, CA 92064

To Parent:

Solar Integrated Roofing Corporation
12411 Poway Road
Poway, CA 92064

With copies to:

Lucosky Brookman LLP
101 Wood Avenue South
Iselin, NJ 08830

Attn: Scott E. Linsky

To Seller:

McKay Roofing Company, Inc.
10622 Kenney Street
Santee, CA 92071

To the Shareholders:

Brad McKay
3243 Homer street
San Diego CA 92106

Tod McKay
19 Split Tree Road
Scarsdale, NY 10583

Scott McKay
4336 Santa Cruz Avenue
San Diego, CA 92107

Section 10.09 Governing Law.

(a) This Agreement shall be governed by and construed in accordance with the domestic laws of the State of California without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of California.

(b) Any judicial proceeding brought with respect to this Agreement must be brought in a court of competent jurisdiction in the State of [Insert State] located in the county of [Insert County], and, each Party: (i) accepts unconditionally, the exclusive jurisdiction of such courts and any related appellate court, and agrees to be bound by any final, non-appealable judgment rendered thereby in connection with this Agreement; and (ii) irrevocably waives any objection it may now or hereafter have as to the venue of any such suit, action or proceeding brought in such a court or that such court is an inconvenient forum; provided, however, that such consent to jurisdiction is solely for the purpose referred to in this Section and shall not be deemed to be a general submission to the jurisdiction of said Courts or the State of [Insert State] other than for such purpose.

Section 10.10 Amendments and Waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by Buyer and Seller. No waiver by any Party of any provision of this Agreement or any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be valid unless the same shall be in writing and signed by the Party making such waiver nor shall such waiver be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

Section 10.11 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

Section 10.12 Expenses. Each of Seller, the Shareholders and Buyer will bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

Section 10.13 Construction. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word "including" shall mean including without limitation. The words "hereof", "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Personal pronouns, when used in this Agreement, whether in the masculine, feminine or neuter gender, shall include all other genders, and the singular, shall include the plural, and vice versa.

Section 10.14 Incorporation of Exhibits and Schedules The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

Section 10.15 No Breach of Fiduciary Duty Required Nothing in this Agreement shall require, or be construed to require, Seller or the Shareholders to take any action or omit to take any action that would be a breach of its fiduciary duties under any agreement to which it is a party or under Applicable Law or which would otherwise be contrary to applicable law. Without limiting the generality of the foregoing, nothing herein shall require Seller or the Shareholders to exercise its discretion to provide any consent or other authorization on behalf of any other Person for which it acts in a fiduciary capacity if such consent or authorization is within its discretion in such fiduciary capacity. The Parties shall cooperate in good faith to avoid any such breach of fiduciary duties or applicable laws while preserving the overall economic terms of this Agreement and the benefits intended to be provided to the respective Parties hereunder.

Section 10.16 Additional Condition of Closing . As a condition to the Closing, the Company shall provide six weeks of training by Mr. Scott McKay (40 hours per week), Mr. Brad McKay (40 hours per week), and Tod McKay (20 hours per week). Additional training shall be provided to SIRC for up to one year, at a rate of \$40.00 per hour.

Section 10.17 License Factors. The business will operate under David Massey's contractor's license once the deal closes. Todd McKay will resign his license.

[-Signature Page to Asset Purchase Agreement Follows-]

Omitted Exhibits and Schedules

- Exhibit A: Client List
 - Exhibit B: Vendor List
 - Exhibit C: Form of Bill of Sale
 - Exhibit D: Description of Real Property
 - Schedule 1: Payment Schedule
 - Schedule 3.06: Business Licenses
 - Schedule 3.01: McKay Roofing Unaudited Financial Statements
 - Schedule 3.16: Qualified Plan – Basic Plan Document
 - Schedule 3.17: Business Licenses
 - Schedule 3.19: Inventory
 - Schedule 3.20: Real Property
 - Schedule 3.21: Commercial Gross Lease
 - Schedule 3.22: Disclosure of Material Tangible Personal Property
 - Schedule 3.26: Accounts Receivable
-

AMENDMENT NO. 1
to
STOCK PURCHASE AGREEMENT
(FORMERLY, ASSET PURCHASE AGREEMENT)

Amendment No. 1 to the Stock Purchase Agreement, dated as of October 07, 2019 (the "**Amendment**"), by and among TOD MCKAY, BRAD MCKAY, AND SCOTT MCKAY (collectively hereinafter "**Seller**") and SOLAR INTEGRATED ROOFING CORP., a Nevada corporation ("**Buyer**"). Buyer and Seller are sometimes each referred to separately as a "Party" and collectively herein as the "Parties."

WHEREAS, the Parties have entered into that certain Asset Purchase Agreement, dated as of September 10, 2019 (the "**Existing Agreement**"); and

WHEREAS, the Parties hereto desire to amend the Existing Agreement to be a Stock Purchase Agreement ("**SPA**"); and

WHEREAS, Seller owned all the issued and outstanding shares of common stock (the "Shares") of McKay Roofing Company, Inc., a California corporation (the "**Company**"); and

WHEREAS, Seller sold to Buyer, and Buyer purchased from Seller, the Shares, subject to the terms and conditions set forth in the Existing Agreement and this Amendment; and

WHEREAS, pursuant to Section 10.10 of the Existing Agreement, the amendment contemplated by the Parties must be contained in a written agreement signed by both parties.

NOW, THEREFORE in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Definitions. Capitalized terms used and not defined in this Amendment have the respective meanings assigned to them in the Existing Agreement.

2. Amendments to the Existing Agreement As of the Effective Date (defined below), the Existing Agreement is hereby amended or modified as follows:

(a) Generally, any and all references to 'Assets', 'Acquired Assets', 'Asset Purchase', etc. shall be construed and interpreted to be a reference to the Seller's sale of and Buyer's purchase of the Shares.

(b) Section 2.01 is hereby amended to read as follows:

Purchase and Sale of Shares On and subject to the terms and conditions of this Agreement, Buyer agrees to purchase from Seller, and Seller agrees to sell, transfer, convey and deliver to Buyer, all Shares at the Closing in consideration of the payment of the Purchase Price.

(c) Section 2.02 is hereby amended to read as follows:

Assumption of Liabilities. In conjunction with Buyer's purchase of the Shares, Buyer and Seller hereby agree that Buyer shall assume any and all Company liabilities. Notwithstanding anything herein to the contrary, Buyer shall not assume or have responsibility for any of the Excluded Liabilities.

(d) Section 2.03 is hereby amended by to read as follows:

Purchase Price. The "Purchase Price" means One Million Dollars (\$1,000,000) in cash, due and payable as follows: (i) \$200,000 due and payable Closing; (ii) \$100,000 due and payable on the first day of each month, for a period of eight months (for a total of \$800,000), with the first such monthly payment due on October 1, 2019 (each, a "Monthly Payment" and, collectively, the "Monthly Payments").

(e) Schedule I (Payment Schedule) is hereby deleted.

3. **Date of Effectiveness; Limited Effect** This Amendment will be deemed effective as of date first appearing above ("Effective Date"). Except as expressly provided in this Amendment, all of the terms and provisions of the Existing Agreement are and will remain in full force and effect and are hereby ratified and confirmed by the Parties. Without limiting the generality of the foregoing, the amendments contained herein will not be construed as an amendment to or waiver of any other provision of the Existing Agreement or as a waiver of or consent to any further or future action on the part of either Party that would require the waiver or consent of the other Party. On and after the Effective Date, each reference in the Existing Agreement to "this Agreement," "the Agreement," "hereunder," "hereof," "herein," or words of like import, and each reference to the Existing Agreement in any other agreements, documents, or instruments executed and delivered pursuant to, or in connection with, the Existing Agreement, will mean and be a reference to the Existing Agreement as amended by this Amendment.

4. **Representations and Warranties.** Each Party hereby represents and warrants to the other Party that:

(a) It has the full right, power, and authority to enter into this Amendment and to perform its obligations hereunder and under the Existing Agreement as amended by this Amendment.

(b) The execution of this Amendment by the individual whose signature is set forth at the end of this Amendment on behalf of such Party, and the delivery of this Amendment by such Party, have been duly authorized by all necessary action on the part of such Party.

(c) This Amendment has been executed and delivered by such Party and (assuming due authorization, execution, and delivery by the other Party hereto) constitutes the legal, valid, and binding obligation of such Party, enforceable against such Party in accordance with its terms.

EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 3 OF THE EXISTING AGREEMENT AND IN THIS [SECTION 4](#) OF THIS AMENDMENT, (A) NEITHER PARTY HERETO NOR ANY PERSON ON SUCH PARTY'S BEHALF HAS MADE OR MAKES ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WHATSOEVER, EITHER ORAL OR WRITTEN, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED, AND (B) EACH PARTY HERETO ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY THE OTHER PARTY, OR ANY OTHER PERSON ON SUCH OTHER PARTY'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN THIS [SECTION 4](#).

5. Miscellaneous.

- (a) This Amendment and all related documents, and all matters arising out of or relating to this Amendment, whether sounding in contract, tort, or statute are governed by, and construed in accordance with, the laws of the State of California.
- (b) This Amendment shall inure to the benefit of and be binding upon each of the Parties and each of their respective permitted successors and permitted assigns.
- (c) The headings in this Amendment are for reference only and do not affect the interpretation of this Amendment.
- (d) This Amendment may be executed in counterparts, each of which is deemed an original, but all of which constitute one and the same agreement. Delivery of an executed counterpart of this Amendment electronically or by facsimile shall be effective as delivery of an original executed counterpart of this Amendment.
- (e) This Amendment constitutes the sole and entire agreement between the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

(Remainder of page left blank; Signature page follows)

STOCK PURCHASE AGREEMENT

Between

BRIAN MILHOLLAND

of

MILHOLLAND ELECTRIC, INC.

and

TCA SOLAR INTEGRATED ROOFING LLC

dated as of

January 17, 2020

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement (this "**Agreement**"), dated for reference purposes only January 17, 2020, is entered into between Brian Milholland, the sole shareholder of Milholland Electric, Inc. , a California corporation ("**Seller**"), TCA Solar Integrated Roofing LLC, a Wyoming limited liability company ("**Buyer**"), and Solar Integrated Roofing Corporation, a Nevada Corporation ("**Parent**"). Capitalized terms used in this Agreement have the meanings given to such terms herein.

RECITALS

WHEREAS, Seller owns all the issued and outstanding shares of common stock (the "**Shares**") of Milholland Electric, Inc., a California subchapter S-Corporation (the "**Company**"); and

WHEREAS, Seller wishes to sell to Buyer, and Buyer wishes to purchase from Seller, the Shares, subject to the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I PURCHASE AND SALE

Section 1.01 Purchase and Sale. Subject to the terms and conditions set forth herein, at the Closing (as defined in Section 2.01), Seller shall sell to Buyer, and Buyer shall purchase from Seller, the Shares, free and clear of any mortgage, pledge, lien, charge, security interest, claim, community property interest, option, equitable interest, restriction of any kind (including any restriction on use, voting, transfer, receipt of income, or exercise of any other ownership attribute), or other encumbrance (each, an "**Encumbrance**"), for the consideration specified in Section 1.02.

Section 1.02 Purchase Price. The aggregate purchase price for the Shares shall be

(a) \$1,200,000.00 (the "**Cash Payment**") ;

(b) 3,500,000 shares of Parent's Series B preferred stock (the "**Payment Shares**"), which shares are convertible into 35,000,000 shares of the Parent's Common Stock and are further described in and subject to the terms and conditions set forth in the Designations, Preferences and Rights of Series B Convertible Preferred Stock attached hereto as Exhibit A (the "**Series B Designation**");

(c) 15,000,000 share put contract (the "**Put Contract**") further described in Section 1.03

(Cash Payment, Payment Shares, and Put Contract collectively hereinafter, the "**Purchase Price**"). In addition to the Purchase Price, Buyer shall pay all legal fees incurred by Seller

associated with this Agreement at the Closing in cash by wire transfer of immediately available funds in accordance with the wire transfer instructions attached hereto as Exhibit B. Buyer shall pay the Cash Payment portion of the Purchase Price to Seller at the Closing in cash by wire transfer of immediately available funds in accordance with the wire transfer instructions attached hereto as Exhibit C.

Section 1.03 Put Contract. Seller shall have the right beginning six months after Closing to "put" up to 15,000,000 of the shares of common stock underlying the Payment Shares (in an amount not to exceed 1,000,000 shares per month) to Parent at the price of \$0.10 per share. Shareholder shall provide written notice to Parent of Seller's intent to exercise a put option. Upon receiving written notice of Seller's intent to exercise any put option, Parent shall have 90 days from the date of notice to tender cash equal to the number of put shares multiplied by \$0.10 to Seller. The put options shall be exercisable for a period of two years after closing, at which point any remaining put options will expire without value.

Section 1.04 Make-Whole Provision. In the event and to the extent that, on January 2, 2021, the Trading Price of the Parent's common stock is less than \$0.13, then the Parent shall issue, as an integrated part of the overall Purchase Price, additional shares of its common stock to Seller (the "**Make Whole Shares**") in the amount such that the aggregate value, calculated at the Trading Price, of the sum of (x) 35,000,000, which is the number of common shares underlying the Payment Shares issued at Closing, and (y) the number of Make Whole Shares, is equal to \$4,500,000. "**Trading Price**" means the average daily closing bid price for the Company's common stock on the market or exchange where it is quoted or listed over the preceding twenty (2) trading days. For purposes of example only, in the event that the Trading Price on January 2, 2021 is \$0.10, then the Seller would receive Make Whole Shares in the amount of 10,000,000.

ARTICLE II CLOSING

Section 2.01 Closing. The closing of the transactions contemplated by this Agreement (the "**Closing**") shall take place on January 22, 2020, or such other date that the parties shall mutually agree that the pre-closing conditions described below have been satisfied or waived (the "**Closing Date**") at the offices of Ferris & Britton, 501 West Broadway, Suite 1450, San Diego, CA 92101, or such other place or manner (including via exchange of electronic copies and/or signatures) as the parties may mutually agree upon. The consummation of the transactions contemplated by this Agreement shall be deemed to occur at 12:01 a.m. PST on the Closing Date. The following are conditions precedent to the Closing occurring:

- (a) Parent shall have taken all necessary corporate action, obtained all necessary approvals and submitted all required filings in order to issue the Payment Shares to Seller free and clear as described herein; and
- (b) Seller shall have obtained any required consents to the sale of the Shares required under any of Seller's Material Contracts.

Section 2.02 Seller Closing Deliverables. At the Closing, Seller shall deliver to Buyer the following:

- (a) Share certificates evidencing the Shares, free and clear of all Encumbrances, duly endorsed in blank or accompanied by stock powers or other instruments of transfer duly executed in blank.
 - (b) A certificate of the Secretary (or other officer) of Seller certifying (i) that attached thereto are true and complete copies of all resolutions of the board of
-

directors of Seller authorizing the execution, delivery, and performance of this Agreement, and the other agreements, instruments, and documents required to be delivered in connection with this Agreement or at the Closing (collectively, the "**Transaction Documents**") and the consummation of the transactions contemplated hereby and thereby, and that such resolutions are in full force and effect, (ii) the names, titles, and signatures of the officers of Seller authorized to sign this Agreement and the other Transaction Documents, and (iii) that attached thereto are true and complete copies of the governing documents of the Company, including any amendments or restatements thereof, and that such governing documents are in full force and effect.

(c) [Reserved]

(d) A certificate of status for the Company from the California Secretary of State and a certificate of good standing (or its equivalent) for the Company certified by the Secretary of State or similar Governmental Authority of each state where the Company is required to be qualified to do business. For purposes of this Agreement, "**Governmental Authority**" means any federal, state, local, or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any arbitrator, court, or tribunal of competent jurisdiction.

(e) [Reserved]

Seller:

(f) [Reserved]

Section 2.03 Buyer's Deliverables. At the Closing, Buyer shall deliver the following to

(a) The Purchase Price.

(b) A certificate of the Secretary (or other officer) of Buyer certifying (i) that attached thereto are true and complete copies of all resolutions of the board of directors of Buyer authorizing the execution, delivery, and performance of this Agreement and the Transaction Documents and the consummation of the transactions contemplated hereby and thereby, and that such resolutions are in full force and effect, and (ii) the names, titles, and signatures of the officers of Buyer authorized to sign this Agreement and the other Transaction Documents.

(c) Share certificates or a book entry statement evidencing the Payment Shares.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer that the statements contained in this ARTICLE III are true and correct as of the date hereof. For purposes of this ARTICLE III, "Seller's knowledge," "knowledge of Seller," and any similar phrases shall mean the actual or constructive knowledge of any director or officer of Seller, after due inquiry.

Section 3.01 Organization and Authority of Seller. Seller has full power and authority to enter into this Agreement and the other Transaction Documents to which Seller is a party, if any, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Seller of this Agreement and any other Transaction Document to which Seller is a party, the performance by Seller of its obligations hereunder and thereunder, and the consummation by Seller of the transactions

contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Seller. This Agreement and each Transaction Document constitute legal, valid, and binding obligations of Seller enforceable against Seller in accordance with their respective terms .

Section 3.02 Organization, Authority, and Qualification of the Company. The Company is a corporation duly organized, validly existing, and in good standing under the Laws of the state of California and has full corporate power and authority to own, operate , or lease the properties and assets now owned, operated, or leased by it and to carry on its business as it has been and is currently conducted.

Section 3.03 Capitalization.

The authorized shares of the Company consist of one million (1,000,000) shares of common stock, of which two hundred twenty thousand (220,000) shares are issued and outstanding and constitute the Shares. All Shares have been duly authorized, are validly issued, fully paid and nonassessable, and are owned of record and beneficially by Seller, free and clear of all Encumbrances . Upon the transfer, assignment, and delivery of the Shares and payment therefor in accordance with the terms of this Agreement, Buyer shall own all Shares, free and clear of all Encumbrances.

(b) All Shares were issued in compliance with applicable Laws. None of the Shares were issued in violation of any agreement or commitment to which Seller or the Company is a party or is subject to or in violation of any preemptive or similar rights of any individual, corporation, partnership, joint venture, limited liability company, Governmental Authority , unincorporated organization, trust, association, or other entity (each, a "**Person**").

(c) There are no outstanding or authorized options, warrants, convertible securities, stock appreciation, phantom stock, profit participation or other rights, agreements, or commitments relating to the shares of stock of the Company or obligating Seller or the Company to issue or sell any shares of stock of, or any other interest in, the Company. There are no voting trusts, shareholder agreements, proxies, or other agreements in effect with respect to the voting or transfer of any of the Shares.

Section 3.04 No Subsidiaries. The Company does not have, or have the right to acquire, an ownership interest in any other Person.

Section 3.05 No Conflicts or Consents. The execution, delivery, and performance by Seller of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) violate or conflict with any provision of the articles of incorporation, bylaws, or other governing documents of Seller or the Company; (b) violate or conflict with any provision of any statute, law, ordinance, regulation, rule, code, treaty, or other requirement of any Governmental Authority (collectively, "**Law**") or any order, writ, judgment, injunction, decree, determination, penalty, or award entered by or with any Governmental Authority ("**Governmental Order**") applicable to Seller or the Company; (c) require the consent, notice or filing with or other action by any Person or require any Permit, license, or Governmental Order; (d) violate or conflict with, result in the acceleration of, or create in any party the right to accelerate, terminate, or modify any contract, lease, deed, mortgage, license, instrument, note, indenture, joint venture, or any other agreement, commitment, or legally binding arrangement, whether written or oral (collectively, "**Contracts**"), to which Seller or the Company is a party or by which Seller or the Company is bound or to which

any of their respective properties and assets are subject; or (e) result in the creation or imposition of any Encumbrance on any properties or assets of the Company.

Section 3.06 Financial Statements. All financial statements and balance sheets of the Company provided to Buyer and/or Parent during the course of negotiating this Agreement are based on the books and records of the Company and fairly present in all material respects the financial condition of the Company as of the respective dates they were prepared and the results of the operations of the Company for the periods indicated. The balance sheet of the Company as of September 30, 2019 is referred to herein as the "**Balance Sheet**" and the date thereof as the "**Balance Sheet Date**".

Section 3.07 Undisclosed Liabilities. The Company has no liabilities, obligations, or commitments of any nature whatsoever, whether asserted, known, absolute, accrued, matured, or otherwise (collectively "**Liabilities**"), except: (a) those which are adequately reflected or reserved against in the Balance Sheet as of the Balance Sheet Date; and (b) those which have been incurred in the ordinary course of business consistent with past practice since the Balance Sheet Date and which are not, individually or in the aggregate, material in amount.

Section 3.08 Absence of Certain Changes, Events, and Conditions. Since the Balance Sheet Date, and other than in the ordinary course of business consistent with past practice, there has not been, with respect to the Company, any change, event, condition, or development that is, or could reasonably be expected to be, individually or in the aggregate, materially adverse to the business, results of operations, condition (financial or otherwise), or assets of the Company.

Section 3.09 Real Property; Title to Assets.

(a) Schedule C of this Agreement lists all real property in which the Company has an ownership or leasehold (or subleasehold) interest (together with all buildings, structures, and improvements located thereon, the "**Real Property**"), including: (i) the street address of each parcel of Real Property; (ii) for property that is leased or subleased by the Company, the landlord under the lease, the rental amount currently being paid, and the expiration of the term of such lease or sublease, and any termination or renewal rights of either party; and (iii) the current use of such property. Seller has delivered or made available to Buyer true, correct, and complete copies of all Contracts, title insurance policies, and surveys relating to the Real Property.

(b) The Company has good and valid (and, in the case of owned Real Property, good and indefeasible fee simple) title to, or a valid leasehold interest in, all Real Property and personal property and other assets reflected in the Financial Statements or acquired after the Balance Sheet Date (other than properties and assets sold or otherwise disposed of in the ordinary course of business consistent with past practice since the Balance Sheet Date). All Real Property and such personal property and other assets (including leasehold interests) are free and clear of Encumbrances except for those items so identified in Schedule C of this Agreement.

(c) The Company is not a sublessor or grantor under any sublease or other instrument granting to any other Person any right to possess, lease, occupy, or use any leased Real Property. The use of the Real Property in the conduct of the Company's business does not violate in any material respect any Law, covenant, condition, restriction, easement, license, permit, or agreement and no material improvements constituting a part of the Real Property encroach on real

property owned or leased by a Person other than the Company.

Section 3.10 Intellectual Property.

(d) **"Intellectual Property"** means any and all of the following in any jurisdiction throughout the world: (i) issued patents and patent applications; (ii) trademarks, service marks, trade names, and other similar indicia of source or origin, together with the goodwill connected with the use of and symbolized by, and all registrations, applications for registration, and renewals of, any of the foregoing; (iii) copyrights, including all applications and registrations; (iv) trade secrets, know-how, inventions (whether or not patentable), technology, and other confidential and proprietary information and all rights therein; (v) internet domain names and social media accounts and pages; and (vi) other intellectual or industrial property and related proprietary rights, interests, and protections.

(e) The Company owns or has the valid and enforceable right to use all Intellectual Property used or held for use in or necessary for the conduct of the Company's business as currently conducted or as proposed to be conducted (the **"Company Intellectual Property"**), free and clear of all Encumbrances. All Company Intellectual Property is valid and enforceable, and all Company IP Registrations are subsisting and in full force and effect. The Company has taken all reasonable and necessary steps to maintain and enforce the Company Intellectual Property.

(f) The conduct of the Company's business as currently and formerly conducted and as proposed to be conducted has not infringed, misappropriated, or otherwise violated and will not infringe, misappropriate, or otherwise violate the Intellectual Property or other rights of any Person. No Person has infringed, misappropriated, or otherwise violated any Company Intellectual Property.

Section 3.11 Material Customers and Suppliers.

(a) Schedule E of this Agreement sets forth each customer who has paid aggregate consideration to the Company for goods or services rendered in an amount greater than or equal to Five (5%) Percent of the Company's gross revenue for each of the two most recent fiscal years (collectively, the **"Material Customers"**). The Company has not received any notice, and has no reason to believe, that any of its Material Customers has ceased, or intends to cease after the Closing, to purchase or use its goods or services or to otherwise terminate or materially reduce its relationship with the Company.

(b) Schedule F of this Agreement sets forth each supplier to whom the Company has paid consideration for goods or services rendered in an amount greater than or equal to Twenty (20%) Percent of the Company's supply costs for each of the two most recent fiscal years (collectively, the **"Material Suppliers"**). The Company has not received any notice, and has no reason to believe, that any of its Material Suppliers has ceased, or intends to cease, to supply goods or services to the Company or to otherwise terminate or materially reduce its relationship with the Company.]

Section 3.12 Insurance. Buyer and/or Parent have had an opportunity to review and ask questions about the Company's current policies or binders of insurance maintained by Seller or its Affiliates (including the Company) and relating to the assets, business, operations, employees, officers, and directors of the Company (collectively, the **"Insurance Policies"**). Such Insurance Policies: (a) are in full force and effect; (b) are valid and binding in accordance with their terms; (c)

are provided by carriers who are financially solvent; and (d) have not been subject to any lapse in coverage. Neither Seller nor any of its Affiliates (including the Company) has received any written notice of cancellation of, premium increase with respect to, or alteration of coverage under, any of such Insurance Policies. All premiums due on such Insurance Policies have been paid. None of Seller or any of its Affiliates (including the Company) is in default under, or has otherwise failed to comply with, in any material respect, any provision contained in any Insurance Policy. The Insurance Policies are of the type and in the amounts customarily carried by Persons conducting a business similar to the Company and are sufficient for compliance with all applicable Laws and Contracts to which the Company is a party or by which it is bound. For purposes of this Agreement: (x) **"Affiliate"** of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person; and (y) the term **"control"** (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

Section 3.13 Litigation; Governmental Orders.

(a) There are no claims, actions, causes of action, demands, lawsuits, arbitrations, inquiries, audits, notices of violation, proceedings, litigation, citations, summons, subpoenas, or investigations of any nature, whether at law or in equity (collectively, **"Actions"**) pending or, to Seller's knowledge, threatened against or by the Company, Seller, or any Affiliate of Seller: (i) relating to or affecting the Company or any of the Company's properties or assets; or (ii) that challenge or seek to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

(b) There are no outstanding, and the Company is in compliance with all, Governmental Orders against, relating to, or affecting the Company or any of its properties or assets.

Section 3.14 Compliance with Laws; Permits.

(a) The Company has complied, and is now complying, with all Laws applicable to it or its business, properties, or assets.

(b) All permits, licenses, franchises, approvals, registrations, certificates, variances, and similar rights obtained, or required to be obtained, from Governmental Authorities (collectively, **"Permits"**) that are required for the Company to conduct its business, including, without limitation, owning or operating any of the Real Property, have been obtained and are valid and in full force and effect.

Section 3.15 Environmental Matters.

(a) The Company has complied, and is now complying, with all Environmental Laws. Neither the Company nor Seller has received notice from any Person that the Company, its business or assets, or any real property currently or formerly owned, leased or used by the Company is or may be in violation of any Environmental Law or any applicable Law regarding Hazardous Substances.

(b) There has not been any spill, leak, discharge, injection, escape, leaching, dumping, disposal, or release of any kind of any Hazardous Substances in violation of any Environmental Law: (i) with respect to the business or assets of the Company; or (ii) at, from, in, adjacent to, or on any real property currently or formerly owned, leased, or

used by the Company. There are no Hazardous Substances in, on, about, or migrating to any real property currently or formerly owned, leased, or used by the Company, and such real property is not affected in any way by any Hazardous Substances.

(c) As used in this Agreement: (i) **"Environmental Laws"** means all Laws, now or hereafter in effect, in each case as amended or supplemented from time to time, relating to the regulation and protection of human health, safety, the environment, and natural resources, including any federal, state, or local transfer of ownership notification or approval statutes; and (ii) **"Hazardous Substances"** means: (A) "hazardous materials," "hazardous wastes," "hazardous substances," "industrial wastes," or "toxic pollutants," as such terms are defined under any Environmental Laws; (B) any other hazardous or radioactive substance, contaminant, or waste; and (C) any other substance with respect to which any Environmental Law or Governmental Authority requires environmental investigation, regulation, monitoring, or remediation.

Section 3.16 Employee Benefit Matters.

(a) Seller has provided Buyer with the opportunity to review all of the Company's "employee benefit plan" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974 (as amended, *and* including the regulations thereunder, "ERISA"), whether or not written and whether or not subject to ERISA, and each supplemental retirement, compensation, employment, consulting, profit-sharing, deferred compensation, incentive, bonus, equity, change in control, retention, severance, salary continuation, and other similar agreement, plan, policy, program, practice, or arrangement which is or has been established, maintained, sponsored, or contributed to by the Company or under which the Company has or may have any Liability (each, a **"Benefit Plan"**).

(b) For each Benefit Plan, Seller has made available to Buyer accurate, current, and complete copies of each of the following: (i) the plan document with all amendments, or if not reduced to writing, a written summary of all material plan terms; (ii) any written contracts and arrangements related to such Benefit Plan, including trust agreements or other funding arrangements, and insurance policies, certificates, and contracts; (iii) in the case of a Benefit Plan intended to be qualified under Section 401(a) of the Code, the most recent favorable determination or national office approval letter issued by the Internal Revenue Service and any legal opinions issued thereafter with respect to the Benefit Plan's continued qualification; (iv) the most recent Form 5500 filed with respect to such Benefit Plan; and (v) any material notices, audits, inquiries, or other correspondence from, or filings with, any Governmental Authority relating to the Benefit Plan.

(c) Each Benefit Plan and related trust has been established, administered, and maintained in accordance with its terms and in compliance with all applicable Laws (including ERISA and the Code). Nothing has occurred with respect to any Benefit Plan that has subjected or could reasonably be expected to subject the Company or, with respect to any period on or after the Closing Date, Buyer or any of its Affiliates, to a civil action, penalty, surcharge, or Tax under applicable Law or which would jeopardize the previously-determined qualified status of any Benefit Plan. All benefits, contributions, and premiums relating to each Benefit Plan have been timely paid in accordance with the terms of such Benefit Plan and all applicable Laws and accounting principles. Benefits accrued under any unfunded Benefit Plan have been paid, accrued or adequately reserved for to the extent required by GAAP.

(d) The Company has not: (i) incurred, nor reasonably expects to incur, any Liability under Title Tor Title IV of ERISA or related provisions of the Code or applicable Law relating to any Benefit Plan; or (ii) incurred, nor reasonably expects to incur, any Liability to the Pension Benefit Guaranty Corporation. No complete or partial termination of any Benefit Plan has occurred or is expected to occur.

(e) The Company has not now or at any time within the previous six years contributed to, sponsored, or maintained any: (i) "multiemployer plan" as defined in Section 3(37) of ERISA; (ii) "single -employer plan" as defined in Section 4001(a)(15) of ERISA; (iii) "multiple employer plan" as defined in Section 413(c) of the Code; (iv) "multiple employer welfare arrangement" as defined in Section 3(40) of ERISA; (v) a leveraged employee stock ownership plan described in Section 4975 (e)(7) of the Code; or (vi) any other Benefit Plan subject to required minimum funding requirements.

(f) Other than as required under Sections 601 to 608 of BRISA or other applicable Law, no Benefit Plan provides post-termination or retiree welfare benefits to any individual for any reason.

(g) Neither the execution of this Agreement nor any of the transactions contemplated by this Agreement will, either alone or in combination with any other event, (i) entitle any current or former director, officer, employee, independent contractor, or consultant of the Company to any severance pay, increase in severance pay, or other payment; (ii) accelerate the time of payment, funding, or vesting, or increase the amount of compensation (including stock-based compensation) due to any such individual; (iii) limit or restrict the right of the Company to amend or terminate any Benefit Plan; (iv) increase the amount payable under any Benefit Plan; (v) result in any "excess parachute payments" within the meaning of Section 280G(b) of the Code; or (vi) require a "gross-up" or other payment to any "disqualified individual" within the meaning of Section 280G(c) of the Code.

Section 3.17 Employment Matters.

(a) All compensation payable to all employees, independent contractors, or consultants of the Company for services performed on or prior to the Closing Date have been paid in full.

(b) The Company is not, and has not been, a party to or bound by any collective bargaining agreement or other Contract with a union or similar labor organization (collectively, "**Union**") and no Union has represented or purported to represent any employee of the Company. There has never been, nor has there been any threat of, any strike, work stoppage, slowdown, picketing, or other similar labor disruption or dispute affecting the Company or any of its employees.

(c) The Company is and has been in compliance in all material respects with: (i) all applicable employment Laws and agreements regarding hiring, employment, termination of employment, plant closing and mass layoff, employment discrimination, harassment, retaliation, and reasonable accommodation, leaves of absence, terms and conditions of employment, wages and hours of work, employee classification, employee health and safety, engagement and classification of independent contractors, payroll taxes, and immigration with respect to all employees, independent contractors, and contingent workers; and (ii) all applicable Laws relating to the relations between it and any labor organization, trade union, work council, or other body representing employees of the Company.

Section 3.18 Taxes.

(a) All returns, declarations, reports, information returns and statements, and other documents relating to Taxes (including amended returns and claims for refund) ("**Tax Returns**") required to be filed by the Company on or before the Closing Date have been timely filed. Such Tax Returns are true, correct, and complete in all respects. All Taxes due and owing by the Company (whether or not shown on any Tax Return) have been timely paid. No extensions or waivers of statutes of limitations have been given or requested with respect to any Taxes of the Company. Seller has delivered to Buyer copies of all Tax Returns and examination reports of the Company and statements of inefficiencies assessed against, or agreed to by, the Company for all Tax periods ending after December 31, 2015. The term "**Taxes**" means all federal, state, local, foreign, and other income, gross receipts, sales, use, production, ad valorem, transfer, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties, or other taxes, fees, assessments, or charges of any kind whatsoever, together with any interest, additions, or penalties with respect thereto.

(b) The Company has not been a member of an affiliated, combined, consolidated, or unitary Tax group for Tax purposes. The Company has no Liability for Taxes of any Person (other than the Company) under Treasury Regulations Section 1.1502-6 (or any corresponding provision of state, local, or foreign Law), as transferee or successor, by contract, or otherwise.

(c) There are no liens for Taxes (other than for current Taxes not yet due and payable) upon the assets of the Company.

(d) Seller is not a "foreign person" as that term is used in Treasury Regulations Section 1.1445 -2. The Company is not, nor has it been, a United States real property holding corporation (as defined in Section 897(c)(2) of the Code) during the applicable period specified in Section 897(c)(1)(a) of the Code.

Section 3.19 Books and Records. The minute books and share record books of the Company, all of which are in the possession of the Company and have been made available to Buyer, are complete and correct.

Section 3.20 Brokers. No broker, finder, or investment banker is entitled to any brokerage, finder's, or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Seller.

Section 3.21 Full Disclosure. No representation or warranty by Seller in this Agreement and no statement contained in the Disclosure Schedules to this Agreement or any certificate or other document furnished or to be furnished to Buyer pursuant to this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller that the statements contained in this ARTICLE IV are true and correct as of the date hereof. For purposes of this ARTICLE IV, "Buyer's knowledge," "knowledge of Buyer," and any similar phrases shall mean the actual or constructive knowledge of any director or officer of Buyer, after due inquiry.

Section 4.01 Organization and Authority of Buyer. Buyer is a limited liability company duly organized, validly existing, and in good standing under the Laws of the state of Wyoming. Buyer has full corporate power and authority to enter into this Agreement and the other Transaction Documents to which Buyer is a party, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Buyer of this Agreement and any other Transaction Document to which Buyer is a party, the performance by Buyer of its obligations hereunder and thereunder, and the consummation by Buyer of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Buyer. This Agreement and each Transaction Document constitute legal, valid, and binding obligations of Buyer enforceable against Buyer in accordance with their respective terms.

Section 4.02 No Conflicts; Consents. The execution, delivery, and performance by Buyer of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) violate or conflict with any provision of the articles of incorporation, bylaws, or other governing documents of Buyer; (b) violate or conflict with any provision of any Law or Governmental Order applicable to Buyer; or (c) require the consent, notice declaration, or filing with or other action by any Person or require any Permit, license, or Governmental Order.

Section 4.03 Investment Purpose. Buyer is acquiring the Shares solely for its own account for investment purposes and not with a view to, or for offer or sale in connection with, any distribution thereof or any other security related thereto within the meaning of the Securities Act of 1933, as amended (the "**Securities Act**"). Buyer acknowledges that Seller has not registered the offer and sale of the Shares under the Securities Act or any state securities laws, and that the Shares may not be pledged, transferred, sold, offered for sale, hypothecated, or otherwise disposed of except pursuant to the registration provisions of the Securities Act or pursuant to an applicable exemption therefrom and subject to state securities laws and regulations, as applicable.

Section 4.04 Brokers. No broker, finder, or investment banker is entitled to any brokerage, finder's, or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Buyer.

ARTICLE V

COVENANTS

Section 5.01 Confidentiality. From and after the Closing, Seller shall, and shall cause its Affiliates and its and their respective directors, officers, employees, consultants, counsel, accountants, and other agents ("**Representatives**") to hold, in confidence any and all information, in any form, concerning the Company, except to the extent that Seller can show that such information: (a) *is* generally available to and known by the public through no fault of Seller, any of its Affiliates, or their respective Representatives; or (b) is lawfully acquired by Seller, any of its Affiliates, or their respective Representatives from and after the Closing from sources which are not prohibited from disclosing such information by any obligation. If Seller or any of its Affiliates or their respective Representatives are compelled to disclose any information by Governmental Order or Law, Seller shall promptly notify Buyer in writing and shall disclose only that portion of such information which is legally required to be disclosed. Seller shall use reasonable best efforts to obtain as promptly as possible an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.

Section 5.02 Further Assurances. Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents and instruments and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement and the other Transaction Documents.

ARTICLE VI

TAX MATTERS

Section 6.01 Tax Covenants.

(a) Without the prior written consent of Buyer, Seller shall not, to the extent it may affect or relate to the Company: (i) make, change, or rescind any Tax election; (ii) amend any Tax Return; or (iii) take any position on any Tax Return, take any action, omit to take any action, or enter into any other transaction that would have the effect of increasing the Tax liability or reducing any Tax asset of Buyer or the Company in respect of any taxable period that begins after the Closing Date or, in respect of any taxable period that begins before and ends after the Closing Date (each such period, a "**Straddle Period**"), the portion of such Straddle Period beginning after the Closing Date.

(b) All transfer, documentary, sales, use, stamp, registration, value added, and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the other Transaction Documents shall be borne and paid by Seller when due. Seller shall, at its own expense, timely file any Tax Return or other document with respect to such Taxes or fees (and Buyer shall cooperate with respect thereto as necessary).

(c) Buyer shall prepare and file, or cause to be prepared and filed, all Tax Returns required to be filed by the Company after the Closing Date with respect to any taxable period or portion thereof ending on or before the Closing Date and all Straddle

Period Tax Returns. Any such Tax Return shall be prepared in a manner consistent with past practice (unless otherwise required by Law) and without a change of any election or any accounting method.

Section 6.02 Straddle Period. In the case of Taxes that are payable with respect to a Straddle Period, the portion of any such Taxes that are allocated to Pre-Closing Tax Periods (as defined in Section 6.04) for purposes of this Agreement shall be: (a) in the case of Taxes (i) based upon, or related to, income, receipts, profits, wages, capital, or net worth, (ii) imposed in connection with the sale, transfer, or assignment of property, or (iii) required to be withheld, the amount of Taxes which would be payable if the taxable year ended with the Closing Date; and (b) in the case of other Taxes, the amount of such Taxes for the entire period multiplied by a fraction, the numerator of which is the number of days in the period ending on the Closing Date and the denominator of which is the number of days in the entire period.

Section 6.03 Termination of Existing Tax Sharing Agreements. Any and all existing Tax sharing agreements (whether written or not) binding upon the Company shall be terminated as of the Closing Date. After such date neither the Company, Seller, nor any of Seller's Affiliates and their respective Representatives shall have any further rights or liabilities thereunder.

Section 6.04 Tax Indemnification. Seller shall indemnify the Company, Buyer, and each Buyer Indemnitee (as defined in Section 7.01) and hold them harmless from and against (a) any loss, damage, liability, deficiency, Action, judgment, interest, award, penalty, fine, cost or expense of whatever kind (collectively, including reasonable attorneys' fees and the cost of enforcing any right to indemnification under this Agreement, "**Losses**") attributable to any breach of or inaccuracy in any representation or warranty made in Section 3.18; (b) any Loss attributable to any breach or violation of, or failure to fully perform, any covenant, agreement, undertaking, or obligation in ARTICLE VI; (c) all Taxes of the Company or relating to the business of the Company for all Pre-Closing Tax Periods (as defined below); (d) all Taxes of any member of an affiliated, consolidated, combined, or unitary group of which the Company (or any predecessor of the Company) is or was a member on or prior to the Closing Date by reason of a liability under Treasury Regulation Section 1.1502--6 or any comparable provisions of foreign, state, or local Law; and (e) any and all Taxes of any Person imposed on the Company arising under the principles of transferee or successor liability or by contract, relating to an event or transaction occurring before the Closing Date. In each of the above cases, together with any out-of-pocket fees and expenses (including attorneys' and accountants' fees) incurred in connection therewith, Seller shall reimburse Buyer for any Taxes of the Company that are the responsibility of Seller pursuant to this Section 6.04 within ten business days after payment of such Taxes by Buyer or the Company. For purposes of this Agreement, a "**Pre -Closing Tax Period**" means any taxable period ending on or before the Closing Date and, with respect to any taxable period beginning before and ending after the Closing Date, the portion of such taxable period ending on and including the Closing Date.

Section 6.05 [Reserved]

Section 6.06 Cooperation and Exchange of Information. Seller and Buyer shall provide each other with such cooperation and information as either of them reasonably may request of the other in filing any Tax Return pursuant to this ARTICLE VI or in connection with

any proceeding in respect of Taxes of the Company, including providing copies of relevant Tax Returns and accompanying documents. Each of Seller and Buyer shall retain all Tax Returns and other documents in its possession relating to Tax matters of the Company for any Pre-Closing Tax Period (collectively, "**Tax Records**") until the expiration of the statute of limitations of the taxable periods to which such Tax Records relate.

Section 6.07 Survival. Notwithstanding anything in this Agreement to the contrary, the provisions of Section 3.18 and this ARTICLE VI shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation, or extension thereof) plus 60 days.

ARTICLE VII

INDEMNIFICATION

Section 7.01 Indemnification by Seller. Subject to the other terms and conditions of this ARTICLE VII, Seller shall indemnify and defend each of Buyer and its Affiliates (including the Company) and their respective Representatives (collectively, the "**Buyer Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, Buyer Indemnitees based upon, arising out of, with respect to, or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of Seller contained in this Agreement or the other Transaction Documents; or
- (b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Seller pursuant to this Agreement or the other Transaction Documents.

Section 7.02 Indemnification by Buyer . Subject to the other terms and conditions of this ARTICLE VII, Buyer shall indemnify and defend each of Seller and its Affiliates and their respective Representatives (collectively, the "**Seller Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, Seller Indemnitees based upon, arising out of, with respect to, or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of Buyer contained in this Agreement or the other Transaction Documents; or
- (b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Buyer pursuant to this Agreement.

Section 7.03 Indemnification Procedures. Whenever any claim shall arise for indemnification hereunder, the party entitled to indemnification (the "**Indemnified Party**") shall promptly provide written notice of such claim to the other party (the "**Indemnifying Party**"). In connection with any claim giving rise to indemnity hereunder resulting from or arising out of any Action by a Person who is not a party to this Agreement, the Indemnifying Party, at its sole cost and expense and upon written notice to the Indemnified Party, may assume the defense of any such Action with counsel reasonably satisfactory to the Indemnified Party. The Indemnified Party shall be entitled to participate in the defense of any such Action, with its counsel and at its own cost and expense. If the Indemnifying Party does not assume the defense of any such Action, the Indemnified Party may, but shall not be obligated to, defend against such Action in such manner as it may deem appropriate, including settling such Action, after giving notice of it to the Indemnifying Party, on such terms as the Indemnified Party may deem appropriate and no action taken by the Indemnified Party in accordance with such defense and settlement shall relieve the Indemnifying Party of its indemnification obligations herein provided with respect to any

damages resulting therefrom. The Indemnifying Party shall not settle any Action without the Indemnified Party's prior written consent (which consent shall not be unreasonably withheld or delayed).

Section 7.04 Survival. Subject to ARTICLE VI all representations, warranties, covenants, and agreements contained herein and all related rights to indemnification shall survive the Closing and shall remain in full force and effect until the date that is Five (5) years from the Closing Date; provided, that the representations and warranties in (a) Section 3.01, Section 3.03, Section 3.20, Section 4.01, and Section 4.04 shall survive indefinitely; (b) Section 3.15 shall survive for a period of Seven (7) years after the Closing; and (c) Section 3.16 and Section 3.18 shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation, or extension thereof) plus 60 days. Subject to ARTICLE VI, all covenants and agreements of the parties contained herein shall survive the Closing indefinitely or for the period explicitly specified therein. Notwithstanding the foregoing, any claims which are timely asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching party to the breaching party prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such claims shall survive until finally resolved.

Section 7.05 Tax Claims. Notwithstanding any other provision of this Agreement, the control of any claim, assertion, event, or proceeding in respect of Taxes of the Company (including, but not limited to, any such claim in respect of a breach of the representations and warranties in Section 3.18 hereof or any breach or violation of or failure to fully perform any covenant, agreement, undertaking, or obligation in ARTICLE VI) shall be governed exclusively by ARTICLE VI hereof.

Section 7.06 Cumulative Remedies. The rights and remedies provided for in this ARTICLE VII (and in ARTICLE VI) are cumulative and are in addition to and not in substitution for any other rights and remedies available at Law or in equity or otherwise.

ARTICLE VIII MISCELLANEOUS

Section 8.01 Expenses. All costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses. provided, however, that on the Closing, Buyer shall pay Seller's legal fees incurred since August 28, 2019 in the negotiation and preparation of this Agreement, via wire transfer to Seller's counsel according to the wire transfer instructions set forth on Exhibit B.

Section 8.02 Notices. All notices , claims, demands , 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, if sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 8.02):

If to Seller: 2917 Tavern Rd.
Alpine, CA 91901
Email: brian@mihollandelectric.com

with a copy (which shall not constitute notice) to:

If to Buyer:

with a copy (which shall not constitute notice) to:

501 West Broadway, Suite 1450
San Diego, CA 92101-3541

Facsimile: (619) 232-9316

Email: BDozadiaz@ferrisbritton.com Attention: Besse Dozadiaz

12411 Poway Road Poway, CA 92064

Email : dmassey@secureroofingandsolar.com

101 Wood Avenue South Woodbridge, NJ 08830 Email:
sJinsky@lucbro.com Attention: Scott E. Linsky

Section 8.03 Interpretation; Headings. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 8.04 Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement.

Section 8.05 Entire Agreement. This Agreement and the other Transaction Documents constitute the sole and entire agreement of the parties to this Agreement with respect to the

subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in the other Transaction Documents and the Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

Section 8.06 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 8.07 Amendment and Modification; Waiver. This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No failure to exercise, or delay in exercising, any right or remedy arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy.

Section 8.08 Governing Law; Submission to Jurisdiction. This Agreement shall be governed by and construed in accordance with the internal laws of the State of California without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other jurisdiction). Any legal suit, action, proceeding, or dispute arising out of or related to this Agreement, the other Transaction Documents, or the transactions contemplated hereby or thereby may be instituted in the federal courts of the United States of America or the courts of the State of California in each case located in the city of San Diego and county of San Diego, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, proceeding, or dispute.

Section 8.09 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

EXHIBIT A

Series B Designation

(attached)

EXHIBIT B

Wire Instructions for Seller's Legal Fees

EXHIBIT C

Wire Instructions for Seller

SCHEDULE C

Real Property; Title to Assets

Identify all Real Property Interests as required under Section 3.10 of this Agreement. For any leased properties, please provide a lease/rental agreement identifying the following: (i) Landlord; (ii) Monthly Rent; (iii) Date of Lease Termination; and (iv) Lease Renewal Rights.

[illegible]

SCHEDULE

Material Customers

Identify each customer who has paid aggregate consideration to the Company for goods or services rendered in an amount greater than or equal to Five (5%) Percent of the Company's gross revenue for each of the two most recent fiscal years.

[illegible]

Material Suppliers

[illegible]

ASSET PURCHASE AGREEMENT

by and among

MONTROSS COMPANIES INC.
as Seller

SOLAR INTEGRATED ROOFING CORP.
as Parent
and
SOLAR ACQUISITIONS I, INC.
as Buyer

March 20, 2019

ARTICLE 1	DEFINITIONS	1
ARTICLE 2	BASIC TRANSACTION	8
Section 2.01	Purchase and Sale of Assets	8
Section 2.02	Assumption of Liabilities	8
Section 2.03	Purchase Price	8
Section 2.04	Excluded Assets	8
Section 2.05	Excluded Liabilities	8
Section 2.06	Closing	8
Section 2.07	Deliveries at the Closing	9
Section 2.08	Allocation	9
Section 2.09	Transfer and Maintenance of Books and Records	9
Section 2.10	Power of Attorney	10
ARTICLE 3	REPRESENTATIONS AND WARRANTIES OF SELLER AND SHAREHOLDER	10
Section 3.01	Organization of Seller and Shareholder	10
Section 3.02	Authorization of Transaction; Enforceability	10
Section 3.03	Noncontravention	11
Section 3.04	Brokers' Fees	11
Section 3.05	Client Lists	11
Section 3.06	Financial Statements	11
Section 3.07	Events Subsequent to Letter of Intent	11
Section 3.08	Legal Compliance	12
Section 3.09	Tax Matters	13
Section 3.10	Assumed Contracts	13
Section 3.11	Litigation	13
Section 3.12	Insurance	14
Section 3.13	Subsidiaries	14
Section 3.14	Undisclosed Liabilities	14
Section 3.15	Warranties	14
Section 3.16	Employee Benefit Plans	15
Section 3.17	Permits	15
Section 3.18	Books and Records	16
Section 3.19	Inventory	16
Section 3.20	Real Property	16
Section 3.21	Real and Personal Property Leases	16
Section 3.22	Title to Tangible Personal Property	17
Section 3.23	Intellectual Property	17
Section 3.24	Environmental Matters	18
Section 3.25	Employees	18
Section 3.26	Accounts Receivable	20
Section 3.27	Vendor Lists	20
Section 3.28	Disclosure	20

ARTICLE 4	REPRESENTATIONS AND WARRANTIES OF BUYER AND PARENT	20
Section 4.01	Organization of Buyer	20
Section 4.02	Authorization of Transaction	21
Section 4.03	Noncontravention	21
Section 4.04	Brokers' Fees	21
Section 4.05	No Other Representations and Warranties	21
ARTICLE 5	PRE-CLOSING COVENANTS	21
Section 5.01	Conduct of the Business	21
Section 5.02	Access to Information	23
Section 5.03	Notification	23
Section 5.04	No Negotiation	23
Section 5.05	Best Efforts	24
Section 5.06	Transition	24
Section 5.07	Required Consents	24
ARTICLE 6	POST-CLOSING COVENANTS	24
Section 6.01	General	24
Section 6.02	Litigation Support	24
Section 6.03	Proprietary Information	25
Section 6.04	Solicitation and Hiring	25
Section 6.05	Non-Competition	25
Section 6.06	Apportionment	25
Section 6.07	Alternate Forms of Asset Transfer	26
Section 6.08	Payment of Earnout	26
Section 6.09	Certain Tax Considerations	26
ARTICLE 7	CONDITIONS TO OBLIGATION TO CLOSE	26
Section 7.01	Conditions to Obligation of Buyer	26
Section 7.02	Conditions to Obligation of Seller	27
ARTICLE 8	REMEDIES FOR BREACHES OF THIS AGREEMENT	28
Section 8.01	Survival	28
Section 8.02	Indemnification	28
Section 8.03	Matters Involving Third Parties	29
ARTICLE 9	EMPLOYEES OF THE BUSINESS	30
Section 9.01	Communications with Employees	30
Section 9.02	No Obligations of Employees	30
Section 9.03	Transferred Employees	30
Section 9.04	Compensation and Term of Employment	31
Section 9.05	Severance	31
Section 9.06	Commission Payments Owed By Seller	31

ARTICLE 10	MISCELLANEOUS	31
Section 10.01	Press Releases and Public Announcements	31
Section 10.02	No Third-Party Beneficiaries	32
Section 10.03	Entire Agreement	32
Section 10.04	Termination and Abandonment of this Agreement	32
Section 10.05	Succession and Assignment	32
Section 10.06	Counterparts	32
Section 10.07	Headings	33
Section 10.08	Notices	33
Section 10.09	Governing Law	34
Section 10.10	Amendments and Waivers	34
Section 10.11	Severability	34
Section 10.12	Expenses	35
Section 10.13	Construction	35
Section 10.14	Incorporation of Exhibits and Schedules	35
Section 10.15	No Breach of Fiduciary Duty Required	35

Exhibits/Schedules

Exhibit A	Client List
Exhibit B	Client List Exhibit B
Exhibit C	Form of Bill of Sale

Disclosure Schedule Schedule with respect to Representations and Warranties

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the Agreement) is dated as of March 20, 2019, by and among **MONTROSS COMPANIES INC.**, a California corporation ("Seller"), **SOLAR INTEGRATED ROOFING CORP.**, a Nevada corporation ("Parent"), and **SOLAR ACQUISITIONS I, INC.**, a Nevada corporation and wholly-owned subsidiary of Parent ("Buyer"). Buyer, Seller and Shareholder (as defined herein) are sometimes each referred to separately as a "Party" and collectively herein as the "Parties."

WITNESSETH:

WHEREAS, Seller operates a full service roofing, decking and waterproofing company (the "Business");

WHEREAS, Seller wishes to sell to Buyer, and Buyer wishes to purchase and assume from Seller, certain assets and liabilities with respect to the Business on the terms and subject to the conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties, and covenants herein contained, the Parties agree as follows.

ARTICLE 1 DEFINITIONS

For purposes of this Agreement, the following terms have the meanings assigned to them in this Article 1:

"Accounts Receivable" means (a) all trade accounts receivable and other rights to payment from customers of Seller and the full benefit of all security for such accounts or rights to payment, including all trade accounts receivable representing amounts receivable in respect of goods shipped or products sold or services rendered to customers of Seller, (b) all other accounts or notes receivable of Seller and the full benefit of all security for such accounts or notes and (c) any claim, remedy or other right related to any of the foregoing.

"Acquired Assets" means all the following assets of the Business:

- (a) the Client List, which is set forth on Exhibit A attached hereto, along with all rights, benefits and privileges arising thereunder or with respect thereto;
 - (b) the Vendor List, which is set forth on Exhibit B attached hereto, along with all rights, benefits and privileges arising thereunder or with respect thereto;
 - (c) the Assumed Contracts, which are set forth on Section 3.10 of the Disclosure Schedule, along with all rights, benefits and privileges arising thereunder or with respect thereto;
-

- (d) all books, records, files, correspondence and other documents relating to the Business, Client Lists, Vendor Lists, Inventory, Contracts, Leases and Intellectual Property;
- (e) the Lease which is set forth in Section 3.21 of the Disclosure Schedule;
- (f) the tangible personal property (such as equipment and furniture) which is set forth in Section 3.22 of the Disclosure Schedule;
- (g) the Intellectual Property of the Business including, without limitation, the Intellectual Property which is set forth in Section 3.23 of the Disclosure Schedule;
- (h) all Permits relating to the Business which are set forth in Section 3.17 of the Disclosure Schedule;
- (i) all goodwill of Seller and all other assets related to or used in connection with the Business;
- (j) all Accounts Receivable relating to the Business which are set forth in Section 3.26 of the Disclosure Schedule;
- (k) all Inventory relating to or used in connection with the Business which is set forth in Section 3.19 of the Disclosure Schedule; and
- (l) all other assets related to the Business other than the Excluded Assets.

"Adverse Consequences" means all actions, suits, proceedings, hearings, investigations, charges, complaints, claims, demands, injunctions, judgments, orders, decrees, rulings, damages, dues, penalties, fines, costs, reasonable amounts paid in settlement, liabilities, obligations, taxes, liens, losses, expenses, and fees, including court costs and reasonable attorneys' fees and expenses.

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. The term "control" (including, with its correlative meanings, "controlled by" and "under common control with") means possession, directly or indirectly, of the power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other equity interests, by contract or otherwise).

"Agreement" has the meaning set forth in the preface above.

"Applicable Law" means any constitutional provision, statute or ordinance, whether foreign, federal, state or local, applicable in the United States or any other nation, including any other law, rule, regulation, judgment, injunction, order, executive order, ruling, assessment, writ, decree or interpretation thereof of any Governmental Entity, or any common law.

"Assumed Contracts" means the agreements, leases, contracts, purchase agreements, purchase orders and licenses of the Business (whether written or oral) set forth in Section 3.10 of the Disclosure Schedule.

"Assumed Liabilities" has the meaning set forth in Section 2.02 below

"Business" has the meaning set forth in the first recital above.

"Business Day" means any day other than a day that is a Saturday, Sunday or legal holiday in New York, New York.

"Buyer" has the meaning set forth in the preface above.

"Client List" means all lists, spreadsheets, worksheets and tables of any type or form identifying each and every client of Seller since inception of the Business (including those engagements where no writing may exist) which are listed on Exhibit A attached hereto.

"Closing" has the meaning set forth in Section 2.06 below. "Closing Date" has the meaning set forth in Section 2.06 below. "Code" means the Internal Revenue Code of 1986, as amended. "Competitor" has the meaning set forth in Section 6.05 below. "Disclosure Schedule" has the meaning set forth in Article 3 below. "Earnout" has the meaning set forth in Section 2.03 below. "Employees" means the employees of the Business.

"Environmental Law" means a legal rule pertaining to land use, air, soil, surface water, groundwater (including the protection, cleanup, removal, remediation or damage thereof), public or employee health or safety or any other environmental matter, including, without limitation, the following laws as the same have been amended from time to time: (i) Clean Air Act (42 U.S.C. § 7401, *et seq.*); (ii) Clean Water Act (33 U.S.C. § 1251, *et seq.*); (iii) Resource Conservation and Recovery Act (42 U.S.C. § 6901, *et seq.*); (iv) Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601, *et seq.*); (v) Safe Drinking Water Act (42 U.S.C. § 300f, *et seq.*); (vi) Toxic Substances Control Act (15 U.S.C. § 2601, *et seq.*); (vii) Rivers and Harbors Act (33 U.S.C. § 401, *et seq.*); (viii) Occupational Safety and Health Act (29 U.S.C. § 651, *et seq.*); together with all other legal rules regulating emissions, discharges, releases or threatened releases of any hazardous substance into ambient air, land, surface water, groundwater, personal property or structures, or otherwise regulating the manufacture, processing, distribution, use, treatment, storage, disposal, transport, discharge or handling of any hazardous substance.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Excluded Assets" means all other assets, properties, rights and claims (other than the Acquired Assets) of Seller of any nature whatsoever and wherever situated.

"Excluded Liabilities" means all liabilities other than the Assumed Liabilities, including, without limitation:

- (a) the liabilities set forth in Section 2.02 of the Disclosure Schedule;
- (b) any liabilities or obligations that should have been paid prior to the Closing Date relating to any employee, any Plan, any employee benefits or commissions, salaries, wages or other compensation arrangements existing on or prior to the Closing Date with respect to Seller or the Business;
- (c) any other liability or obligation, to the extent related to an Excluded Asset;
- (d) any payment obligation of Seller to vendors or other service providers for goods and/or services;
- (e) any Taxes of Seller and any other Taxes accruing on or prior to the Closing Date;
- (f) any liabilities relating to any current pending or threatened litigation, arbitration or any other Proceeding against Seller or any future litigation, arbitration or Proceeding relating to the Acquired Assets to the extent related to events occurring prior to the Closing Date;
- (g) any liabilities arising out of any violation of Environmental Law;
- (h) any liabilities not related to the Acquired Assets;
- (i) any liabilities for legal fees and expenses of Seller related to the transactions contemplated hereby; and
- (j) any other liabilities or obligations of Seller or the Business accruing on or prior to the Closing Date.

"Financial Statements" has the meaning set forth in Section 3.06 below.

"GAAP" means United States generally accepted accounting principles as in effect from time to time.

"Governmental Entity" shall mean any government (including any United States of foreign federal, state, provincial, cantonal, municipal or county government), any political subdivision thereof and any governmental, administrative, ministerial, regulatory, central bank, self-regulatory, quasi-governmental, taxing, executive, or legislative department, commission, body, agency, authority or instrumentality of any thereof.

"Inactive Transferred Employees" means those Transferred Employees who, as of the Closing Date, are on leave of absence, are on short or long term disability leave, or are otherwise not actively at work; provided that Inactive Transferred Employees shall not include Transferred Employees who are not actively at work on the Closing Date due to a vacation day,

personal day absence or occasional absence day or other similar short term leave for reasons other than illness.

"Indemnified Party" has the meaning set forth in Section 8.03 below.

"Indemnifying Party" has the meaning set forth in Section 8.03 below.

"Intellectual Property" means: (a) inventions (whether patentable or unpatentable and whether or not reduced to practice), improvements thereon, and patents, patent applications and patent disclosures, together with reissues, continuations, continuations-in-part, revisions, extensions and reexaminations thereof; (b) trademarks, service marks, trade dress, logos, trade names, URLs, domain names and corporate names, together with translations, adaptations, derivations, and combinations thereof, and including but not limited to goodwill associated therewith, applications, registrations and renewals in connections therewith including, without limitation, the names "Montross Companies Inc.," "Montross" and any names similar thereto, and all iterations and permutations thereof, together with all logos, slogans, trademarks, and service marks relating thereto used by Seller in connection therewith, including, without limitation, e-mail montrosscompanies@msn.com; (c) copyrightable works, copyrights, and applications, registrations and renewals in connections therewith, mask works and applications, registrations and renewals in connections therewith; (d) trade secrets and confidential business information (including but not limited to research and development, know-how, formulas, compositions, manufacturing and reproductions processes and techniques, methods, schematics, technology, flowcharts, block diagrams, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information and business and marketing plans and proposals); (e) computer software (including but not limited to data related documentation); (f) copies and tangible embodiments of any of the foregoing (in whatever form or medium); and (g) licenses, sublicenses, permissions or contacts in connection with any of the foregoing.

"Intellectual Property Rights" means the rights or interest of any Person in or to any Intellectual Property.

"Inventory" shall mean any and all of the finished inventory, raw goods and works- in-progress related to or used in connection with the Business.

"Judicial Authority" shall mean any court, arbitrator, special master, receiver, tribunal or similar body of any kind.

"Knowledge" means actual knowledge of a Person after due inquiry.

"Lease" shall mean any lease or sublease pursuant to which Seller leases or subleases from another party any real or personal property.

"Material Adverse Effect" means (i) with respect to Seller, a material adverse effect on (A) the Acquired Assets, (B) the results of operations, financial condition or prospects of the Business, (C) the ability of Seller to perform its obligations under this Agreement, or (D) the validity or enforceability of this Agreement, and (ii) with respect to Buyer, a material adverse effect on (A) the ability of Buyer to perform its obligations under this Agreement, or (B) the validity or enforceability of this Agreement.

"Most Recent Fiscal Month End" has the meaning set forth in Section 3.06 below.

"Notice of Claim" has the meaning set forth in Section 8.03.

"Ordinary Course of Business" means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

"Parent" has the meaning set forth in the preface above.

"Party" has the meaning set forth in the preface above.

"Permits" shall have the meaning set forth in Section 3.17. "Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or a governmental entity (or any department, agency, or political subdivision thereof).

"Plans" means all employee benefit plans (as defined in Section 3(3) of the ERISA) and all bonus, incentive, deferred compensation, retiree medical or life insurance, supplemental retirement, severance or other benefit plans, stock option, restricted stock, phantom stock, or other equity incentive plans, programs or arrangements, and all termination, severance or other contracts or agreements, whether formal or informal, whether or not set forth in writing, whether covering one person or more than one person, and whether or not subject to any of the provisions of ERISA, that are maintained, contributed to or sponsored by Seller for the benefit of any employee or which otherwise cover any employee.

"Proceeding" shall mean any action, suit, counter-claim, arbitration, mediation, litigation, inquiry, hearing, investigation or other proceeding of any kind involving any Governmental Entity, any Judicial Authority or any other Person.

"Purchase Price" has the meaning set forth in Section 2.03 below.

"Required Consent" means, with respect to the Acquired Assets listed in Section 7.01 of the Disclosure Schedule, the consent, approval, permission, amendment or waiver by a party or parties thereto that is required in order to effect the transfer to, and assumption by, Buyer of such Acquired Assets.

"Security Interest" means any mortgage, pledge, lien, encumbrance, charge, or other security interest, *other than* (a) mechanic's, materialmen's, and similar liens, (b) liens for Taxes not yet due and payable or for Taxes that the taxpayer is contesting in good faith through appropriate proceedings, (c) purchase money liens and liens securing rental payments under capital lease arrangements, and (d) other liens arising in the Ordinary Course of Business and not incurred in connection with the borrowing of money.

"Seller" has the meaning set forth in the preface above.

"Seller Representatives" has the meaning set forth in Section 5.02.

"Shareholder" has the meaning set forth in the preface above.

"Taxes" means (A) all income taxes (including any tax on or based upon net income, gross income, income as specially defined, earnings, profits or selected items of income, earnings or profits) and all gross receipts, sales, use, ad valorem, transfer, franchise, license, withholding, payroll, employment, excise, severance, stamp, occupation, premium, property or windfall profits taxes, alternative or add-on minimum taxes, customs duties and other taxes of any kind whatsoever, together with all interest and penalties, additions to tax and other additional amounts imposed by any Governmental Entity on such entity, and (B) any liability for the payment of any amount of the type described in the immediately preceding clause (A) as a result of being a "transferee" (within the meaning of Section 6901 of the Code or any other applicable law) of another entity, a member of an affiliated or combined group, a contract or otherwise.

"Tax Return" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule, exhibit or attachment thereto.

"Third Party Claim" has the meaning set forth in Section 8.03 below.

"Transferred Employee" means each employee of the Business who is hired by Buyer under Section 9.03(a) of this Agreement.

"Vendor Lists" means all lists, spreadsheets, worksheets and tables of any type or form identifying each and every vendor, supplier and consultant of Seller since inception of the Business (including those engagements where no writing may exist), which are listed on Exhibit B attached hereto.

ARTICLE 2

BASIC TRANSACTION

Section 2.01 Purchase and Sale of Assets. On and subject to the terms and conditions of this Agreement, Buyer agrees to purchase from Seller, and Seller agrees to sell, transfer, convey, and deliver to Buyer, all of the Acquired Assets at the Closing in consideration of the assumption by Buyer of the Assumed Liabilities and the payment of the Purchase Price as specified below in Sections 2.02 and 2.03.

Section 2.02 Assumption of Liabilities. The Buyer and the Seller hereby agree that the Buyer shall not assume any liabilities in connection with the sale, transfer, conveyance and delivery to Buyer of the Acquired Assets.

Section 2.03 Purchase Price. The "Purchase Price" shall mean consideration paid by the Buyer to David Montross or his assigns ("Shareholder"), in accordance with the following payment schedule: (i) One Hundred Fifty Thousand Dollars (\$150,000.00) in cash, due and payable at Closing; (ii) One Hundred Thousand Dollars (\$100,000.00) in cash, due and payable 60 days from Closing; (iii) Four (4) installments of One Hundred Thousand Dollars (\$100,000.00) each in cash, due and payable beginning 90 days from Closing and continuing every 30 days thereafter; (iv) Fifty Thousand Dollars (\$50,000) in cash, due and payable 210 days following Closing, whereby as a result of (i) through (iv) the Shareholder shall have received in the aggregate \$700,000.00 in cash (the "Cash Payment"); (v) One Million (1,000,000) shares of the Parent's common stock issued to the Seller at Closing, subject to the Clawback (as defined herein) (the

"Payment Shares"); (vi) For a period of Five (5) years commencing from the Closing, the Buyer shall pay Shareholder or his assigns, Ten Percent (10%) of the Net Income (as defined GAAP) generated directly from the operations of the Seller, payable within ninety (90) days of the Buyer's fiscal year end, and (vii) For a period of Five (5) years from Closing, upon a Ten Percent (10%) increase of the EBITDA (as defined by U.S. GAAP) generated directly from the operations of the Seller for each fiscal year subsequent to Closing compared to such prior fiscal year (the "Anniversary Period"), the Parent shall issue shares of its common stock to Shareholder or his assigns in an amount equal to Ten Percent (10%) of such Anniversary Period's EBITDA increase at a price per share equal to the closing price of the Parent's common stock on such year's fiscal year end date, issuable to Shareholder or his assigns within fifteen (15) days of such year's fiscal year end date, subject the Clawback. For the avoidance of doubt, in the event of a ten percent (10%) increase of the Seller's EBITDA compared to the prior fiscal year generated directly as a result of the Seller's operations and such EBITDA increase is equal to \$1,000,000.00, the Parent shall issue the Seller \$100,000.00 of its common stock to Seller at a price per share equal to the closing price of the Parent's common stock on such year's fiscal year end date (the shares of Common Stock set forth in (vi) and (vii) of this Section, the "Payment Shares").

Section 2.04 Excluded Assets. Notwithstanding anything herein to the contrary, the Acquired Assets shall not include and Buyer shall not acquire any right, title or interest in and to the Excluded Assets.

Section 2.05 Excluded Liabilities. Notwithstanding anything herein to the contrary, Buyer shall not assume or have responsibility for any of the Excluded Liabilities.

Section 2.06 Closing. The Closing of the transactions contemplated by this Agreement (the "Closing") shall take place Three (3) Business Days following the satisfaction or waiver of the conditions set forth in Article 7 or at such other date and time that the Parties may mutually agree, at the offices of Lucosky Brookman LLP, located at 101 Wood Avenue South, Iselin, New Jersey 08830. The date on which the Closing occurs is referred to herein as the ("Closing Date") and the Closing shall be deemed effective as of 12:00 p.m. New York time on the Closing Date.

Section 2.07 Deliveries at the Closing. At the Closing, (i) Seller will deliver to Buyer the various certificates, instruments, and documents referred to in Section 7.01 below; (ii) Buyer will deliver to Seller the various certificates, instruments, and documents referred to in Section 7.02 below; (iii) Seller will execute, acknowledge (if appropriate), and deliver to Buyer (A) bill of sale in the form attached hereto as Exhibit D, and (B) such other instruments of sale, transfer, conveyance and assignment as Buyer and its counsel reasonably may request; (iv) Buyer will execute, acknowledge (if appropriate), and deliver to Seller such instruments of assumption as Seller and its counsel reasonably may request; (v) the Parties shall make payments and deliveries of the Purchase Price and Payment Shares in accordance with Section 2.03 herein.

Section 2.08 Allocation. The Parties agree to, prior to Closing, allocate the Purchase Price (and all other capitalizable costs) among the Acquired Assets for all purposes (including financial accounting and tax purposes) in accordance with Section 2.03 herein, and the Parties shall make all necessary filings (including those under Section 1060 of the Code) in accordance with such allocation.

Section 2.09 Transfer and Maintenance of Books and Records.

(a) Upon request from Buyer to Seller, Buyer shall be granted access to the books and records of Seller within twenty four (24) hours solely for audit purposes. Seller shall transfer to Buyer at Closing all of the Acquired Assets, including without limitation (i) the Contracts, (ii) the Client Lists, (iii) the Leases, (iv) the Intellectual Property, (v) the Permits, (vi) the Accounts Receivable, (vii) all tangible personal property, (viii) the Vendor Lists, (ix) the Inventory, and (x) all other books and records. Seller shall use its best efforts to deliver to Buyer, in such locations as designated by Buyer, actual possession of all books and records, including the Client Lists, the Vendor Lists, the Leases and the Contracts, as soon as possible after Closing, but in no event later than ten (10) Business Days after the Closing Date, and Seller shall be responsible for all books and records until delivery thereof to Buyer. Any Acquired Assets, including any Client Lists, Vendor Lists or Contracts, held by Seller after the Closing shall be held by Seller as agent for Buyer pursuant to this Agreement. In addition, Seller shall within Five (5) Business Days of receipt forward to Buyer all notices, correspondence and other documents received from customers, lenders, vendors or other similar Persons, which documents relate to the Acquired Assets and are received by Seller after the Closing. Nevertheless, Seller shall retain those documents, agreements and all other books and records relating primarily to any Excluded Asset or Excluded Liability.

(b) Any books and records relating to the Acquired Assets, the Assumed Liabilities, or the Business held by either Seller or Buyer after Closing shall be maintained in accordance with (and for the period provided in) that party's record keeping policies and procedures. Throughout that period, the party holding any such books and records shall comply with the reasonable request of the other party to provide copies of specified documents. The requesting party shall give reasonable notice of any such request. Without limiting the foregoing, neither party will destroy any books or records relating to the Acquired Assets, the Assumed Liabilities, or the Business before the Fifth (5th) anniversary of the Closing without first providing Sixty (60) days written notice to the other party. Subject to any obligation to keep the records confidential, the party receiving the notice shall be permitted to inspect any such records and to take possession of them, provided that it shall reimburse the party providing the notice for any reasonable, out-of-pocket expense incurred in that regard. Notwithstanding anything to the contrary contained herein, the obligations set forth in this Section shall survive the Closing.

Section 2.10 Power of Attorney. Effective upon the Closing Date and thereafter until the First (1st) anniversary of the Closing Date, Seller hereby irrevocably names, constitutes and appoints Buyer and its representatives, its duly authorized attorney and agent with full power and authority to endorse in Seller's name, any checks relating to the Acquired Assets, to effect the transfer of the Acquired Assets and Assumed Liabilities to Buyer, to obtain any consents and to take such actions as are reasonably necessary to effect the transactions contemplated by the this Agreement.

Section 2.10 Clawback of Payment Shares. If, for a period of three (3) years commencing at Closing, the Seller or Shareholder breaches any representation, warranty or covenant set forth in this Agreement, and such breach results in damages to the Buyer, Parent or its affiliates in an amount exceeding in the aggregate \$50,000.000, then the Payment Shares and any other shares delivered to the Shareholder in connection with this Agreement shall be forfeited by the Shareholder

pro-rata in an amount equal to such actual damages incurred and suffered by the Buyer or its affiliates in connection with such breach, at a price per share equal to the average of the volume weighted average price of the Parent's common stock during the ten (10) trading days immediately prior to the date notice is delivered by the Parent to the Seller for such breach (the "Clawback").

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants, jointly and severally, to Buyer that the statements contained in this Article 3 are correct and complete as of the date hereof and as of the Closing Date, except as set forth in the disclosure schedule accompanying this Agreement or any amendments (or deemed amendments thereto) (the "Disclosure Schedule"). The Disclosure Schedule will be arranged in sections corresponding to the lettered and numbered sections contained in this Article 3.

Section 3.01 Organization of Seller and Shareholder Seller is a corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of organization and is duly qualified to conduct business and is in good standing in each jurisdiction in which the nature of Seller's and Shareholder's business or the ownership or leasing of each of their properties requires such qualifications. Section 3.01 of the Disclosure Schedule sets forth each jurisdiction in which Seller does business and each jurisdiction in which Seller is authorized to do business. Seller has all requisite corporate power and authority to carry on the businesses in which it is engaged, to carry on the Business proposed to be conducted by the Buyer and to own and use the properties owned and used by it. Seller has delivered to Buyer correct and complete copies of Seller's organizational documents. The minute books (containing the records of meetings of the Shareholder, the board of directors, and any committees of the board of directors), the stock certificate books, and the record books for Seller (copies of which have been delivered to Buyer) are correct and complete. Seller is not in default under or in violation of any provision of its organizational document.

Section 3.02 Authorization of Transaction; Enforceability Seller and Shareholder have the power and authority necessary to execute and deliver this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement has been duly authorized by all necessary corporate, shareholder, member or other action by Seller and the Shareholder. This Agreement has been duly executed and delivered by Seller and the Shareholder. This Agreement constitutes the valid and legally binding obligations of Seller and the Shareholder, enforceable in accordance with its terms and conditions, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or law).

Section 3.03 Noncontravention Neither the execution and the delivery of this Agreement (including the documents referred to in Section 2.07 above), nor the consummation of the transactions contemplated hereby, will (i) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government,

Governmental Entity, or court to which Seller or the Shareholder is subject or any provision of the operating agreement or other organizational documents of Seller or any Shareholder, or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under, any agreement, contract, lease, license, instrument, or other arrangement to which Seller or the Shareholder is a party or by which it is bound or to which any of the Acquired Assets is subject (or result in the imposition of any Security Interest upon any of the Acquired Assets). Section 3.03 of the Disclosure Schedule sets forth each notice, filing, authorization, consent, or approval of any Person or any Governmental Entity needed in order for Seller and the Shareholder to enter into or perform their obligations under this Agreement.

Section 3.04 Brokers' Fees. Neither Seller nor the Shareholder has any liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement for which Buyer could become liable or obligated.

Section 3.05 Client Lists. Exhibit A attached hereto contains a complete and correct list of each client, as amended, including the date of the Client Lists and each amendment thereto. The Client List is a true, accurate, and complete listing of all clients of the Seller, including former clients, since inception of the Business and there are no material disputes or threatened disputes with any Person listed on the Client List.

Section 3.06 Financial Statements. Attached hereto at Section 3.06 of the Disclosure Schedule are the following financial statements (collectively, the "Financial Statements"): (i) unaudited balance sheets, income statements and statements of cash flows as of and for the fiscal years ended December 31, 2016, December 31, 2017 and December 31, 2018 for Seller; and (ii) unaudited balance sheets, income statements and statements of cash flows as of and for the months ended March 31, 2018, June 30, 2018 and September 30, 2018 (the 'Most Recent Fiscal Month End') for Seller. The Financial Statements were prepared in accordance with GAAP, are true and correct in all material respects as of the respective dates thereof and for the periods referred to therein and are consistent with the books and records of Seller, which books and records are complete, accurate and auditable.

Section 3.07 Events Subsequent to Letter of Intent Since the Seller and Buyer entered into that certain letter of intent (the "Letter of Intent"), there has occurred no event or development which, individually or in the aggregate, has had, or could reasonably be expected to have in the future, a Material Adverse Effect. Without limiting the generality of the foregoing, since that date there has not been any:

- (a) declaration, setting aside or payment of any dividend or other distribution (whether in cash or property or any combination thereof) in respect of its stock;
- (b) creation, incurrence or assumption of any indebtedness (including obligations in respect of capital leases); assumption, guaranty, endorsement or other creation of liability or responsibility (whether directly, contingently or otherwise) for the obligations of any other person or entity; or made any loans, advances or capital contributions to, or investments in, any other person or entity;

- (c) commitment to make any capital expenditure in excess of \$10,000;
- (d) damage, destruction or loss, whether or not covered by insurance;
- (e) waiver by Seller of a right or of debt owed to it;
- (f) satisfaction or discharge of any encumbrance or payment of any obligation by Seller not in the ordinary course of business consistent with past practice and in an aggregate amount exceeding \$10,000;
- (g) labor dispute, other than routine individual grievances, or any activity or proceeding to organize any employees of the Business, or any lockouts, strikes, slowdowns, work stoppages or threats thereof by or with respect to such employees;
- (h) change in the rate of compensation, commission, bonus or other direct or indirect remuneration payable, or payment of or agreement (written or oral) to pay, conditionally or otherwise, any bonus, incentive, retention or other compensation, retirement, welfare, fringe or severance benefit or vacation pay, to or in respect of any, director, officer, employee, consultant or agent, or new employment, compensation or deferred compensation agreement (or any amendment of any such existing agreement);
- (i) initiation, receipt or settlement of any Proceeding or action affecting Seller or otherwise material to the Business;
- (j) act to (i) accelerate the billing of any customers of Seller or the collection of any Accounts Receivable of Seller, (ii) delay the payment of any accounts payable or accrued expenses of Seller or (iii) defer any expenses of Seller; or
- (k) any agreement, whether oral or written, fixed or contingent, by Seller to do any of the foregoing.

Section 3.08 Legal Compliance. The Business is in compliance with all applicable laws (including rules, regulations, codes, plans, injunctions, judgments, orders, decrees, rulings, and charges thereunder) of all Governmental Entities, except where the failure to comply could not reasonably be expected to have a Material Adverse Effect.

Section 3.09 Tax Matters. Seller has filed all Tax Returns that it was required to file with respect to itself and the Business, and has paid all Taxes owing, except (i) where the failure to file Tax Returns or to pay Taxes could not reasonably be expected to have a Material Adverse Effect, or (ii) where the amount, applicability or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which Seller has established adequate reserves in accordance with GAAP.

Section 3.10 Assumed Contracts. Seller has delivered complete and accurate copies of each Assumed Contract to the Buyer. Seller does not have any contract that contains terms or conditions providing for such contract to be assigned upon the purchase of substantially all of the Seller's assets or any other event that may be triggered by the execution or closing of this Agreement. With respect to each Assumed Contract:

(a) each Assumed Contract is the legal, valid, binding and enforceable obligation of Seller, and is in full force and effect with respect to Seller;

(b) each Assumed Contract will continue to be legal, valid, binding, enforceable by Buyer, and in full force and effect immediately following the Closing in accordance with the terms that are in effect immediately prior to the Closing;

(c) Seller is in material compliance with the terms and conditions of each Assumed Contract;

(d) there are no material disputes or threatened disputes with any Person under any Assumed Contract;

(e) no party is in breach or default, and no event has occurred which with notice or lapse of time or both would constitute a breach or default, or permit termination, modification, or acceleration, under such Assumed Contract;

(f) no Person has provided Seller with notice that it intends to terminate any Assumed Contract;

(g) to the extent insurance is required under the terms of such Assumed Contract, Seller is in compliance with such requirements; and

(h) there has not been any assignment by Seller or, to the knowledge of Seller, any other Person of such Assumed Contract and there does not exist any Security Interest with respect to such Assumed Contract.

Section 3.11 Litigation. (a) Seller or the Business is not (i) subject to any outstanding injunction, judgment, order, decree, ruling, or charge, or (ii) a party to or threatened to be made a party to any Proceeding.

(b) the Shareholder is not subject to any Proceeding relating to the Business that could reasonably have a Material Adverse Effect on the Business or is reasonably likely to affect the legality, validity or enforceability of this Agreement or any of the transactions contemplated hereby.

Section 3.12 Insurance. Section 3.12 of the Disclosure Schedule sets forth the following information with respect to each insurance policy (including policies providing property, casualty, comprehensive general liability, business interruption, product liability, automobile and workers' compensation coverage and bond and surety arrangements) to which Seller has been a party, a named insured, or otherwise the beneficiary of coverage at any time within the past 3 years:

(i) the name, address, and telephone number of the agent;

(ii) the name of the insurer, the name of the policyholder, and the name of each covered insured;

- (iii) the policy number and the period of coverage;
- (iv) the scope (including an indication of whether the coverage was on a claims made, occurrence, or other basis) and amount (including a description of how deductibles and ceilings are calculated and operate) of coverage; and
- (v) a description of any retroactive premium adjustments or other loss-sharing arrangements.

With respect to each such insurance policy: (A) the policy is legal, valid, binding, enforceable, and in full force and effect; (B) the policy will continue to be legal, valid, binding, enforceable, and in full force and effect on identical terms following the consummation of the transactions contemplated hereby; (C) neither Seller, nor any other party to the policy is in breach or default (including with respect to the payment of premiums or the giving of notices), and no event has occurred that, with notice or the lapse of time, would constitute such a breach or default, or permit termination, modification, or acceleration, under the policy; and (D) no party to the policy has repudiated any provision thereof. Seller has been covered during the past 3 years by insurance in scope and amount customary and reasonable for the Business during the aforementioned period.

Section 3.13 Subsidiaries. Seller has no Subsidiaries. Seller does not own, directly or indirectly, any capital stock or other equity securities of any company or have any direct or indirect equity or ownership interest, including interests in partnerships and joint ventures, in any business or Person.

Section 3.14 Undisclosed Liabilities. Except as reflected in the Most Recent Fiscal Month End balance sheet or incurred since the date thereof in the Ordinary Course of Business, Seller has no material liability (whether known or unknown, whether absolute or contingent, whether liquidated or unliquidated and whether due or to become due) and, to the knowledge of Seller, there is no basis for any present or future Proceeding against the Seller giving rise to any liability.

Section 3.15 Warranties. Except to provide support services in the Ordinary Course of Business, the services delivered by Seller are not subject to any guaranty or warranty, and there is no right of return, right of credit or other indemnity, except with respect to infringement of third-party intellectual property rights, breach by the Seller of its obligations under a contract or as otherwise set forth herein. Seller does not know of any reason why such expenses should significantly increase as a percentage of sales in the future.

Section 3.16 Employee Benefit Plans.

(a) Section 3.16 of the Disclosure Schedule sets forth an accurate and complete list of all of Seller's Plans.

(b) Neither Seller nor any ERISA Affiliate (as herein defined) has maintained, contributed to or participated in a multi-employer plan (within the meaning of Section 3(37) or 4001(a)(3) of ERISA or a multiple employer plan subject to Sections 4063 and 4064 of ERISA) nor has any obligations or liabilities, including withdrawal or successor liabilities, regarding any such plan or a Plan subject to Title IV of ERISA. As used in this Agreement, the term "ERISA"

Affiliate” means any Person that, together with Seller, is considered a “single employer” pursuant to Section 4001(b) of ERISA.

(c) Each Plan is now and has been operated in all material respects in accordance with its terms and with the requirements of all applicable law, including, without limitation, ERISA, the Health Insurance Portability and Accountability Act of 1996, the Code, the Age Discrimination in Employment Act, the Family and Medical Leave Act, the Americans With Disabilities Act, the Equal Pay Act, and Title VII of the Civil Rights Act of 1964, and the regulations and authorities published thereunder. Seller performed all material obligations required to be performed by it under, is not in any respect in default under or in violation of, and Seller has no knowledge of any default or violation by any party to, any Plan. No legal action, suit, audit, investigation or claim is pending or to the best knowledge of Seller, threatened, with respect to any Plan (other than claims for benefits in the ordinary course) and no fact, event or condition exists that would be reasonably likely to provide a legal basis for any such action, suit, audit, investigation or claim. All reports, disclosures, notices and filings with respect to such Plans required to be made to Employees, participants, beneficiaries, alternate payees and government agencies have been timely made or an extension has been timely obtained. There has been no prohibited transaction (within the meaning of Section 406 of ERISA or Section 4975 of the Code) with respect to any Plan subject to ERISA.

(d) All contributions, premiums or payments (including all employer contributions and, if applicable, all employee salary reduction contributions) required to be made, paid or accrued with respect to any Plan have been made, paid or accrued on or before their due dates.

Section 3.17 Permits. Section 3.17 of the Disclosure Schedule accurately and completely describes each license, franchise, permit, certificate, approval or other similar authorization required in connection with the conduct of, or otherwise affecting or relating in any way to, the Business or any of the Acquired Assets (the “Permits”) together with the name of the Person issuing such Permit. Except as otherwise set forth in Section 3.17 of the Disclosure Schedule, (i) the Permits are valid and in full force and effect; (ii) Seller is not in default, and no condition exists that with notice or lapse of time could constitute a default, under the Permits; (iii) no Proceedings are pending or threatened to revoke or amend any Permit; (iv) the Permits are freely assignable; and (v) none of the Permits shall be terminated or impaired or become terminable, in whole or in part, as a result of the transactions contemplated by this Agreement.

Section 3.18 Books and Records. The minute books and other similar records of Seller contain complete and accurate records of all actions taken at any meetings of Seller’s shareholders, board of directors or any committee thereof and of all written consents executed in lieu of the holding of any such meeting. The books and records of Seller, as previously made available to Buyer, accurately reflect the assets, liabilities, business, financial condition and results of operations of Seller and have been maintained in accordance with good business and bookkeeping practices.

Section 3.19 Inventory. Section 3.19 of the Disclosure Schedule accurately and completely describes all of Seller’s inventory as of the Closing Date (“Inventory”).

Section 3.20 Real Property. Seller owns no real property and has never owned any real property.

Section 3.21 Real and Personal Property Leases Section 3.21 of the Disclosure Schedule lists all Leases, as amended, including the date of such Lease and each amendment thereto, the term of each such Lease, any extension and expansion options thereof, and the amounts payable thereunder. Seller has delivered to the Buyer complete and accurate copies of the Leases. With respect to each Lease:

- (a) Except as set forth in Section 3.21 of the Disclosure Schedule, such Lease is legal, valid, binding, enforceable by Buyer and in full force and effect;
- (b) except as otherwise set forth in Section 3.21 of the Disclosure Schedule, such Lease will continue to be legal, valid, binding, enforceable and in full force and effect immediately following the Closing in accordance with the terms thereof as in effect immediately prior to the Closing;
- (c) except as otherwise set forth in Section 3.21 of the Disclosure Schedule, Seller is in compliance in all material respects with the terms and conditions of each such Lease.
- (d) except as otherwise set forth in Section 3.21 of the Disclosure Schedule, neither Seller, nor any other party, is in breach or violation of, or default under, any such Lease, and no event has occurred, is pending or, to the knowledge of Seller is threatened, which, after the giving of notice, with lapse of time, or otherwise, would constitute a breach or default by Seller or, to the knowledge of Seller, any other party under such Lease;
- (e) except as otherwise set forth in Section 3.21 of the Disclosure Schedule, there are no disputes, oral agreements or forbearance programs in effect as to such Lease;
- (f) no Person has provided Seller with notice that it intends to terminate any Lease;
- (g) Seller has not assigned, transferred, conveyed, mortgaged, deeded in trust or encumbered any interest in the leasehold or subleasehold;
- (h) all facilities leased or subleased thereunder are supplied with utilities and other services adequate for the operation of said facilities; and
- (i) Seller is not aware of any Security Interest, easement, covenant or other restriction applicable to the property subject to such lease which would reasonably be expected to materially impair the current uses or the occupancy by Seller of the property subject thereto.

Section 3.22 Title to Tangible Personal Property. Section 3.22 of the Disclosure Schedule lists the material tangible personal property of the Business which is used regularly in the Business. Except as set forth in Section 3.22 of the Disclosure Schedule, Seller has good title to, or a valid leasehold interest in, such tangible assets free of any Security Interests. All personal tangible property of the Business is freely assignable by Seller to Buyer.

Section 3.23 Intellectual Property.

(a) Section 3.23 of the Disclosure Schedule contains a complete and accurate list of all of the material Intellectual Property owned, used or held for use by the Seller in the conduct of its Business and there is no other Intellectual Property owned, used or held for use by the Seller material to the conduct of its Business. Such Intellectual Property is the only Intellectual Property necessary to operate the Business materially as it is currently operated.

(b) Neither Seller nor the license or other use of any Intellectual Property not owned by Seller included in the Acquired Assets has to Seller's knowledge violated or infringed, and currently does not violate or infringe, upon the Intellectual Property of any Person. Seller has not been a defendant in any action, suit, investigation or proceeding relating to, or otherwise has been notified of, any alleged claim of infringement of any other Person's Intellectual Property, which Proceedings are still active, and Seller has no outstanding Proceedings for (or any knowledge of) any continuing infringement of Intellectual Property by any other Person.

(c) Seller (i) is the sole and exclusive owner of, with all right, title and interest in and to (free and clear of any Security Interests), any and all Intellectual Property owned by it included in the Acquired Assets, (ii) has rights to the use of all such Intellectual Property used by it pursuant to license, sublicense, agreement, or permissions and, except as set forth in Section 3.23 of the Disclosure Schedule, is not contractually obligated to pay any compensation or grant any rights to any third party in respect thereof and (iii) has the right to require the application of any such Intellectual Property owned by Seller that constitutes an application for registration, including but not limited to all patent applications, trademark application service mark applications, copyright applications and mask work applications, and to transfer ownership to Buyer of the application and of the registration once it issues.

(d) Seller has kept secret and has not disclosed the source code for any Intellectual Property owned by the Seller to any Person other than in the Ordinary Course of Business to persons who are subject to the terms of a binding confidentiality agreement with respect thereto. The Seller has taken all appropriate measure to protect the confidential and proprietary nature of any Intellectual Property owned by the Seller including without limitation the use of confidentiality agreements with all of its employees or other persons having access to any source and object codes.

(e) Any and all Intellectual Property owned by Seller included in the Acquired Assets that are registrations, including but not limited to all registered patents, trademarks, service marks, copyrights and masks works, are valid and subsisting and in full force and effect.

(f) Seller has not granted any licenses to or other rights in any Intellectual Property included in the Acquired Assets to any Person; to Seller's knowledge, no Person is currently using such Intellectual Property except in connection with the Business.

(g) The execution, delivery and performance by Seller and the Shareholder of this Agreement and the consummation of the transactions contemplated hereby and thereby shall not alter or impair or result in the loss of any rights or interests of Seller in any Intellectual Property included in the Acquired Assets owned by Seller or as to which Seller obtains any

consent to the transactions contemplated hereby and all such Intellectual Property shall be owned or available for use by Buyer on identical terms and conditions immediately subsequent to the Closing.

(h) None of the Intellectual Property owned by Seller included in the Acquired Assets, if any, is subject to any outstanding order or agreement restricting in any manner the use of licensing thereof by Seller.

(i) all of the Intellectual Property used in the Business is freely assignable to Buyer.

Section 3.24 Environmental Matters The present and former activities of Seller comply with all applicable Environmental Laws and Seller is not in violation and has never been in violation of any Environmental Laws.

Section 3.25 Employees.

(a) Section 9.03 of the Disclosure Schedule sets forth a complete list of the Transferred Employees as of the date of this Agreement. There are no Inactive Transferred Employees. Prior to the Closing Date, Seller shall have provided Buyer with a complete and accurate list (under Section 9.03 of the Disclosure Schedule) of the following information for each Transferred Employee: name; date of hire; work location; title; position held; salary; incentive compensation (including any bonus or profit sharing arrangements); balance of accumulated paid time off; schedule of regular weekly hours of employment; special work arrangements, if any, with description; Fair Labor Standards Act status; shift differential, if any, and annual vacation entitlement.

(b) All Transferred Employees are employees "at-will" whose employment is terminable without liability to Seller (other than for benefits under the Seller's applicable severance policy and other employee benefit plans and programs and benefits required to be provided under Applicable Law), and there are no employment contracts entered into between Seller and any of the Employees.

(c) Each current or past employee of Seller has entered into a confidentiality/assignment of inventions agreement with Seller, a copy or form of which has previously been delivered to Buyer. Each such agreement referenced in the two preceding sentences to which Seller is a party will continue to be legal, valid, binding and enforceable and in full force and effect immediately prior to the Closing.

(d) No Transferred Employee of the Business has received a written warning from the Seller or has been placed on "corrective action" by Seller or is under any internal, or, external investigation. None of the Transferred Employees is covered by any union, collective bargaining or similar agreement or arrangement in connection with his or her employment with Seller.

(e) Seller has not received notification of any impediment to the employment of any Transferred Employee based on the results of fingerprinting or drug testing and is not otherwise aware of any such impediment.

(f) All Transferred Employees are authorized to work in accordance with the Immigration and Reform Control Act ("IRCA"), and no Transferred Employee is employed by Seller under any employer-sponsored non-resident visa. Section 9.03 of the Disclosure Schedule contains a list of all Transferred Employees who are not citizens of the United States.

(g) Except as set forth in Section 9.03 of the Disclosure Schedule, there are no agreements or offer letters providing for stay bonuses, sign-on bonuses, commissions, compensation, special monetary or vacation awards, non-compete provisions or similar agreements with respect to the Transferred Employees. Seller has not increased the base salary paid to any Transferred Employee within three months of the Closing Date in excess of Seller's regularly scheduled increase to such Transferred Employee.

(h) Any notices required to be given by the Seller pursuant to the Worker Adjustment and Retraining Act of 1988 (the "WARN Act") and COBRA, if any, in connection with the transactions contemplated by this Agreement have been given or shall be given by the time required under such laws in order to comply therewith.

(i) Seller is not and has not been a party to any collective bargaining or other labor agreement or understanding with a labor union or labor organization. There has not been, and there is not presently pending or existing, and to Seller's knowledge there is not threatened, (i) any strike, slowdown, picketing, work stoppage, or employee grievance process, (ii) any proceeding against Seller based on the alleged violation of any Applicable Law pertaining to labor relations or employment matters, including any charge or complaint filed by an employee or union with the National Labor Relations Board, the Equal Employment Opportunity Commission, or any comparable Governmental Entity, organizational activity, or other labor or employment dispute against Seller arising with respect to the Transferred Employees, (iii) any application for certification of a collective bargaining agent. Seller is in material compliance with all Applicable Laws respecting employment practices, civil rights, occupational safety, conditions of employment and wages and hours and has not engaged in any unfair labor practices.

(j) Seller has supplied Buyer with complete and accurate descriptions of all material employee benefit plans applicable to the Transferred Employees.

Section 3.26 Accounts Receivable All Accounts Receivable of Seller existing on the business day immediately preceding the Closing Date are reflected on Section 3.26 of the Disclosure Schedule (other than those paid since the date hereof), are valid receivables subject to no setoffs or counterclaims and are current and collectible, net of the applicable reserve for bad debts as of Most Recent Fiscal Month End. A complete and accurate list of the Accounts Receivable reflected as of Most Recent Fiscal Month End, showing the aging thereof, is included in Section 3.26 of the Disclosure Schedule. All Accounts Receivable of Seller that have arisen since the Most Recent Fiscal Month End arose from bona fide third party sales in the ordinary course of business consistent with past practice, are valid receivables subject to no setoffs or counterclaims, are current and collectible, and is scheduled to be collected within 90 days after the date on which it first became due and payable in accordance with their terms at their recorded amounts, except as set forth in Section 3.26 of the Disclosure Schedule. Seller has not received any written notice from an account debtor stating that any Account Receivable is subject to any

contest, claim or set-off by such account debtor except as set forth in Section 3.26 of the Disclosure Schedule.

Section 3.27 Vendor Lists. Exhibit B attached hereto contains a complete and correct list of all vendors (the "Vendor List"), as amended, including the date of the Vendor List and each amendment thereto. The Vendor List is a true, accurate, and complete listing of all vendors, suppliers and consultants of the Seller since inception of the Business and there are no material disputes or threatened disputes with any Person listed on the Vendor List.

Section 3.28 Disclosure. No (i) representation or warranty by Seller or the Shareholder contained in this Agreement or any certificate, or (ii) any statement contained in the Disclosure Schedule delivered to Buyer by or on behalf of Seller pursuant to this Agreement, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary, in light of the circumstances under which it was or will be made, in order to make the statements herein or therein not misleading.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF BUYER AND PARENT.

Buyer and Parent represent and warrant to Seller that the statements contained in this Article 4 are correct and complete as of the Closing Date.

Section 4.01 Organization of Buyer and Parent Buyer is a Nevada corporation duly incorporated, validly existing, and in good standing under the laws of the jurisdiction of its incorporation. Parent is a Nevada corporation duly incorporated, validly existing, and in good standing under the laws of the jurisdiction of its incorporation.

Section 4.02 Authorization of Transaction Buyer and Parent have full power and authority to execute and deliver this Agreement and to perform its obligations hereunder and thereunder. The execution and delivery of this Agreement has been duly authorized by all necessary action by Buyer and Parent. This Agreement has been duly executed and delivered by Buyer and Parent. This Agreement constitutes the valid and legally binding obligation of Buyer and Parent, enforceable in accordance with its terms and conditions, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or law).

Section 4.03 Noncontravention. Neither the execution and the delivery of this Agreement (including the documents referred to in Section 2.07 above), nor the consummation of the transactions contemplated hereby and thereby, will (i) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which Buyer or Parent is subject or any provision of the organizational documents of Buyer or Parent or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under, any agreement, contract, lease, license, instrument, or other arrangement to which Buyer or Parent is a party or by which it is bound or to

which any of its assets is subject. Neither Buyer nor Parent needs to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order to enter into or perform its obligations under this Agreement.

Section 4.04 Brokers' Fees. Buyer and Parent have no liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement for which Seller could become liable or obligated.

Section 4.05 No Other Representations and Warranties. Except as set forth in this Agreement, Buyer makes no other representation or warranty, express or implied, with respect to any of the transactions contemplated by this Agreement, with respect to Buyer, or with respect to any other matter whatsoever.

ARTICLE 5

PRE-CLOSING COVENANTS

Section 5.01 Conduct of the Business. Except as expressly agreed to in writing by Buyer, during the period from the date of this Agreement to the earlier of (i) the Closing Date and (ii) the termination of this Agreement pursuant to Section 10.04, Seller shall operate the Business in the Ordinary Course of Business and use its commercially reasonable efforts to preserve intact with respect to the Business, its current business organizations, keep available the services of its current officers, suppliers, licensors, licensees, advertisers, distributors and others having business dealings with it, maintain its relationships with its customers and preserve goodwill. Without limiting the generality of the foregoing, Seller shall not, without the prior written consent of Buyer, which shall not be unreasonably withheld:

- (a) except in the Ordinary Course of Business, sell, lease, license or otherwise dispose of any assets, securities or property of the Business;
- (b) except in the Ordinary Course of Business, make any capital expenditures over \$2,500;
- (c) make payments towards any of the Excluded Liabilities, including, without limitation, payments towards the SAP lease;
- (d) accelerate any payment terms or grant any early payment discounts to customers;
- (e) alter through merger, liquidation, reorganization, restructuring or in any other fashion the corporate structure or ownership of the Business;
- (f) settle or compromise any litigation (whether or not commenced prior to the date of this Agreement) relating to the Business;
- (g) transfer or grant any Security Interest on any Acquired Asset;

- (h) make any change with respect to management of inventory for the Business;
- (i) take any action that would make any representation and warranty of Seller hereunder inaccurate in any material respect at, or as of any time prior to, the Closing Date or (ii) omit to take any action necessary to prevent any such representation or warranty from being materially inaccurate in any respect at any such time;
- (j) cancel, modify or waive any of the Assumed Contracts or Leases or any of the terms thereof;
- (k) except as otherwise provided by GAAP, to refrain from making or causing to be made any change in the accounting methods, principles or practices of Seller with respect to the Business;
- (l) enter into any agreement or transaction with respect to the Business, other than in the Ordinary Course of Business consistent with Seller's past practices or pursuant to presently existing plans or agreements disclosed herein or in a schedule hereto;
- (m) cancel any debt or waive or compromise any claim or right with respect to the Acquired Assets;
- (n) maintain and keep in full force and effect all insurance policies, as well as all other insurance currently maintained by Seller, with respect to the Business or comparable replacement policies;
- (o) incur any indebtedness, guaranties of indebtedness or any other contingent obligations;
- (p) issue any equity, options, warrants or other rights to acquire equity interests in the Seller; or
- (q) authorize, or commit or agree to take, any of the foregoing actions.

Section 5.02 Access to Information. From the date of this Agreement until the earlier to occur of Closing Date or the termination of this Agreement pursuant to Section 10.04, Seller agrees to give, and to cause the Business and each of its officers, directors, employees, counsel, advisors and representatives (collectively, the "Seller Representatives") to give, Buyer and its officers, employees, counsel, advisors and representatives (collectively, the "Buyer Representatives") reasonable access, upon reasonable notice and during normal business hours, to the offices and other facilities and to the books and records of the Business and shall cause the Seller Representatives to furnish Buyer and the Buyer Representatives with such financial and operating data and such other information with respect to the Business as Buyer may from time to time reasonably request.

Section 5.03 Notification. Between the date of this Agreement and the earlier to occur of Closing Date or the termination of this Agreement pursuant to Section 10.04, Seller shall promptly notify Buyer in writing if it becomes aware of (a) any fact or condition that causes or

constitutes a breach of any of Seller's representations and warranties made as of the date of this Agreement, (b) the occurrence after the date of this Agreement of any fact or condition that would or be reasonably likely to (except as expressly contemplated by this Agreement) cause or constitute a breach of any such representation or warranty had that representation or warranty been made as of the time of the occurrence of, or Seller's discovery of, such fact or condition, (c) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement, (d) any notice or other communication from any Governmental Entity in connection with the transaction contemplated by this Agreement, (e) any Proceeding commenced or, to its knowledge threatened, relating to or involving or otherwise affecting Seller, the Business or any of the Acquired Assets that, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to this Agreement or that otherwise relate to the consummation of the transactions contemplated hereby, (f) any Material Adverse Effect on Seller, the Business or the Acquired Assets, (g) receipt of any notice of any dispute or threatened dispute among any of Seller, vendor, lender, participant, licensor, lessee and customer under any Assumed Contract, Client Agreement or Lease, and (h) receipt of any notice of any change of control or other material change in the organizational structure with respect to any customer or vendor under any Assumed Contract, Client Agreement or Lease. During the same period, Seller also shall promptly notify Buyer of the occurrence of any breach of any covenant in this Article 5 of the occurrence of any event that may make the satisfaction of the conditions in Article 7 impossible or unlikely.

Section 5.04 No Negotiation. Until the earlier to occur of the Closing or the termination of this Agreement pursuant to Section 10.04, Seller shall not directly or indirectly solicit, initiate, encourage or entertain any inquiries or proposals from, discuss or negotiate with, provide any nonpublic information to or any Person (other than Buyer or Buyer Representatives) involving any business combination transaction involving Seller, the merger or consolidation of Seller or the sale of the Business or any of the Acquired Assets. Seller shall notify Buyer or any such inquiry or proposal within twenty-four (24) hours of receipt of awareness of the same by Seller.

Section 5.05 Best Efforts. Each Party shall use its best efforts to cause the conditions of the other Parties' obligation to consummate the Closing under Article 7 to be satisfied.

Section 5.06 Transition. Immediately after the date hereof, Buyer, Seller and the Shareholder will develop a joint client communication program, under which (among other things) the Seller and Shareholder will make introductions to customers of the Business and assist in responding to any questions raised, and will encourage customers of the Business to move and maintain their business to Buyer and to consent as necessary to the transfer to Buyer of the Assumed Contracts, Vendor Lists and Client Lists, as applicable. Neither Seller nor the Shareholder will take any action that is designed or intended to have the effect of discouraging any lessor, licensor, customer, supplier, or other business associate of Seller from maintaining the same business relationships with Buyer after the Closing as it maintained with Seller prior to the Closing. Each of Seller and the Shareholder will refer all customer inquiries relating to the Business to Buyer after the Closing.

Section 5.07 Required Consents Until the earlier to occur of the Closing or the termination of this Agreement pursuant to Section 10.04, Seller shall use its reasonable best efforts to obtain all Required Consents in connection with the transactions contemplated by this Agreement. Seller shall bear the reasonable out-of-pocket costs, expenses incurred or fees paid by Buyer or its Affiliates to third parties or Governmental Entities in order to obtain such Required Consents.

ARTICLE 6

POST-CLOSING COVENANTS

Section 6.01 General. In case at any time after the Closing any further action is necessary to carry out the purposes of this Agreement, each of the Parties will take such further action (including the execution and delivery of such further instruments and documents) as the other Party reasonably may request, at the sole cost and expense of the requesting Party (unless the requesting Party is entitled to indemnification therefore under Article 8 below).

Section 6.02 Litigation Support In the event and for so long as any Party actively is contesting or defending against any Proceeding in connection with (i) any transaction contemplated under this Agreement or (ii) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction on or prior to the Closing Date involving the Business, the other Party will cooperate with the contesting or defending Party and its counsel in the contest or defense, make available its personnel, and provide such testimony and access to its books and records as shall be necessary in connection with the contest or defense, all at the sole cost and expense of the contesting or defending Party (unless the contesting or defending Party is entitled to indemnification therefore under Article 8 below).

Section 6.03 Proprietary Information. From and after the Closing, neither Seller nor the Shareholder shall, either directly or indirectly (including through an Affiliate), disclose to any third party or make use of (except as required by law or to pursue their rights, under this Agreement), any information or documents of a confidential nature concerning Seller, the Shareholder, the Business, the Acquired Assets or the Buyer or its business, except to the extent that such information or documents shall have become public knowledge other than through improper disclosure by Seller or the Shareholder or any of their Affiliates.

Section 6.04 Solicitation and Hiring For a period of two years after the Closing Date, neither Seller nor the Shareholder shall, either directly or indirectly (including through an Affiliate), (a) solicit or attempt to induce any Employee of Buyer to terminate his employment with Buyer or any Affiliate of Buyer or (b) hire or attempt to hire any Employee of Buyer.

Section 6.05 Non-Competition.

(a) Subject to, and in accordance with, the Employment Agreement, the Shareholder agrees that he will not, beginning on the Closing Date and ending on the third anniversary of the Closing, either directly or indirectly as principal, a shareholder, investor, partner, consultant or otherwise, (i) perform services in connection with the retail sale of hydroponic supplies and equipment or nutrient solutions or engage anywhere in the world in any

business that competes directly with the Seller's or Buyer's business (a "Competitor") or (ii) interfere with, disrupt or attempt to disrupt the relationship, contractual or otherwise, between Buyer and any customer (prospective or otherwise), supplier, lessee or employee of Buyer in the Business. Notwithstanding the foregoing, this Section 6.05 shall not preclude Seller or the Shareholder from owning any investment which does not exceed one percent (1%) of the equity of a publicly traded company.

(b) The Shareholder agrees that the duration and geographic scope of the non-competition provisions set forth in this Section 6.05 are reasonable. The Shareholder acknowledges that the covenants provided in this Section 6.05 represent a material and substantial part of this Agreement. The Shareholder further acknowledges that the remedies at law for breach of the provisions of this Section may be inadequate and that Buyer may suffer irreparable harm from such a breach. Therefore, in the event of any breach or threatened breach of the provisions of this Section, Buyer shall be entitled to seek appropriate injunctive relief without the requirement of posting a bond. The foregoing right shall be in addition to any of the remedies Buyer may have at law or in equity. In the event that any court determines that the duration or the geographic scope, or both, are unreasonable and that such provision is to that extent unenforceable, the Parties agree that the provision shall remain in full force and effect for the greatest time period and in the greatest area that would not render it unenforceable.

Section 6.06 Apportionment. If Seller, or the Shareholder, or any of their Affiliates receive any amounts in payment of obligations owed to Buyer, including, but not limited to, payments owed to Buyer in respect of the Acquired Assets, then the receiving party shall promptly deliver or pay them over to Buyer. If Buyer or any of its Affiliates receives any amounts in payment of obligations owed to Seller or the Shareholder or any of their respective Affiliates then Buyer shall promptly deliver or pay them over to Seller.

Section 6.07 Alternate Forms of Asset Transfer.

Buyer shall undertake performance of any obligation contained in the Acquired Assets, in Seller's stead, and, if any such obligation cannot be assigned without the consent of a third party which shall not have been obtained, Buyer's undertaking shall constitute a sub-contract of Seller's obligation or other kind of arrangement between Buyer and Seller, if any, pursuant to which Buyer can undertake such performance (and receive the benefit thereof) without such third party's consent; or if no such arrangement shall exist, Buyer shall nonetheless perform such obligation, unless the third party shall expressly reject Buyer's performance, in which case, Buyer shall be released of the undertaking with respect to such obligation, and Seller shall be liable for any damages that the third party shall establish that it suffered and indemnify Buyer and hold Buyer harmless with respect thereto.

Section 6.08 Employment Agreement. Shareholder shall enter into an Employment Agreement with the Parent for a period of five (5) years commencing on the day of the Closing whereby the Buyer shall pay the Shareholder cash in the amount of One Hundred Four Thousand Dollars (\$104,000.00) per year.

(a) All transfer, documentary, sales, use, stamp, registration and other such Taxes and fees (including any penalties and interest) incurred in connection with the sale of the Acquired Assets (including any real property transfer Tax and any similar Tax) shall be borne and paid by Seller, when due, and the Seller will, at its own expense, file all necessary Tax Returns and other documentation with respect to all such Taxes, fees and charges.

(b) The Seller shall take all actions required to comply with all bulk sales laws which may be applicable to the transactions contemplated herein, including, without limitation, the timely filing of any required Tax Returns.

(c) For the avoidance of doubt, the Seller shall be responsible for the filing of all Tax Returns and the payment of all Taxes (whether or not shown on such returns) with respect to Seller, the Acquired Assets and the Business for all periods up to and including the Closing Date and all such Taxes shall be Excluded Liabilities.

ARTICLE 7

CONDITIONS TO OBLIGATION TO CLOSE

Section 7.01 Conditions to Obligation of Buyer. The obligation of Buyer to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

(a) (i) the representations and warranties set forth in Article 3 above, shall be true and correct in all material respects, and (ii) all agreements and covenants contained in this Agreement shall have been performed or complied with by Seller, in each case, at and as of the Closing Date;

(b) Seller shall have delivered to Buyer a certificate to the effect that each of the conditions specified above in Section 7.01(a) is satisfied in all respects;

(c) Seller shall have delivered to Buyer the bill of sale required under Section 2.07, together with any other instrument of transfer necessary to convey to Buyer all of the Acquired Assets, which instruments shall be reasonably satisfactory in form and substance to Buyer;

(d) there shall not be any injunction, judgment, order, decree, ruling, or charge in effect preventing consummation of any of the transactions contemplated by this Agreement;

(e) Buyer shall have received copies of the resolutions of Seller's board of directors and the Shareholder, certified by the Secretary or Assistant Secretary of Seller as of the Closing Date, authorizing (i) the consummation of the transactions contemplated by this Agreement, and (ii) the execution and delivery of this Agreement and all other documents contemplated or required hereunder and thereunder;

(f) Buyer shall have received good standing certificates of Seller from the Secretary of State of the State of its jurisdiction of organization and any other jurisdiction in which Seller does business or is authorized to do business.

(g) Seller shall have received all Required Consents set forth in Section 7.01 of the Disclosure Schedule;

(h) Buyer shall have received an executed employment contract or offer letter from the Shareholder, which contract and offer letter shall be reasonably satisfactory in form and substance to Buyer;

(i) Buyer shall have received evidence that all franchise and other taxes and fees have been paid in full to the State of California and any other jurisdiction in which the Seller does business or is authorized to do business, all on terms satisfactory to Buyer;

(j) Buyer shall have received duly executed UCC-3 termination statements and such other release and termination instruments (or copies thereof) as the Buyer shall reasonably request in order to vest all right, title and interest in and to the Acquired Assets free and clear of all Security Interests;

(k) There shall have been no Material Adverse Effect on Seller, the Business or the Acquired Assets;

(l) The Seller shall have timely filed any and all required Tax Returns and other documents necessary to comply with all bulk sales laws which may be applicable to the transactions contemplated herein; and

(m) Buyer may waive any condition specified in this Section 7.01 if it executes a writing so stating at or prior to the Closing.

Section 7.02 Conditions to Obligation of Seller The obligation of Seller to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

(a) (i) the representations and warranties set forth in Article 4 above shall be true and correct in all material respects and (ii) all agreements and covenants contained in this Agreement shall have been performed or complied with by Buyer, in each case, at and as of the Closing Date;

(b) Buyer shall have delivered to Seller a certificate to the effect that each of the conditions specified above in Section 7.02(a) is satisfied in all respects;

(c) Buyer shall have delivered to Seller the items required under Section 2.07, together with any other instruments necessary to acquire right, title and interest in and to the Acquired Assets and assume the Assumed Liabilities, which instruments shall be reasonably satisfactory in form and substance to Seller;

(d) Buyer shall have procured insurance coverage from a reputable insurance provider equal in both scope of coverage and amount of coverage as Seller had in effect immediately prior to the Closing Date, including without limitation, any insurance relating to the Acquired Assets and the Business, comprehensive general liability, property, casualty, business interruption, automobile and worker's compensation arrangements, all on terms satisfactory to Buyer; and

there shall not be any injunction, judgment, order, decree, ruling, or charge in effect preventing consummation of any of the transactions contemplated by this Agreement.

Seller may waive any condition specified in this Section 7.02 if it executes a writing so stating at or prior to the Closing.

ARTICLE 8

REMEDIES FOR BREACHES OF THIS AGREEMENT.

Section 8.01 Survival. All of the representations, warranties and covenants contained in this Agreement, and the Exhibits and Disclosure Schedule attached hereto shall survive the Closing and remain in full force and effect for three (3) years commencing on the Closing Date.

Section 8.02 Indemnification.

(a) Seller agrees to indemnify, defend and hold harmless Buyer, its Affiliates and, if applicable, their respective directors, managers, officers, shareholders, members, partners, employees, attorneys, accountants, agents and representatives and their heirs, successors and assigns from and against any and all Adverse Consequences based upon, arising out of or otherwise in respect of (i) any inaccuracy in or any breach of any representation, warranty or covenant of Seller or Shareholder contained in this Agreement, (ii) any Adverse Consequences Buyer shall suffer under Section 6.07 hereof and (iii) any Adverse Consequences Buyer shall suffer from, or any Third Party Claim, arising out of or in connection with, the Business, the Acquired Assets or the Assumed Liabilities prior to the Closing Date, including, without limitation, related to Taxes or Tax Returns of Seller. The indemnification by Seller shall not be applicable to any Third Party Claim that is based upon or arise out of or are otherwise in respect of defect, warranty or construction claims, including any attorneys' fees and costs related thereto, which shall be sole responsibility of the Seller.

(b) Buyer agrees to indemnify, defend and hold harmless Seller, its Affiliates and, if applicable, their respective directors, managers, officers, shareholders, members, partners, employees, attorneys, accountants, agents and representatives and their heirs, successors and assigns from and against any and all Adverse Consequences based upon, arising out of or otherwise in respect of (i) any inaccuracy in or any breach of any representation, warranty or covenant of Buyer or Parent contained in this Agreement, and (ii) any Adverse Consequences Seller shall suffer from, or any Third Party Claim, arising out of or in connection with, the Business, the Acquired Assets or the Assumed Liabilities after the Closing Date.

(c) The obligations to indemnify and hold harmless pursuant to paragraphs (a) and (b) of this Section 8.02 shall survive the consummation of the transactions contemplated hereby for the period set forth in Section 8.01, except for claims for indemnification asserted prior to the end of such period, which claims shall survive until final resolution thereof.

(d) Each of Buyer and Seller agree that any legal fees and expenses that result from a meritorious claim made under this Article 8 that is not a Third Party Claim shall be paid by the Indemnifying Party.

Section 8.03 Matters Involving Third Parties.

(a) If any Party entitled to be indemnified pursuant to Section 8.02 (an "Indemnified Party") receives notice of the assertion of any claim in respect of Adverse Consequences (a "Third Party Claim"), such Indemnified Party shall give the party who may become obligated to provide indemnification hereunder (the "Indemnifying Party") written notice describing such claim or fact in reasonable detail (the "Notice of Claim") promptly (and in any event within ten (10) Business Days after receiving any written notice from a third party). The failure by the Indemnified Party to timely provide a Notice of Claim to the Indemnifying Party shall not relieve the Indemnifying Party of any liability, except to the extent that the Indemnifying Party is prejudiced by the Indemnified Party's failure to provide timely notice hereunder.

(b) In the event any Indemnifying Party notifies the Indemnified Party within ten (10) Business Days after the Indemnified Party has provided a Notice of Claim that the Indemnifying Party is assuming the defense thereof: (i) the Indemnifying Party will defend the Indemnified Party against the matter with counsel of its choice, subject to the consent of the Indemnified Party; (ii) the Indemnified Party may retain separate co-counsel at its sole cost and expense (except that the Indemnifying Party will be responsible for the fees and expenses of the separate co-counsel to the extent the Indemnified Party reasonably concludes that the counsel the Indemnifying Party has selected has a conflict of interest); (iii) the Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to the matter without the written consent of the Indemnifying Party; and (iv) the Indemnifying Party will not consent to the entry of any judgment with respect to the matter, or enter into any settlement which does not include a provision whereby the plaintiff or claimant in the matter releases the Indemnified Party from all liability with respect thereto.

(c) In the event the Indemnifying Party does not notify the Indemnified Party within ten (10) Business Days after the Indemnified Party provides the Indemnifying Party with a Notice of Claim that the Indemnifying Party is assuming the defense thereof, then the Indemnified Party shall have the right, subject to the provisions of this Article, to undertake the defense, compromise or settlement of such claim for the account of the Indemnifying Party. Unless and until the Indemnifying Party assumes the defense of any claim, the Indemnifying Party shall advance to the Indemnified Party any of its reasonable attorneys' fees and other costs and expenses incurred in connection with the defense of any such action or proceeding. Each Indemnified Party shall agree in writing prior to any such advance that, in the event it receives any such advance, such Indemnified Party shall reimburse the Indemnifying Party for such fees, costs and expenses to the extent that it shall be determined that it was not entitled to indemnification under this Article 8.

(d) In the event that the Indemnifying Party undertakes the defense of any claim, the Indemnifying Party will keep the Indemnified Party advised as to all material developments in connection with such claim, including, but not limited to, promptly furnishing the Indemnified Party with copies of all material documents filed or served in connection therewith.

ARTICLE 9

EMPLOYEES OF THE BUSINESS

Section 9.01 Communications with Employees. Seller and Buyer agree to cooperate regarding announcing Buyer's proposed acquisition of the Business to the Employees. Thereafter, Buyer shall be permitted to meet with the Employees at times mutually convenient to Buyer and Seller to discuss employment with Buyer.

Section 9.02 No Obligations to Employees Except as provided in this Agreement, Seller shall be solely responsible for all obligations it may have with respect to all Employees of Seller, and Buyer shall not assume Seller's obligations with respect to Seller's Employees. Subject to any express requirements in this Article 9, Buyer reserves the right following the Closing to establish any employment policies, practices, procedures, benefits, wages, or other remuneration or to change the same, at its sole discretion.

Section 9.03 Transferred Employees.

(a) Section 9.03 of the Disclosure Schedule sets forth a complete list of the Employees that Buyer has requested transfer to the employment of Buyer (the "Transferred Employees"). All Transferred Employees shall become full time employees of Buyer at 12:01 a.m. on the day immediately following the Closing Date upon completion of Buyer's on-boarding process, unless specified otherwise in Section 9.03 of the Disclosure Schedule. Those Business Employees who are not listed in Section 9.03 of the Disclosure Schedule shall not be considered Transferred Employees for any purpose under this Agreement.

(b) Each Transferred Employee may be fingerprinted and/or drug tested by Buyer in accordance with Buyer's employment practices and procedures. Each Transferred Employee shall be employed in a position with similar compensation, duties and responsibilities to those in effect with such Employee's position with the Seller prior to the Closing Date and with the comparable hours of work to other similarly situated employees of the Buyer. Additionally, the annual base salary terms of such offers shall comply with Section 9.04.

(c) Buyer shall have sole responsibility for any activity in connection with advising Employees to whom it offers employment of the details of such employment and answering any questions relating thereto and any subsequent communications relating to the interviewing and hiring by Buyer of the Employees.

(d) As of the Closing Date, the Transferred Employees shall cease active participation in each benefit plan of the Seller, and no additional benefits shall be accrued thereunder for such employees. Seller shall cause any retirement plan assets to be transferred to Buyer.

Section 9.04 Compensation and Term of Employment. Following the Closing Date, Buyer shall pay each of the Transferred Employees an annual base salary or hourly rate no less than the annual base salary or hourly rate paid by Seller as of the Closing Date; provided, that this provision shall in no event be deemed to limit the obligation of Buyer to provide total compensation to any Transferred Employee as required by Section 9.03(b). Buyer shall not be responsible for the payment of any discretionary performance bonus to Transferred Employees which relates to the Transferred Employees' job performance for Seller prior to the Closing Date. Such performance bonus, if any, shall be paid by Seller.

Section 9.05 Severance. Buyer shall pay severance benefits to any Transferred Employee whose employment involuntarily terminates (as defined in Buyer's severance plan) after the Closing Date; provided that eligibility for such severance benefits as well as the amount of such benefits, if any, shall be determined in accordance with Buyer's severance plan then in effect. Notwithstanding anything to the contrary contained herein, any Transferred Employee who fails any drug test administered by Buyer or fails to satisfy Buyer's background check (including any fingerprint requirement) and is terminated shall not be entitled to any severance benefits in accordance with Buyer's policies and procedures then in effect.

Section 9.06 Commission Payments Owed By Seller. Buyer shall not be responsible for any outstanding commission payments due to Employees for the period prior to the Closing Date and/or other sales made by the Employees on or prior to the Closing Date. Seller and the Shareholder represent and agree that the payment of such commissions is an obligation of Seller. Each of Seller and the Shareholder further represent that it shall, on the Closing Date, pay Employees any and all outstanding commission amounts due.

ARTICLE 10 MISCELLANEOUS.

Section 10.01 Press Releases and Public Announcements. Commencing on the Closing Date, Parent may issue any press release or make any public announcement relating to the subject matter of this Agreement. Seller and the Shareholder are precluded at all times from issuing any press release or making any public announcement relating to the subject matter of this Agreement without the prior written approval of the Parent.

Section 10.02 No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any Person other than the Parties, the Indemnified Parties and their respective successors and permitted assigns.

Section 10.03 Entire Agreement. This Agreement (including the documents referred to herein) constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they related in any way to the subject matter hereof.

Section 10.04 Termination and Abandonment of this Agreement. This Agreement may be terminated or abandoned at any time prior to the Closing.

- (a) by mutual written consent of Buyer and Seller; or

(b) by Buyer or Seller if the closing shall not have occurred on or before ninety (90) days from the date of this Agreement, unless such term has been extended by the mutual written consent of Buyer and Seller, provided, however, that if any party has breached or defaulted with respect to its obligations under this Agreement on or before such date, such party may not terminate this Agreement pursuant to this Section 10.04(b), and the other party to this Agreement may at its option enforce its rights against such breaching or defaulting party and seek any remedies against such party, in either case as provided hereunder;

(c) by Buyer in the event that Seller has breached any representation, warranty, covenant or agreement contained in this Agreement, Buyer has notified Seller of the breach, and the breach has continued without cure for a period of five days after notice of breach.

In the event of termination of this Agreement by either or both of the parties pursuant to this Section 10.04, written notices thereof shall be given to the other party specifying the provision hereof pursuant to which such termination is made, and this Agreement shall become void and of no further force and effect.

Section 10.05 Succession and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other Party; *provided, however*, that Buyer may (i) assign any or all of its rights and interests hereunder to one or more of its Affiliates and (ii) designate one or more of its Affiliates to perform its obligations hereunder (in any or all of which cases Buyer nonetheless shall remain responsible for the performance of all of its obligations hereunder).

Section 10.06 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

Section 10.07 Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 10.08 Notices. Any notice or other communications hereunder must be in writing and shall be deemed to have been duly given and received on the day on which it is served by personal delivery upon the party for whom it is intended, on the third Business Day after it is mailed by registered or certified mail, return receipt requested, on the Business Day after it is delivered to a national courier service addressed to the party for whom it is intended, or on the Business Day on which it is sent by telecopier; provided, that the telecopy is promptly confirmed by telephone confirmation thereof, to the person at the address set forth below, or such other address as may be designated in writing hereafter, in the same manner, by such person:

To Buyer:

Solar Acquisitions I, Inc.
12411 Poway Road
Poway, CA 92064

To Parent:

Solar Integrated Roofing Corp.

12411 Poway Road

Poway, CA 92064

To Seller:

Montross Companies Inc.

22391 Gilberto, Unit C

Rancho Santa Margarita, California 92688

To the Shareholder:

David Montross

22391 Gilberto, Unit C

Rancho Santa Margarita, California 92688

Section 10.09 Governing Law.

(a) This Agreement shall be governed by and construed in accordance with the domestic laws of the State of California without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of California.

(b) Any judicial proceeding brought with respect to this Agreement must be brought in a court of competent jurisdiction in the State of California located in the County of Orange, and, each Party: (i) accepts unconditionally, the exclusive jurisdiction of such courts and any related appellate court, and agrees to be bound by any final, non-appealable judgment rendered thereby in connection with this Agreement; and (ii) irrevocably waives any objection it may now or hereafter have as to the venue of any such suit, action or proceeding brought in such a court or that such court is an inconvenient forum; provided, however, that such consent to jurisdiction is solely for the purpose referred to in this Section and shall not be deemed to be a general submission to the jurisdiction of said Courts or the State of California other than for such purpose.

Section 10.10 Amendments and Waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by Buyer and Seller. No waiver by any Party of any provision of this Agreement or any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be valid unless the same shall be in writing and signed by the Party making such waiver nor shall such waiver be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

Section 10.11 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or

enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

Section 10.12 Expenses. Each of Seller, the Shareholder and Buyer will bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

Section 10.13 Construction. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word "including" shall mean including without limitation. The words "hereof", "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Personal pronouns, when used in this Agreement, whether in the masculine, feminine or neuter gender, shall include all other genders, and the singular, shall include the plural, and vice versa.

Section 10.14 Incorporation of Exhibits and Schedules The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

Section 10.15 No Breach of Fiduciary Duty Required Nothing in this Agreement shall require, or be construed to require, Seller or the Shareholder to take any action or omit to take any action that would be a breach of its fiduciary duties under any agreement to which it is a party or under Applicable Law or which would otherwise be contrary to applicable law. Without limiting the generality of the foregoing, nothing herein shall require Seller or the Shareholder to exercise its discretion to provide any consent or other authorization on behalf of any other Person for which it acts in a fiduciary capacity if such consent or authorization is within its discretion in such fiduciary capacity. The Parties shall cooperate in good faith to avoid any such breach of fiduciary duties or applicable laws while preserving the overall economic terms of this Agreement and the benefits intended to be provided to the respective Parties hereunder.

[-Signature Page to Asset Purchase Agreement Follows-]

AMENDMENT NO. 1
to
STOCK PURCHASE AGREEMENT
(FORMERLY, ASSET PURCHASE AGREEMENT)

Amendment No. 1 to the Stock Purchase Agreement, dated as of March 01, 2020 (the "**Amendment**"), by and among DAVID MONTROSS ~~Seller~~ (**Seller**) and SOLAR INTEGRATED ROOFING CORP., a Nevada corporation (**Buyer**). Buyer and Seller are sometimes each referred to separately as a "Party" and collectively herein as the "Parties."

WHEREAS, the Parties entered into that certain Asset Purchase Agreement dated March 20, 2019, as amended on July 29, 2019; and

WHEREAS, the Original Agreement erroneously provided for Solar Acquisitions I, Inc. ("**Acquisition Sub**") to acquire the Assets as a wholly owned subsidiary of SIRC; and

WHEREAS, the Parties desire to amend, correct and ratify the Original Agreement to reflect that the purchaser of the Assets is SIRC and not Acquisition Sub; and

WHEREAS, the Parties hereto desire to amend the Original Agreement to be a Stock Purchase Agreement ("**SPA**"); and

WHEREAS, Seller owned all the issued and outstanding shares of common stock (the "Shares") of Montross Companies, Inc., a California corporation (the "**Company**"); and

WHEREAS, Seller sold to Buyer, and Buyer purchased from Seller, the Shares, subject to the terms and conditions set forth in the Existing Agreement and this Amendment; and

WHEREAS, pursuant to Section 10.10 of the Existing Agreement, the amendment contemplated by the Parties must be contained in a written agreement signed by both parties.

NOW, THEREFORE in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Definitions. Capitalized terms used and not defined in this Amendment have the respective meanings assigned to them in the Existing Agreement.
 2. Amendments to the Existing Agreement As of the Effective Date (defined below), the Existing Agreement is hereby amended or modified as follows:
 - (a) Generally, any and all references to 'Assets', 'Acquired Assets', 'Asset Purchase', etc. shall be construed and interpreted to be a reference to the Seller's sale of and Buyer's purchase of the Shares.
 - (b) Section 2.01 is hereby amended to read as follows:
-

Purchase and Sale of Shares On and subject to the terms and conditions of this Agreement, Buyer agrees to purchase from Seller, and Seller agrees to sell, transfer, convey and deliver to Buyer, all Shares at the Closing in consideration of the payment of the Purchase Price.

(c) Section 2.02 is hereby amended to read as follows:

Assumption of Liabilities. In conjunction with Buyer's purchase of the Shares, Buyer and Seller hereby agree that Buyer shall assume any and all Company liabilities. Notwithstanding anything herein to the contrary, Buyer shall not assume or have responsibility for any of the Excluded Liabilities.

(d) Section 2.03 is hereby amended by to read as follows:

Purchase Price. The "Purchase Price" shall mean consideration paid by the Buyer to David Montross or his assigns ("Shareholder"), as follows: (i) Six Million Two Hundred Fifty Thousand (6,250,000) shares of the Parent's common stock; and (ii) Two-Hundred Fifty Thousand Dollars (\$250,000.00) cash payable as agreed by the Parties.

(e) Closing Date, as defined in Section 2.06, is hereby modified to be March 01, 2020.

3. Date of Effectiveness; Limited Effect. This Amendment will be deemed effective as of date first appearing above ("Effective Date"). Except as expressly provided in this Amendment, all of the terms and provisions of the Existing Agreement are and will remain in full force and effect and are hereby ratified and confirmed by the Parties. Without limiting the generality of the foregoing, the amendments contained herein will not be construed as an amendment to or waiver of any other provision of the Existing Agreement or as a waiver of or consent to any further or future action on the part of either Party that would require the waiver or consent of the other Party. On and after the Effective Date, each reference in the Existing Agreement to "this Agreement," "the Agreement," "hereunder," "hereof," "herein," or words of like import, and each reference to the Existing Agreement in any other agreements, documents, or instruments executed and delivered pursuant to, or in connection with, the Existing Agreement, will mean and be a reference to the Existing Agreement as amended by this Amendment.

4. Representations and Warranties. Each Party hereby represents and warrants to the other Party that:

- (a) It has the full right, power, and authority to enter into this Amendment and to perform its obligations hereunder and under the Existing Agreement as amended by this Amendment.
- (b) The execution of this Amendment by the individual whose signature is set forth at the end of this Amendment on behalf of such Party, and the delivery of this Amendment by such Party, have been duly authorized by all

necessary action on the part of such Party.

- (c) This Amendment has been executed and delivered by such Party and (assuming due authorization, execution, and delivery by the other Party hereto) constitutes the legal, valid, and binding obligation of such Party, enforceable against such Party in accordance with its terms.

EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 3 OF THE EXISTING AGREEMENT AND IN THIS [SECTION 4](#) OF THIS AMENDMENT, (A) NEITHER PARTY HERETO NOR ANY PERSON ON SUCH PARTY'S BEHALF HAS MADE OR MAKES ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WHATSOEVER, EITHER ORAL OR WRITTEN, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED, AND (B) EACH PARTY HERETO ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY THE OTHER PARTY, OR ANY OTHER PERSON ON SUCH OTHER PARTY'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN THIS [SECTION 4](#).

5. Miscellaneous.

- (a) This Amendment and all related documents, and all matters arising out of or relating to this Amendment, whether sounding in contract, tort, or statute are governed by, and construed in accordance with, the laws of the State of California.
- (b) This Amendment shall inure to the benefit of and be binding upon each of the Parties and each of their respective permitted successors and permitted assigns.
- (c) The headings in this Amendment are for reference only and do not affect the interpretation of this Amendment.
- (d) This Amendment may be executed in counterparts, each of which is deemed an original, but all of which constitute one and the same agreement. Delivery of an executed counterpart of this Amendment electronically or by facsimile shall be effective as delivery of an original executed counterpart of this Amendment.
- (e) This Amendment constitutes the sole and entire agreement between the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

(Remainder of page left blank; Signature page follows)

INTEREST PURCHASE AGREEMENT

This Interest Purchase Agreement (this "Agreement") is dated as of August 20, 2019 (the "Effective Date") by and between: (i) Heather Griffin ("Griffin"), an individual residing at 6162 Sierra Palos Road Irvine, CA 92603 and Josiah Carroll ("Carroll", and together with Griffin, the "Sellers"), an individual residing at 2012 North Stanley Place Signal Hill CA, 90755 (the "Sellers"); and (ii) Solar Integrated Roofing Corporation, a Nevada corporation ("Buyer"). Sellers and Buyer are sometimes referred to in this Agreement collectively as the "Parties" and each individually as a "Party."

Sellers wish to sell, assign and transfer to Buyer, and Buyer, for the consideration set forth below, wishes to purchase from Sellers, the Interests (as hereinafter defined) owned by the Sellers on the terms and conditions more particularly set forth below.

Now, therefore, in consideration of the premises and the mutual covenants and agreements contained herein, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

SECTION 1 DEFINITIONS AND USAGE

1.1 Definitions. For purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires, initially capitalized terms used in this Agreement have meanings set forth in this Agreement.

1.2 Legal Representation of the Parties. This Agreement was negotiated by the Parties with the benefit of legal representation, and any rule of construction or interpretation otherwise requiring this Agreement to be construed or interpreted against any Party will not apply to any construction or interpretation hereof.

SECTION 2 SALE AND PURCHASE OF INTERESTS AND OPTION

2.1 Sale of Membership Interests.

(a) Upon (i) the payment to Sellers by Buyer of One Hundred Fifty Thousand Dollars (\$150,000.00) (the "Initial Cash Payment") and (ii) issuance of Fifteen Million (15,000,000) restricted shares (the "Shares") of the Buyer's common stock at a price of Twenty Cents (\$0.20) per share to the Sellers by Buyer (the "Share Issuance"), the receipt of which is acknowledged by Seller's execution and delivery hereof, Sellers hereby sell, conveys, assigns, transfers and delivers to Buyer, and Buyer purchases and acquires from Sellers all of Sellers' right, title and interest in and to Sellers' interests (the "Interests") in Narrate LLC, a limited liability company organized under the laws of California ("Nanate"). Sellers hereby agree to deliver to Buyer, if any, all physical certificates, representing or evidencing the Interests, together with, if necessary, irrevocable and duly executed assignments in form and substance acceptable to Buyer.

(b) Thirty (30) days after the Effective Date, Buyer shall pay to Sellers (Two Hundred Thousand Dollars) \$200,000 cash (the "Final Cash Payment"), and together with the Initial Cash Payment and Share Issuance, the "Purchase Price").

(c) The Buyer shall repurchase from Sellers, at Sellers' option (such option being the "Put Right") on the twelve month anniversary of the Effective Date (the "Put Right Exercise Date") as follows:

(i) If Narrate generates Five Million Dollars (\$5,000,000.00) in revenue, as calculated by the Buyer's Chief Financial Officer (the "Buyer's Accountant"), at the Put Right Exercise Date, the Sellers shall have the right to sell to Buyer the Shares at a sale price of Ten Cents (\$0.10) per share;

(ii) If Narrate generates Seven Million Five Hundred Thousand Dollars (\$7,500,000.00) in revenue, as calculated by Buyer's Accountant, at the Put Right Exercise Date, the Sellers shall have the right to sell to Buyer the Shares at a sale price of Fifteen Cents (\$0.15) per share; and

(iii) If Narrate generates Ten Million Dollars (\$10,000,000.00) in revenue, as calculated by a GAAP approved Top 15 Accounting Firm, at the Put Right Exercise Date, the Sellers shall have the right to sell to Buyer the Shares at a sale price of Twenty Cents (\$0.20) per share.

The Put Right may be exercised by Sellers on the Put Right Exercise Date, upon its presentation and surrender to Buyer, at Buyer's then current principal office address with the Put Right Exercise Form attached hereto as Exhibit A duly executed. Upon the exercise of the Put Right, Sellers shall sell to Buyer, and Buyer shall purchase from Sellers, the Shares identified on the Put Right Exercise Form at the aggregate price of the number of Shares. The Company must deliver to the Sellers in cash all amounts owed pursuant to the Put Right Exercise Form by not later than ten (10) calendar days from the date of the Company's receipt of such Put Right Exercise Form. Sellers agrees with Buyer that the Put Right is granted and all the rights hereunder shall be held subject to, all of the conditions, limitations and provisions set forth herein.

(d) In accordance with the table attached hereto as Schedule 2.1(d), for every Ten Million Dollars (\$10,000,000.00) Narrate generates in revenue, the employees of Narrate shall each be entitled to earn a bonus equal to 10% of their base salary to be issued in shares of the Buyer's common stock (the "Bonus Shares"). Such Bonus Shares shall be issued on the last day of the Buyer's fiscal quarter immediately subsequent to Narrate generating Ten Million Dollars (\$10,000,000.00) in revenue as calculated by Buyer's Accountant. The issuance price of the Bonus Shares shall be calculated at the average of the closing price of the Buyer's common stock as quoted by OTC Markets for the five (5) trading days immediately preceding the date of issuance.

By way of example:

\$22,000,000 in revenue is generated by Narrate as of December 31, 2020. If "Employee A" earned a base salary for the twelve month period from January 2020-December 2020 of Seventy Two Thousand Dollars (\$72,000), Employee A shall be issued a number of Bonus Shares equal to 20% (10%*2) of Seventy Two Thousand Dollars (\$72,000).

SECTION 3
REPRESENTATIONS AND WARRANTIES

3.1 Sellers hereby represents, warrants and covenants to the Buyer, as of the date hereof and as of the Effective Date, that each of the following is true and accurate as of the date hereof, which representations, warranties and covenants shall survive the execution and delivery of this Agreement.

(i) Ownership. Sellers are sole and exclusive owner of the Interests and is conveying to Buyer all of its right, title and interest to the Interests, free and clear of all liens, mortgages, pledges, security interests, encumbrances or charges of any kind or description and upon consummation of the transaction contemplated herein good title in the Interests.

(ii) Due Incorporation; Good Standing As of the Effective Date, Narrate is duly organized, validly existing and in good standing in the State of California. Narrate has the corporate power and authority to enter into this Agreement and any other agreement to which it is a party in connection herewith, and to consummate the transactions contemplated herein and therein.

(iii) Capitalization. Narrate's authorized membership interests consist solely of 80% Heather Griffin, 20% Josiah Carroll.

(iv) Liabilities of Narrate. Narrate has no liabilities.

(v) No Broker. Neither Narrate, nor any of its managers, members, agents, representatives or employees, as applicable, has employed or engaged any broker or finder or incurred any liability for any brokerage fees, commissions or finders' fees in connection with the transactions contemplated by this Agreement.

(vi) No Consents, Approvals, Violations or Breaches. Neither the execution and delivery of this Agreement by the Sellers, nor the consummation by Sellers of the transactions contemplated hereby, will (i) require any consent, approval, authorization or permit of, or filing, registration or qualification with or prior notification to, any governmental or regulatory authority under any law of the United States, any state or any political subdivision thereof applicable to Sellers, (ii) violate any statute, law, ordinance, rule or regulation of the United States, any state or any political subdivision thereof, or any judgment, order, writ, decree or injunction applicable to Sellers or any of Sellers' properties or assets, the violation of which would have a material adverse effect upon Sellers, or (iii) violate, conflict with, or result in a breach of any provisions of, or constitute a default (or any event which, with or without due notice or lapse of time, or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which Sellers are a party or by which Sellers or any of Sellers' properties or assets may be bound which would have a material adverse effect upon Sellers.

(vii) Restrictions on Transfer. The Sellers understand that the Shares and Bonus Shares, if and when issued, have not been registered under the Securities Act of 1933 (the "Securities Act") or the securities laws of any state, (b) the Shares and Bonus Shares, if and when issued, are and will be "restricted securities" as said term is defined in Rule 144 of the Rules and Regulations promulgated under the Securities Act ("Rule 144"), (c) the Shares and Bonus Shares, if and when issued, may not be sold, pledged or otherwise transferred unless a registration statement for such transaction is effective under the Securities

Act and any applicable state securities laws, or unless an exemption from such registration provisions is available with respect to such transaction.

(viii) General Solicitation The Sellers are not entering into this Agreement as a result of any advertisement, article, notice or other communication regarding the Interests published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general solicitation or general advertisement.

(ix) No Conflicts: Advice. Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, does or will violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency, or court to which the Sellers are subject or any provision of its organizational documents or other similar governing instruments, or conflict with, violate or constitute a default under any agreement, credit facility, debt or other instrument or understanding to which the Sellers are a party. The Sellers have consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with the purchase of the Interests.

(x) No Litigation. There is no action, suit, proceeding, judgment, claim or investigation pending, or to the knowledge of the Sellers, threatened against the Sellers which could reasonably be expected in any manner to challenge or seek to prevent, enjoin, alter or materially delay any of the transactions contemplated hereby.

3.2 The Buyer hereby makes the following representations and warranties to Sellers as of the date hereof:

(i) Organization and Qualification. The Buyer is a n entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. The Company is not in violation nor default of any of the provisions of its respective certificate or articles of incorporation, bylaws or other organizational or charter documents. The Company is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing.

(ii) Authorization: Enforcement. The Buyer has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Agreement and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement by the Buyer and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Buyer and no further action is required by the Buyer, the Board of Directors or the Buyer's stockholders in connection herewith or therewith. This Agreement has been (or upon delivery will have been) duly executed by the Buyer and, when delivered in accordance with the terms hereof and thereof, will constitute the valid and binding obligation of the Buyer enforceable against the Buyer in accordance with its terms, except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the

availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(iii) No Conflicts. The execution, delivery and performance by the Buyer of this Agreement, the issuance and sale of the Shares and the consummation by it of the transactions contemplated hereby and thereby do not and will not (i) conflict with or violate any provision of the Buyer's certificate or articles of incorporation, bylaws or other organizational or charter documents, or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any lien upon any of the properties or assets of the Buyer, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing a Buyer debt or otherwise) or other understanding to which the Buyer is a party or by which any property or asset of the Buyer is bound or affected, or (iii) conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Buyer is subject (including federal and state securities laws and regulations), or by which any property or asset of the Buyer is bound or affected; except in the case of each of clauses (ii) and (iii).

SECTION 4 GENERAL PROVISIONS

4.1 Entire Agreement and Modification. This Agreement (including the other agreements and instruments to be executed and delivered by the Parties pursuant hereto) constitutes the entire and final agreement among the Parties with respect to the subject matter hereof, and supersedes and replaces all prior agreements, understandings, commitments, communications and representations made among the Parties, whether written or oral, with respect to the subject matter hereof. This Agreement may not be amended, supplemented, or otherwise modified except by a written agreement executed by the Parties.

4.2 Assignments; Successors; No Third Party Rights. Other than as expressly permitted herein, no party may assign any of its rights or delegate or cause to be assumed any of its obligations under this Agreement prior to Closing without the prior written consent of each other party. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the Parties. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the parties any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement except such rights as will inure to a successor or permitted assignee pursuant to this Section 4.2.

4.3 Severability. If any provision of this Agreement, or the application of any such provision to any party or circumstance is held to be unenforceable or invalid by any governmental body or arbitrator or under any law, ordinance or regulation, the Parties will negotiate an equitable adjustment to the provisions of this Agreement with the view to effecting, to the greatest extent possible, the original purpose and intent of this Agreement. In any event, the invalidity of any provision of this Agreement or portion of a provision will not affect the validity of any other provision of this Agreement or the remaining portion of the applicable provision.

4.4 Governing Law. This Agreement will be governed by and construed under the laws of the State of California without regard to conflicts-of-laws principles that would require the application of any other law.

4.5 Forum Selection. If any dispute between the Parties arising out of, or relating to this Agreement must be litigated in a court of law, then such Parties hereby stipulate and agree that in such instances such litigation shall be commenced and maintained in a court of competent jurisdiction in San Diego County, California and as a result thereof, such parties hereby waive any and all rights to commence and maintain any such litigation in any other state or federal court, as well as waive any and all rights to a trial by jury on any issue to enforce any term or condition of this Agreement. Such parties hereby further submit to and accept unconditionally, with respect to any such litigation, personal jurisdiction of such California or federal court.

4.6 Execution of Agreement. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission or electronic mail in PDF format will constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by facsimile or by electronic mail in PDF format will be deemed to be;- their original signatures for all purposes.

(See following pages for execution signatures)

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (the "Agreement") is dated as of January 9, 2019 by and between Robert Nickolas Jones, an individual residing at 533 W. 650 S., Layton UT 84041 (the "Purchaser") and David Massey, an individual residing at 6550 Ponto Drive, Carlsbad, CA 92011 (the "Seller"). The Purchaser and Seller, may hereinafter be referred to as the "Parties" and each, a "Party."

WHEREAS, Seller is the owner of 5,000 shares of Series A Preferred Stock of Solar Integrated Roofing Corporation, a Nevada corporation (the "Company"), constituting all of the issued and outstanding Preferred Stock of the Company;

WHEREAS, the Purchaser desires to purchase 2,500 shares of the Company's Series A Preferred Stock (the "Shares") from the Seller, and the Seller desires to sell, assign and transfer the Shares to the Purchaser in exchange for the Purchase Price (as defined in Section 1.1 herein), subject to the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the mutual promises, covenants and representations contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereof, the Parties hereby agree as follows:

ARTICLE I PURCHASE AND SALE

1.1 Purchase and Sale; Purchase Price.

(a) Subject to the terms and conditions set forth in this Agreement, Seller shall sell to Purchaser, and Purchaser shall purchase from Seller, the Shares in exchange a purchase price of Five Thousand Dollars (\$5,000.00) (the "Purchase Price").

(b) The Shares shall be sold, assigned and transferred to and purchased by Purchaser upon execution of this Agreement, as of the date first indicated above (the "Closing"), in consideration for the Purchase Price.

1.2 Closing.

(a) Upon Closing, Seller shall deliver to Purchaser the following:

- (i) fully executed documentation, including, without limitation, the Agreement, that completely effectuates the sale of the Shares; and
- (ii) certificate(s) for the Shares, if applicable; and
- (iii) Resolutions, the Certificate of Designation, and related agreements pursuant to which the Shares were issued to the Seller

(b) Upon Closing, Purchaser shall deliver to Seller the following:

- (i) fully executed documentation, including, without limitation, the Agreement, that completely effectuates the purchase of the Shares; and
- (ii) the payment of the Purchase Price.

ARTICLE II REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties of Seller. Seller hereby makes the following representations and warranties to Purchaser:

(a) Full Power and Authority. Seller has full power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Seller and constitutes the legal, valid and binding obligation of Seller, enforceable in accordance with its terms;

(b) No Violation or Conflict; Consent The execution, delivery and performance by Seller of this Agreement and consummation by Seller of the transactions contemplated hereby do not and will not: (i) violate any decree or judgment of any court or other governmental authority applicable to or binding on Seller or (ii) violate any contract to which Seller is bound, or conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which Seller is a party;

(c) Title. With respect to the sale of the Shares, (i) Seller is the sole record and beneficial owner of the Shares, free and clear of any taxes and liens, security interests, adverse claims or other encumbrances of any character whatsoever ("**Encumbrances**"), other than restrictions on resales of the Shares or other restrictions that may exist under applicable securities laws; (ii) the Shares, when delivered and paid for in accordance with the terms of this Agreement, will be validly issued, fully paid and nonassessable, free from all taxes and Encumbrances; (iii) the Shares to be delivered are not and will not be as of the Closing Date subject to any transfer restriction, other than the restriction that the Shares have not been registered under the Securities Act and, therefore, cannot be resold unless it is registered under the Securities Act or in a transaction exempt from or not subject to the registration requirements of the Securities Act ("**Permitted Transfer Restriction**"); (iv) upon the transfer of the Shares to Purchaser, Purchaser will acquire good and marketable title thereto, and will be the legal and beneficial owner of such the Shares, free and clear of any Encumbrances or transfer restrictions, other than the Permitted Transfer Restriction; (v) there are no outstanding rights, options, subscriptions or other agreements or commitments obligating Seller with respect to the Shares, and Seller has not granted any person a proxy that has not expired or been validly withdrawn;

2.2 Representations and Warranties of Purchaser. Purchaser hereby makes the following representations and warranties to Seller:

(a) Full Power and Authority. Purchaser has full power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Purchaser and constitutes the legal, valid and binding obligation of Purchaser, enforceable in accordance with its terms;

(b) Restricted Securities. Purchaser understands that the Shares are characterized as "restricted securities" under the Securities Act inasmuch as they were acquired from Seller in a transaction not registered under the Securities Act; and

(c) Investment Intent. Purchaser is acquiring the Shares for his own account and not with a view towards, or for resale in connection with, the public sale or distribution thereof, except pursuant to sales registered or exempted under the Securities Act.

ARTICLE III MISCELLANEOUS

3.1 Entire Agreement. The Agreement contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral or written, with respect to such matters.

3.2 Amendments; Waivers. No provision of this Agreement may be waived or amended except in a written instrument signed, in the case of an amendment, by Seller and Purchaser or, in the case of a waiver, by the Party against whom enforcement of any such waiver is sought. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of either Party to exercise any right hereunder in any manner impair the exercise of any such right accruing to it thereafter.

3.3 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

3.4 No Third-Party Beneficiaries. This Agreement is intended for the benefit of the Parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other person or entity.

3.5 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of California, without regard to the principles of conflicts of law thereof. Each Party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in California for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper. Each Party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery). Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each Party irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. If either Party shall commence an action or proceeding to enforce any provisions of the documents contemplated herein, then the prevailing Party in such action or proceeding shall be reimbursed by the other Party for its reasonable attorney's fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

3.6 Survival. The representations, warranties, agreements and covenants contained herein shall not survive the Closing.

3.7 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each Party and delivered to the other Party, it being understood that the Parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission, such signature shall create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such facsimile signature page were an original thereof.

3.8 Severability. In case any one or more of the provisions of this Agreement shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Agreement shall not in any way be affecting or impaired thereby and the Parties will attempt to agree upon a valid and enforceable provision which shall be a reasonable substitute therefore, and upon so agreeing, shall incorporate such substitute provision in this Agreement.

3.9 Notices. All notices or other communications required or permitted by this Agreement shall be in writing and sent to the other Party at the address set forth in the preamble hereto or to such other address as may be specified by any such Party to the other Party pursuant to notice given by such Party in accordance with the provisions of this Section 3.9, and shall be deemed to have been duly received:

- (a) if given by courier, messenger or other means, when received or personally delivered;
- (b) if given by certified or registered mail, return receipt requested, postage prepaid, three business days after being deposited in the U.S. mails; and
- (c) if given by fax, when transmitted and the appropriate confirmation received, as applicable, if transmitted on a business day and during normal business hours of the recipient, and otherwise on the next business day following transmission

3.10 Headings. The headings used in this Agreement are for convenience of reference only and shall not be deemed to limit, characterize or in any way affect the interpretation of any provision of this Agreement.

[Signature page follows].

JDT LEGAL, PLLC
Jeffrey Turner, Esq.
897 Baxter Drive
So. Jordan, Utah 84095
(801) 810-4465
Admitted in the State of Utah

October 06, 2020

David Massey
Chief Executive Officer
Solar Integrated Roofing Corporation
1475 N. Cuyamaca St.
El Cajon, CA 92020

Dear Mr. Massey:

I have acted, at your request, as special counsel to Solar Integrated Roofing Corporation, a Nevada corporation (the "Company"), for the purpose of rendering an opinion as to the legality of 95,000,000 shares of common stock offered by the Company from \$0.05 to \$0.20 per share of Company common stock, par value \$0.00001 per share to be offered and distributed by the Company (the "Shares"), pursuant to an Offering Statement filed under Regulation A of the Securities Act of 1933, as amended, by the Company with the U.S. Securities and Exchange Commission (the "SEC") on Form 1-A, for the purpose of registering the offer and sale of the Shares ("Offering Statement").

In rendering this opinion, I have reviewed (a) statutes of the State of Nevada, to the extent I deem relevant to the matter opined upon herein; (b) true copies of the Articles of Incorporation of Company and all amendments thereto; (c) the By-Laws of the Company; (d) selected proceedings of the board of directors of the Company authorizing the issuance of the Shares; (e) certificates of officers of the Company and of public officials; (f) and such other documents of the Company and of public officials as I have deemed necessary and relevant to the matter opined upon herein.

I have assumed (a) all of the documents referenced herein (collectively, the "Documents") have been duly authorized and executed; (b) the Documents are legally valid, binding, and enforceable in accordance with their respective terms; and (c) the status of the Documents as legally valid and binding instruments is not affected by any (i) violations of statutes, rules, regulations or court or governmental orders, or (ii) failures to obtain required consents, approvals or authorizations from, or make required registrations, declarations or filings with, governmental authorities.

Based upon my review described herein, it is my opinion the Shares are duly authorized and when/if issued and delivered by Company against payment therefore, as described in the offering statement, will be validly issued, fully paid, and non-assessable.

I have not been engaged to examine, nor have I examined, the Offering Statement for the purpose of determining the accuracy or completeness of the information included therein or the compliance and conformity thereof with the rules and regulations of the SEC or the requirements of Form 1-A, and I express no opinion with respect thereto. The forgoing opinion is strictly limited to matters of Nevada corporation law; and, I do not express an opinion on the federal law of the United States of America or the law of any state or jurisdiction therein other than Nevada, as specified herein.

I hereby consent to the filing of this opinion as Exhibit 1A-12 to the Offering Statement and to the reference to our firm under the caption "Legal Matters" in the Offering Circular constituting a part of the Offering Statement. We assume no obligation to update or supplement any of the opinion set forth herein to reflect any changes of law or fact that may occur following the date hereof.

Sincerely,

JDT LEGAL, PLLC

/s/ Jeffrey Turner
Jeffrey Turner