

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

IOTA COMMUNICATIONS, INC.

Form: 10-Q/A

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Corporate Issuer CIK: 1095130

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q/A
(Amendment No. 2)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended November 30, 2019

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period from _____ to _____

Commission file number: 000-27587

IOTA COMMUNICATIONS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

22-3586087

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

600 Hamilton Street, Suite 1010
Allentown, PA

(Address of principal executive offices)

18101

(Zip Code)

(855) 743-6478

(Registrant's telephone number, including area code)

N/A

(Former name, former address, and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act: **None**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

As of November 5, 2020, there were 293,720,970 shares of the registrant's common stock outstanding.

Explanatory Note

As previously disclosed in the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission (the "SEC") on March 6, 2020, the Board of Directors (the "Board") of Iota Communications, Inc. ("Iota" or the "Company"), after discussion with management of the Company, concluded that the Company's previously issued unaudited condensed consolidated interim financial statements as of and for the three and six months ended November 30, 2019, included in the Company's Quarterly Report on Form 10-Q and Form 10-Q/A for such period (the "Previously Issued Financial Statements") filed with the SEC on January 22, 2020 (collectively, the "Original Form 10-Q/A"), should be restated because of certain material errors in the Previously Issued Financial Statements and should no longer be relied upon. The Company is filing this Amendment No. 2 on Form 10-Q (the "Form 10-Q/A2" or the "Amendment") to amend and restate the Previously Issued Financial Statements (the "Restatement") and certain items in the Original Form 10-Q/A.

The Restatement corrects the following errors identified in the Previously Issued Financial Statements:

- The Company identified certain receivables and other assets that were not properly recorded at net realizable value. In addition, the Company determined, following the completion of a third-party valuation, that certain adjustments to the recorded fair value of the assets acquired from Link Labs on November 15, 2019 were required.
- The Company identified errors in the assumptions used in its accounting for its tower and billboard property and equipment and the related asset retirement obligations.
- The Company determined that it had not properly performed the required impairment testing of long-lived assets that were not in use including property and equipment and right of use lease assets in accordance with U.S. GAAP.
- The Company identified errors in the implementation and application of its accounting for leases under ASC Topic 842, Leases.
- The Company determined that it had failed to disclose and properly record the extinguishment of revenue-based note liabilities associated with its Solutions Pool Program.
- The Company identified errors in its accounting for the extinguishment of revenue-based note liabilities and the concurrent acquisition of FCC licenses and issuance of limited partnership units by Iota Spectrum Partners, LP.
- The Company identified certain liabilities that were not properly and fully recorded at the reasonably estimable amounts incurred.
- The Company identified errors in the accounting for its non-controlling interest in Iota Spectrum, Partners, LP.
- The Company identified errors in the accounting for its convertible debt, related equity instruments, and extinguishment thereof.
- The Company identified certain transactions that had been recorded to incorrect accounts and required reclassification.

For the convenience of the reader, this Amendment sets forth the Original Form 10-Q/A as modified and superseded where necessary to reflect the Restatement. The following items have been amended principally as a result of, and to reflect, the Restatement:

- Part I - Item 1. Financial Statements.
- Part I - Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.
- Part I - Item 4. Controls and Procedures.
- Part II - Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.
- Part II - Item 5. Other Information.
- Part II - Item 6. Exhibits.

See Note 3 to the accompanying unaudited condensed consolidated financial statements, set forth in Item 1 of this Amendment, for details of the Restatement and its impact on the unaudited condensed consolidated financial statements.

See Note 1 for updated assessment of going concern as of the date of this report and Note 22 to the accompanying unaudited condensed consolidated financial statements, set forth in Item 1 of this Amendment, for disclosure of significant events and transactions occurring after the unaudited condensed consolidated balance sheet date through the date of this report.

In accordance with applicable SEC rules, we are also filing updated certifications from our Chief Executive Officer and Chief Financial Officer as Exhibits 31.1, 31.2, 32.1 and 32.2 to this Amendment.

Except for the items noted above, no other information included in the Original Form 10-Q/A is being amended by this Amendment. The Amendment continues to speak as of the date of the Original Form 10-Q/A and we have not updated the filing to reflect events occurring subsequent to the Original Form 10-Q/A date other than those associated with the Restatement and as described above. Accordingly, this Amendment should be read in conjunction with our filings made with the SEC subsequent to the filing of the Original Form 10-Q/A.

IOTA COMMUNICATIONS, INC.
FORM 10-Q/A
(AMENDMENT NO. 2)
FOR THE QUARTERLY PERIOD ENDED NOVEMBER 30, 2019

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

IOTA COMMUNICATIONS, INC. AND SUBSIDIARIES
(F/K/A SOLBRIGHT GROUP, INC.)
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	November 30, 2019	May 31, 2019
	(As restated)	
ASSETS		
Current Assets:		
Cash	\$ 203,675	\$ 788,502
Accounts receivable, net of allowances for doubtful accounts of \$1,578,915 and \$810,132, respectively	355,557	507,345
Contract assets	171,492	435,788
Other current assets	342,749	635,746
Total Current Assets	1,073,473	2,367,381
Property and equipment, net of accumulated depreciation of \$3,851,768 and \$3,759,229, respectively	7,273,242	10,124,763
Right of use assets	11,494,590	-
Intangible assets, net of accumulated amortization of \$17,538 and \$90,750, respectively	6,884,050	286,538
Other assets	28,451	198,946
Total Assets	\$ 26,753,806	\$ 12,977,628
LIABILITIES AND DEFICIT		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 7,397,304	\$ 18,563,550
Payroll liability	1,159,456	1,276,333
Current portion of lease liabilities	1,661,512	-
Service obligations	97,900	331,280
Contract liabilities	462,083	417,631
Warranty reserve	121,362	313,881
Convertible notes payable, net of debt discount of \$893,888 and \$312,902, respectively	1,222,999	4,450,296
Contingent liability	3,000,000	-
Notes payable - related parties	354,222	-
Notes payable - officers and directors	557,237	173,769
Notes payable	5,061,971	479,102
Total Current Liabilities	21,096,046	26,005,842
Deferred rent liability	-	1,975,815
Lease liabilities, net of current portion	18,775,490	-
Revenue-based notes, net of financing costs of \$56,829 and \$914,408, respectively	73,100,415	76,489,220
Long-term notes payable - related parties	666,154	666,154
Long-term notes payable - officers and directors	510,442	827,348
Asset retirement obligations	1,541,770	1,771,227
Total Liabilities	115,690,317	107,735,606
Commitments and Contingencies		
Deficit:		
Convertible preferred stock, \$.0001 par value; 5,000,000 shares authorized, no shares issued and outstanding	-	-
Common stock, \$.0001 par value; 600,000,000 shares authorized; 267,465,800 and 219,205,439 shares issued and outstanding, respectively	26,747	21,921
Additional paid-in capital	46,376,441	24,029,008
Accumulated deficit	(138,380,793)	(118,808,907)
Total Iota Communications, Inc. Deficit	(91,977,605)	(94,757,978)
Non-controlling Interest in Variable Interest Entity	3,041,094	-
Total Deficit	(88,936,511)	(94,757,978)
Total Liabilities and Deficit	\$ 26,753,806	\$ 12,977,628

The accompanying footnotes are in integral part of these unaudited condensed consolidated financial statements.

IOTA COMMUNICATIONS, INC. AND SUBSIDIARIES
(F/K/A SOLBRIGHT GROUP, INC.)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended		For the Six Months Ended	
	November 30, 2019	November 30, 2018	November 30, 2019	November 30, 2018
	(As restated)		(As restated)	
Net sales	\$ 33,710	\$ 835,869	\$ 905,484	\$ 885,665
Cost of sales	<u>63,794</u>	<u>775,188</u>	<u>959,676</u>	<u>812,680</u>
Gross profit (loss)	(30,084)	60,681	(54,192)	72,985
Operating expenses:				
Network site expenses	1,021,356	1,656,535	2,279,047	2,827,682
Research and development	1,144	671,544	3,288	2,064,234
Selling, general and administrative	2,233,515	3,804,140	6,694,480	9,482,463
Depreciation and amortization	1,349,354	299,720	1,622,271	554,398
Stock-based compensation	512,087	10,521,482	1,214,500	10,521,482
Gain on settlement of past due lease obligations	(11,167,962)	-	(11,167,962)	-
Loss on extinguishment of debt	5,857,660	-	5,857,660	-
Impairment of long-lived assets	<u>10,773,363</u>	<u>-</u>	<u>10,773,363</u>	<u>-</u>
Total operating expenses	10,580,517	16,953,421	17,276,647	25,450,259
Loss from operations	<u>(10,610,601)</u>	<u>(16,892,740)</u>	<u>(17,330,839)</u>	<u>(25,377,274)</u>
Interest expense, net	<u>(1,986,781)</u>	<u>(226,157)</u>	<u>(2,729,953)</u>	<u>(284,730)</u>
Loss before provision for income taxes	(12,597,382)	(17,118,897)	(20,060,792)	(25,662,004)
Provision for income taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net loss	(12,597,382)	(17,118,897)	(20,060,792)	(25,662,004)
Net loss attributable to non-controlling interest	<u>(488,906)</u>	<u>-</u>	<u>(488,906)</u>	<u>-</u>
Net loss attributable to Iota Communications, Inc.	<u>\$ (12,108,476)</u>	<u>\$ (17,118,897)</u>	<u>\$ (19,571,886)</u>	<u>\$ (25,662,004)</u>
Net loss per common share - basic and diluted	<u>\$ (0.05)</u>	<u>\$ (0.11)</u>	<u>\$ (0.08)</u>	<u>\$ (0.18)</u>
Weighted average shares outstanding - basic and diluted	<u>244,054,388</u>	<u>161,245,806</u>	<u>233,094,778</u>	<u>145,372,474</u>

The accompanying footnotes are in integral part of these unaudited condensed consolidated financial statements.

IOTA COMMUNICATIONS, INC. AND SUBSIDIARIES
(F/K/A SOLBRIGHT GROUP, INC.)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN DEFICIT
FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2019

	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Iota Communications, Inc. Deficit	Non-Controlling Interest	Total Deficit
	Shares	Amount	Shares	Amount					
Balance at June 1, 2019	-	\$ -	219,205,439	\$ 21,921	\$ 24,029,008	\$ (118,808,907)	\$ (94,757,978)	\$ -	\$ (94,757,978)
Stock-based compensation - stock options	-	-	-	-	202,782	-	202,782	-	202,782
Stock-based compensation - common stock	-	-	445,000	45	189,506	-	189,551	-	189,551
Common stock issued for the settlement of liabilities	-	-	300,000	30	188,970	-	189,000	-	189,000
Warrants issued to investors	-	-	-	-	310,081	-	310,081	-	310,081
Common stock issued for exercise of warrants	-	-	408,736	40	807	-	847	-	847
Common stock issued for inducement and issuances of convertible note holders (As restated)	-	-	2,100,000	210	315,385	-	315,595	-	315,595
Common stock issued for services	-	-	1,133,334	113	759,887	-	760,000	-	760,000
Net loss (As restated)	-	-	-	-	-	(7,463,410)	(7,463,410)	-	(7,463,410)
Balance as of August 31, 2019 (As restated)	-	\$ -	223,592,509	\$ 22,359	\$ 25,996,426	\$ (126,272,317)	\$ (100,253,532)	\$ -	\$ (100,253,532)
Stock-based compensation - stock options (As restated)	-	-	-	-	94,937	-	94,937	-	94,937
Extinguishment of revenue-based notes (As restated)	-	-	-	-	3,733,667	-	3,733,667	-	3,733,667
Iota Spectrum Partners, LP limited partnership interests issued for contributed assets (As restated)	-	-	-	-	-	-	-	3,430,000	3,430,000
Iota Spectrum Partners, LP limited partnership interests issued for cash (As restated)	-	-	-	-	-	-	-	100,000	100,000
Common stock and warrants issued in connection with private placement (As restated)	-	-	6,919,782	692	2,051,790	-	2,052,482	-	2,052,482
Warrants issued to investors (As restated)	-	-	-	-	246,600	-	246,600	-	246,600
Common stock and warrants issued for settlement of liabilities (As restated)	-	-	22,043,405	2,204	9,419,729	-	9,421,933	-	9,421,933
Common stock issued for purchase of Link Labs assets (As restated)	-	-	12,146,241	1,215	3,098,785	-	3,100,000	-	3,100,000
Common stock issued for inducement and issuances of convertible note holders (As restated)	-	-	1,816,364	182	577,819	-	578,001	-	578,001
Common stock issued for services (As restated)	-	-	947,499	95	277,027	-	277,122	-	277,122
Beneficial conversion feature on convertible notes and warrants (As restated)	-	-	-	-	879,661	-	879,661	-	879,661
Net loss (As restated)	-	-	-	-	-	(12,108,476)	(12,108,476)	(488,906)	(12,597,382)
Balance as of November 30, 2019 (As restated)	-	\$ -	267,465,800	\$ 26,747	\$ 46,376,441	\$ (138,380,793)	\$ (91,977,605)	\$ 3,041,094	\$ (88,936,511)

The accompanying footnotes are in integral part of these unaudited condensed consolidated financial statements.

IOTA COMMUNICATIONS, INC. AND SUBSIDIARIES
(F/K/A SOLBRIGHT GROUP, INC.)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN DEFICIT
FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2018

	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Iota Communications, Inc. Deficit	Non- Controlling Interest	Total Deficit
	Shares	Amount	Shares	Amount					
Balance at June 1, 2018	-	\$ -	129,671,679	\$ 12,967	\$ -	\$ (62,541,502)	\$ (62,528,535)	\$ -	\$ (62,528,535)
Net loss	-	-	-	-	-	(8,543,107)	(8,543,107)	-	(8,543,107)
Balance as of August 31, 2018	-	\$ -	129,671,679	\$ 12,967	\$ -	\$ (71,084,609)	\$ (71,071,642)	\$ -	\$ (71,071,642)
Stock-based compensation - stock options	-	-	-	-	202,782	-	202,782	-	202,782
Advance payments converted to members equity prior to merger	-	-	7,266,499	727	2,391,714	-	2,392,441	-	2,392,441
Distribution to M2M's former parent company	-	-	-	-	(5,061,334)	-	(5,061,334)	-	(5,061,334)
Recapitalization under reverse merger on September 1, 2018	-	-	43,434,034	4,343	876,259	-	880,602	-	880,602
Warrants issued in connection with reverse merger	-	-	-	-	3,992,000	-	3,992,000	-	3,992,000
Common stock issued for PPU's in connection with reverse merger	-	-	15,906,864	1,591	5,965,409	-	5,967,000	-	5,967,000
Common stock issued for inducement of convertible note holders	-	-	300,000	30	277,170	-	277,200	-	277,200
Common stock issued for services	-	-	250,000	25	82,475	-	82,500	-	82,500
Beneficial conversion feature on convertible notes and warrants	-	-	-	-	816,667	-	816,667	-	816,667
Net loss	-	-	-	-	-	(17,118,897)	(17,118,897)	-	(17,118,897)
Balance as of November 30, 2018	-	\$ -	196,829,076	\$ 19,683	\$ 9,543,142	\$ (88,203,506)	\$ (78,640,681)	\$ -	\$ (78,640,681)

The accompanying footnotes are in integral part of these unaudited condensed consolidated financial statements.

IOTA COMMUNICATIONS, INC. AND SUBSIDIARIES
(F/K/A SOLBRIGHT GROUP, INC.)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Six Months Ended	
	November 30, 2019	November 30, 2018
	(As restated)	
Cash flows from operating activities:		
Net loss	\$ (20,060,792)	\$ (25,662,004)
Adjustments to reconcile net loss to net cash used in operating activities:		
Provision for doubtful accounts	589,936	-
Loss on disposal of property and equipment	1,093,789	36,053
Impairment of long-lived assets	10,773,363	-
Depreciation and amortization	1,622,271	556,802
Amortization of right of use assets and accretion of lease liabilities, net	227,145	-
Provision for warranty claims	(192,519)	39,122
Gain on settlement of past due lease obligations	(11,167,962)	-
Loss on settlement of liabilities	263,326	-
Loss on extinguishment of debt	5,857,660	-
Gain on lease modifications and decommissioning of towers	(1,359,554)	-
Amortization of debt discount and deferred finance costs	1,303,864	223,516
Accretion of asset retirement obligations	51,706	26,401
Warrants issued in connection with reverse merger	-	3,992,000
Common stock issued for PPUs in connection with reverse merger	-	5,967,000
Warrants issued to investors	556,681	-
Stock-based compensation - stock options	297,719	202,782
Stock-based compensation - common stock	189,551	-
Issuance of common stock for inducement of convertible note holders	340,101	277,200
Issuance of common stock for services	1,037,122	82,500
Issuance of common stock for the exercise of warrants	848	-
Changes in operating assets and liabilities:		
Accounts receivable, net	89,834	(280,614)
Contract assets	264,296	153,155
Other assets	493,362	(338,723)
Due from related party	-	(42,315)
Accounts payable and accrued expenses	1,297,098	1,770,701
Payroll liability	(116,877)	709,787
Contract liabilities	44,452	28,693
Deferred rent	-	106,492
Service obligations	(233,380)	-
Accrued interest on revenue-based notes	97,452	63,952
Net cash used in operating activities	<u>(6,639,508)</u>	<u>(12,087,500)</u>

Cash flows from investing activities:		
Purchases of property and equipment	(2,522)	(76,575)
Purchase of note receivable - Solbright	-	(5,038,712)
Advances to Solbright	-	(827,700)
Security deposit	(29,870)	172,326
Cash acquired in merger	-	72,059
Net cash used in investing activities	<u>(32,392)</u>	<u>(5,698,602)</u>
Cash flows from financing activities:		
Proceeds from issuance of revenue based notes, net	2,407,505	14,452,871
Proceeds from issuance of convertible notes, net	1,964,320	2,600,616
Payments on convertible notes	(433,197)	(69,300)
Payment on notes payable - related parties	(50,000)	(101,933)
Proceeds from issuance of notes payable - officers and directors	140,000	150,000
Payment on notes payable - officers and directors	(76,906)	-
Payments on notes payable	(17,131)	(50,000)
Proceeds from issuance of common stock, net of stock issuance costs	2,052,482	-
Iota Spectrum Partners, LP limited partnership interests issued for cash	100,000	-
Net cash provided by financing activities	<u>6,087,073</u>	<u>16,982,254</u>
Net decrease in cash	(584,827)	(803,848)
Cash - beginning of period	788,502	1,492,784
Cash - end of period	<u>\$ 203,675</u>	<u>\$ 688,936</u>
Supplemental cash flow information:		
Cash paid for:		
Interest	\$ 343,667	\$ 223,325
Income taxes	\$ -	\$ -
Non-cash investing and financing activities:		
Intangible assets acquired in connection with Link Labs acquisition	\$ 3,300,000	\$ -
Software acquired in connection with Link Labs acquisition	\$ 2,800,000	\$ -
Contingent liabilities incurred in connection with Link Labs asset acquisition	\$ 3,000,000	\$ -
Common stock issued for purchase of Link Labs assets	\$ 3,100,000	\$ -
Right of use assets recorded upon adoption of ASC 842	\$ 22,140,237	\$ -
Deferred rent reclassified to right of use asset upon adoption of ASC 842	\$ 1,975,815	\$ -
Lease liabilities recorded upon adoption of ASC 842	\$ 22,140,237	\$ -
Right of use assets disposed in connection with lease modifications and decommissioning of towers	\$ 11,522,862	\$ -
Lease liabilities extinguished in connection with lease modifications and decommissioning of towers	\$ 12,853,201	\$ -
Right of use assets and lease liabilities recorded in connection with lease modifications	\$ 12,317,300	\$ -
Conversion of accounts payable to notes payable for Avalton, a related party	\$ 404,222	\$ -
Common stock and warrants issued for settlement of accounts payable	\$ 1,151,018	\$ -
Replacement of convertible notes with non-convertible note payable	\$ 4,600,000	\$ -
Debt discount in connection with restricted shares issued with convertible notes	\$ 553,495	\$ -
Receivable for revenue-based note issued	\$ 413,032	\$ -
Settlement of Solutions Pool revenue-based notes net of new issuances	\$ 3,430,707	\$ -
Extinguishment of revenue-based notes	\$ 3,733,667	\$ -
Additions to asset retirement costs	\$ 6,748	\$ 26,920
Asset retirement obligation, revision of estimate	\$ 220,201	\$ -
Stock options issued for accrued stock-based compensation	\$ -	\$ 5,061,334
Beneficial conversion feature in connection with issued and Black-Scholes market value of warrants	\$ 879,661	\$ 816,667
Advance payments converted to equity	\$ -	\$ 2,392,441
Iota Spectrum Partners, LP limited partnership interests issued for contribution of intangible assets	\$ 3,430,000	\$ -

The accompanying footnotes are in integral part of these unaudited condensed consolidated financial statements.

IOTA COMMUNICATIONS, INC. AND SUBSIDIARIES
(F/K/A SOLBRIGHT GROUP, INC.)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 – DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Description of Business

Iota Communications, Inc., (f/k/a Solbright Group, Inc.) (the "Parent" or "Iota Communications"), was formed in the State of Delaware on May 7, 1998. Iota Communications conducts business activities principally through its three wholly-owned subsidiaries, (i) Iota Networks, LLC (f/k/a M2M Spectrum Networks, LLC ("M2M")) ("Iota Networks"), an Arizona limited liability company, (ii) Iota Commercial Solutions, LLC (f/k/a SolBright Energy Solutions, LLC) ("ICS" or "Iota Commercial Solutions"), a Delaware limited liability company, and (iii) Iota Spectrum Holdings, LLC, an Arizona limited liability company ("Iota Holdings"), and a consolidated variable-interest entity, Iota Spectrum Partners, LP, an Arizona limited partnership ("Iota Partners"), collectively, (the "Company").

On July 30, 2018, Iota Communications, entered into an Agreement and Plan of Merger and Reorganization (as amended on September 5, 2018, the "Merger Agreement") with its newly-formed, wholly owned Arizona subsidiary ("Merger Sub"), Iota Networks, and Spectrum Networks Group, LLC, an Arizona limited liability company and the majority member of M2M. Upon closing, Merger Sub merged with and into Iota Networks, with Iota Networks continuing as the surviving entity and a wholly owned subsidiary of Iota Communications (the "Merger") (See Note 4).

In connection with the Merger, on November 26, 2018, a Certificate of Amendment was filed with the State of Delaware to amend the name of the Company from "Solbright Group, Inc." to "Iota Communications, Inc." In addition, as of November 28, 2018, our trading symbol changed from "SBRT" to "IOTC".

Immediately following the Merger, the Company had 196,279,076 shares of common stock issued and outstanding. The pre-Merger stockholders of the Company retained an aggregate of 43,434,034 shares of common stock of the Company, representing approximately 22.1% ownership of the post-Merger Company. Therefore, upon consummation of the Merger, there was a change in control of the Company, with the former owners of Iota Networks effectively acquiring control of the Company. The Merger was treated as a recapitalization and reverse acquisition of the Company for financial reporting purposes. Iota Networks is considered the acquirer for accounting purposes, and the Company's historical financial statements before the Merger have been replaced with the historical financial statements of Iota Networks before the Merger in future filings with the SEC.

The Company is a wireless communication and software-as-a-service ("SaaS") company dedicated to the Internet of Things ("IoT"). The Company combines long range wireless connectivity with software applications to provide its commercial and industrial customers turn-key services to optimize energy efficiency, sustainability, and operations for their facilities. The combination of its unique communications capabilities with its analytics and visualization software platform, provides customers with valuable insights to reduce costs and increase revenue. These solutions fall in the realm of Smart Buildings and Smart Cities and the Company's primary focus is on the office, health care, manufacturing, and education verticals.

The Company operates its business across four segments: (1) Iota Communications, (2) Iota Networks, (3) Iota Commercial Solutions, and (4) Iota Holdings. Operating activities related to the parent company are classified within Iota Communications.

Iota Communications

The parent company's operations are primarily related to running the operations of the public Company. The Company re-organized its operating segments in September 2018 in connection with the Merger with M2M. The significant expenses included within the parent company are executive and employee salaries, stock-based compensation, professional and service fees, rent, and interest on convertible and other notes.

Iota Networks

Iota Networks is the network and application research, development, marketing, and sales segment of the business, where all go-to-market activities are conducted. Iota Network's sales and marketing activities focus on the commercialization of applications that leverage connectivity and analytics to reduce costs, optimize operations, and advance sustainability. Data collected from sensors and other advanced end point devices as well as other external data, such as weather patterns and utility pricing, is run through a data analysis engine to yield actionable insights for commercial and industrial customers. With the technological backbone developed in the Iota Networks segment, the Company can focus on the commercialization of such technologies with applications based on data analytics and operations optimization within the IoT value chain.

Iota Commercial Solutions

ICS acts as a general contractor for energy management-related services, such as solar photovoltaic system installation and LED lighting retrofits. These services are value-added for customers and allow them to execute on actions that result from analytic insights.

Iota Holdings

Iota Holdings was formed to act as the general partner for Iota Partners. Iota Partners is a variable interest entity of Iota Holdings (See Note 16). The purpose of Iota Partners is to own spectrum licenses that Iota Networks uses to operate its network. At November 30, 2019 Iota Holdings owns approximately 10% of the outstanding partnership units of Iota Partners resulting in a non-controlling interest of 90%.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission including Form 10-Q and Regulation S-X. The information furnished herein reflects all adjustments (consisting of normal recurring accruals and adjustments) which are, in the opinion of management, necessary to fairly state the operating results for the respective periods. Certain information and footnote disclosures normally present in annual financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") have been omitted pursuant to such rules and regulations. These financial statements and the information included under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" should be read in conjunction with the audited financial statements and explanatory notes for the year ended May 31, 2019 as disclosed in our Annual Report on Form 10-K filed on September 13, 2019. The results for the six months ended November 30, 2019 (unaudited) are not necessarily indicative of the results to be expected for the pending full year ending May 31, 2020.

Liquidity and Going Concern (As restated)

The Company's primary need for liquidity is to fund the working capital needs of the business. The accompanying unaudited condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company has incurred net losses of \$138,380,793 since inception, including a net loss attributable to Iota Communications, Inc. of \$19,571,886 for the six months ended November 30, 2019. Additionally, the Company had negative working capital of \$20,022,573 and \$23,638,461 at November 30, 2019 and May 31, 2019, respectively, and has negative cash flows from operations of \$6,639,508 for the six months ended November 30, 2019. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management expects to incur additional losses in the foreseeable future and recognizes the need to raise capital to remain viable. The accompanying unaudited condensed consolidated financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 as a pandemic and it continues to impact the United States and the rest of the world. Our business, results of operations, and financial condition may be materially adversely impacted by a public health outbreak, such as the recent COVID-19 pandemic, as it interferes with our ability, or the ability of our employees, contractors, suppliers, and other business partners to perform our and their respective responsibilities and obligations relative to the conduct of our business. In addition, the impact of the COVID-19 pandemic on the global financial markets may reduce our ability to access capital, which could negatively impact our business, results of operations, and ability to continue as a going concern. Though the COVID-19 pandemic and the measures taken to reduce its transmission, such as the imposition of social distancing and orders to work-from-home and shelter-in-place, have altered our business environment and overall working conditions, we continue to believe that our strategic strengths, including talent and the strength of our technologies, will allow us to successfully weather a rapidly changing marketplace. However, we are unable to accurately predict the full impact that COVID-19 will have on the Company due to numerous uncertainties, including the severity of the disease, the duration of the outbreak, actions that may be taken by governmental authorities, and the impact to the business of our customers. The Company has taken steps to minimize the impact of COVID-19 on its business such as reduction of third-party spend, redeploying its workforce based on shifting needs of the business, limiting travel and unnecessary expenses, and reducing discretionary capital expenditures where possible. The Company will continue to evaluate the nature and extent of the impact to its business, consolidated results of operations, and financial condition.

The Company's plan is to generate sufficient revenues to cover its anticipated expenses through the continued promotion of its services to existing and potential customers. The Company believes it can raise additional capital to meet its short-term cash requirements, including an equity raise and debt funding from third parties.

Subsequent to November 30, 2019, and through the date of this report, and in connection with the September 23, 2019 private placement offering, the Company received cash proceeds \$2,634,811, net of \$188,033 in equity issuance fees. On April 10, 2020, the Company received a \$1,000,000 cash deposit from an investor to be subscribed in a future security offering. In September 2020, the Company commenced a new private placement offering for up to \$15,000,000 of common stock and accompanying warrants (together a "Unit") at a purchase price of \$0.12 per Unit. As of the date of this report, the Company has received cash proceeds of \$50,000 under this new offering. In addition, and subsequent to November 30, 2019, and through the date of this report, the Company has received \$4,927,327 of net cash proceeds from the issuance of debt to third parties. Finally, on May 4, 2020, the Company was granted a loan in the aggregate amount of \$763,600, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted on March 27, 2020. The loan, which was in the form of a note dated May 4, 2020 issued by the Company, matures on May 4, 2022 and bears interest at a rate of 1.00% per annum, payable monthly commencing on December 4, 2020, unless forgiven in whole or in part in accordance with the PPP regulations. The note may be prepaid by the Company at any time prior to maturity with no prepayment penalties.

Although no assurances can be given as to the Company's ability to deliver on its revenue or capital raise plans, or that unforeseen expenses may arise, management believes that the revenue to be generated from operations together with potential equity and debt financing or other potential financing will provide the necessary funding for the Company to continue as a going concern. However, management cannot guarantee any potential equity or debt financing will be available on favorable terms. Without raising additional capital, there is substantial doubt about the Company's ability to continue as a going concern through November 6, 2021. As such, management does not believe they have sufficient cash for 12 months from the date of this report. If adequate funds are not available on acceptable terms, or at all, the Company will need to curtail operations, or cease operations completely.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The unaudited condensed consolidated financial statements include the accounts of Iota Communications, its three wholly owned subsidiaries, Iota Networks, ICS, and Iota Holdings, and Iota Partners, a variable interest entity controlled by the Company. Intercompany accounts and transactions have been eliminated in consolidation.

Reclassifications

Certain prior period amounts have been reclassified for consistency with the current period presentation.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, equity-based transactions, and disclosure of contingent liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

The Company believes the following critical accounting policies affect its more significant judgments and estimates used in the preparation of the accompanying unaudited condensed consolidated financial statements. Significant estimates include revenue recognition, the allowance for doubtful accounts, the useful life of property and equipment, valuation of long-lived assets, assessment for impairment, deferred tax assets and related valuation allowance, accounting for variable interest entities, lease accounting, and assumptions used in Black-Scholes-Merton ("BSM") valuation methods, such as expected volatility, risk-free interest rate, and expected dividend rate.

Non-controlling Interests in Consolidated Financial Statements

The Company follows Accounting Standards Codification ("ASC") Topic 810-10-65, Non-controlling Interests in Consolidated Financial Statements. This statement clarifies that a non-controlling (minority) interest in a subsidiary is an ownership interest in the entity that should be reported as equity in the unaudited condensed consolidated financial statements. It also requires consolidated net income (loss) to include the amounts attributable to both the parent and the non-controlling interest, with disclosure on the face of the consolidated statement of operations of the amounts attributed to the parent and to the non-controlling interest. In accordance with ASC Topic 810-10-45-21, the losses attributable to the parent and the non-controlling interest in subsidiary may exceed the parent's interest in the subsidiary's equity. The excess and any further losses attributable to the parent and the non-controlling interest will be attributable to those interests even if that attribution results in a deficit of non-controlling interest balance. As of November 30, 2019 and May 31, 2019, the Company reflected a non-controlling interest of \$3,041,094 (As restated) and \$0 in connection with its variable interest entity, Iota Partners (See Note 16), as reflected in the accompanying November 30, 2019 unaudited condensed consolidated balance sheet and May 31, 2019 consolidated balance sheet, respectively.

Variable Interest Entities

The Company follows ASC Topic 810-10-15 guidance with respect to accounting for variable interest entities ("VIEs"). VIEs do not have sufficient equity at risk to finance their activities without additional subordinated financial support from other parties or whose equity investors lack any of the characteristics of a controlling financial interest. A variable interest is an investment or other interest that will absorb portions of a VIE's expected losses or receive portions of its expected residual returns and are contractual, ownership, or pecuniary in nature and change with changes in the fair value of the entity's net assets. A reporting entity is the primary beneficiary of a VIE and must consolidate it when that party has a variable interest, or combination of variable interests, which provide it with a controlling financial interest. A party is deemed to have a controlling financial interest if it meets both of the power and losses/benefits criteria. The power criterion is the ability to direct the activities of the VIE that most significantly impact its economic performance. The losses/benefits criterion is the obligation to absorb losses from, or right to receive benefits from, the VIE that could potentially be significant to the VIE. The VIE model requires an ongoing reconsideration of whether a reporting entity is the primary beneficiary of the VIE due to changes in facts and circumstances.

The Company currently consolidates one VIE, Iota Partners (See Note 16), as of November 30, 2019. The Company is the primary beneficiary due to its ability to direct the activities of Iota Partners through its wholly owned subsidiary, Iota Holdings.

Revenue

The Company accounts for revenue in accordance with ASC Topic 606, Revenue from Contracts with Customers, which the Company adopted beginning June 1, 2016. The Company did not record a retrospective adjustment upon adoption, and instead opted to apply the full retrospective method for all customer contracts.

As part of ASC Topic 606, the Company adopted several practical expedients including that the Company has determined that it need not adjust the promised amount of consideration for the effects of a significant financing component since the Company expects, at contract inception, that the period between when the Company transfers a promised service to the customer and when the customer pays for that service will be one year or less.

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in ASC Topic 606. The contract transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. Amounts received prior to being earned are recognized as contract liabilities on the accompanying unaudited condensed consolidated balance sheets.

Activities related to the Company's wireless communication and application technology segment and BrightAI subscriptions are classified under Iota Networks, activities related to solar energy, LED lighting, and HVAC implementation services are classified under ICS, activities related to the parent company are classified under Iota Communications, and activities related to the spectrum licenses owned by Iota Partners that Iota Networks uses to operate its networks are classified under Iota Holdings beginning with the formation date of Iota Partners.

Iota Networks

Iota Networks derives revenues in part from FCC license services provided to customers who have already obtained an FCC spectrum license from other service providers. Additionally, owners of granted but not yet operational licenses (termed "FCC Construction Permits" or "Permits") can pay an upfront fee to Iota Networks to construct the facilities for the customer's licenses and activate their licenses operationally, thus converting the customer's ownership of the FCC Construction Permits into a fully-constructed license ("FCC License Authorization"). Once the construction certification is obtained from the FCC, Iota Networks may enter into an agreement with the customer to lease the spectrum. Once perfected in this manner, Iota Networks charges the customer a recurring annual license and equipment administration fee of 10% of the original payment amount. Collectively, these services constitute Iota Networks' Network Hosting Services. In addition, owners of already perfected licenses can pay an upfront fee plus an annual renewal fee of 10% of the upfront application fee for maintaining the customer's license and equipment and allowing the customer access to its license outside of the nationwide network. For the purposes of clarification, these spectrum licenses are not part of the Iota Partners spectrum pool.

The Company has determined there are three performance obligations related to the Network Hosting Services agreements. The first performance obligation arises from the services related to obtaining FCC license perfection, the second performance obligation arises from maintaining the license in compliance with regulatory affairs, and the third performance obligation arises from the services related to acting as a future sales or lease agent for the customer. Given the nature of the service in the first performance obligation, Iota Networks recognizes revenue from the upfront fees at the point in time that the license is perfected. Iota Networks recognizes the annual fee revenue related to the second performance obligation ratably over the contract term as the services are transferred to and performed for the customer. Pursuant to its Network Hosting Services agreements, Iota Networks also derives revenues from annual renewal fees from its customers for the purpose of covering costs associated with maintaining and operating the customer licenses. Annual renewal fee revenue is recognized ratably over the renewal period as the services are performed. The third performance obligation is for future possible services and is recognized when and if the performance obligation is satisfied.

Iota Networks has committed to provide future performance obligations to certain parties, including employees and former employees, at no cost. These performance obligations include both obtaining FCC license perfection and maintaining the license in accordance with regulatory affairs thereafter. The estimated remaining unfulfilled commitment based upon estimated standalone selling prices totals \$2,857,976 (As restated) at November 30, 2019 including \$450,503 (As restated) to employees and former employees and \$2,407,473 (As restated) to other parties. During the six months ended November 30, 2019, the Company paid \$180,420 (As restated) of FCC license application fees for licenses granted to related parties and completed the application process for the related parties at no cost. Management estimates that the incremental direct costs to fulfill these performance obligations after licenses are acquired and fully constructed are immaterial.

Iota Networks also derives revenue from subscriptions to its cloud-based data and analytics platform, BrightAI. The platform receives data from energy, environmental, and mechanical sensors and organizes, stores, and analyzes this data to provide insights to drive energy efficiency and create optimization plans for commercial facility managers. BrightAI data and analytics service offerings are sold on a subscription basis with revenue generally recognized ratably over the contract term commencing with the date the data and analytics service is made available to customers. These contracts generally have a single performance obligation which is not separately identifiable from other promises in the contracts and is, therefore, not distinct. For certain customer contracts, the Company may separately charge for equipment and optional installation and other professional services. These additional performance obligations are recognized at the point in time that the equipment is accepted by the customer or services are provided to the customer.

Iota Commercial Solutions

ICS derives revenues through solar energy, LED lighting, and HVAC implementation services. Revenues from the sale of hardware products are generally recognized upon delivery of the hardware product to the customer provided all other revenue recognition criteria are satisfied. Sales of services are recognized as the performance obligations are fulfilled, and the customer takes risk of ownership and assumes the risk of loss. Service revenue is recognized as the service is completed under ASC Topic 606.

Most ICS customer contracts have a single performance obligation which is not separately identifiable from other promises in the contracts and is, therefore, not distinct. Payment is generally due within 30 to 45 days of invoicing. There is no financing or variable component.

ICS recognizes solar panel and LED lighting system design, construction, and installation services revenue over time, as performance obligations are satisfied, due to the continuous transfer of control to the customer. ICS has determined that individual contracts at a single location are generally accounted for as a single performance obligation and are not segmented between types of services provided on these contracts. ICS recognizes revenue on these contracts using the cost to cost percentage of completion method, based primarily on contract costs incurred to date compared to total estimated contract costs. The percentage of completion method (an input method) is the most accurate depiction of ICS's performance because it directly measures the value of the services transferred to the customer, and the consideration that is required to be paid by the customer based on the contract.

Changes to total estimated contract costs or losses, if any, are recognized in the period in which they are determined as assessed at the contract level. Pre-contract costs are expensed as incurred unless they are expected to be recovered from the client. Customer payments on solar and LED lighting system contracts are typically billed upon the successful completion of milestones written into the contract and are due within 30 to 45 days of billing, depending on the contract.

Contract assets represent revenue recognized in excess of amounts billed and include unbilled receivables (typically for cost reimbursable contracts). Contract liabilities represent amounts paid by clients in excess of revenue recognized to date. ICS has recorded a loss reserve on contract assets of \$0 as of November 30, 2019 and \$71,624 as of May 31, 2019, which is included in contract assets on the unaudited condensed consolidated balance sheets.

The nature of ICS's solar panel and LED lighting system design, construction, and installation services contracts gives rise to several types of variable consideration, including claims and unpriced change orders. ICS recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. ICS estimates the amount of revenue to be recognized on variable consideration using the expected value (i.e., the sum of a probability-weighted amount) or the most likely amount method, whichever is expected to better predict the revenue amount.

Change orders are modifications of an original contract. Either ICS or its customer may initiate change orders. They may include changes in specifications or design, manner of performance, facilities, equipment, materials, sites, and period of completion of the work. ICS evaluates when a change order is probable based upon its experience in negotiating change orders, the customer's written approval of such changes, or separate documentation of change order costs that are identifiable. Change orders may take time to be formally documented and terms of such change orders are agreed with the customer before the work is performed. Sometimes circumstances require that work progresses before an agreement is reached with the customer. If ICS is having difficulties in renegotiating the change order, it will stop work, record all costs incurred to date, and determine, on a project by project basis, the appropriate final revenue recognition.

Factors considered in determining whether revenue associated with claims (including change orders in dispute and unapproved change orders in regard to both scope and price) should be recognized include the following: (a) the contract or other evidence provides a legal basis for the claim, (b) additional costs were caused by circumstances that were unforeseen at the contract date and not the result of deficiencies in ICS's performance, (c) claim-related costs are identifiable and considered reasonable in view of the work performed, and (d) evidence supporting the claim is objective and verifiable. If the requirements for recognizing revenue for claims or unapproved change orders are met, revenue is recorded only when the costs associated with the claims or unapproved change orders have been incurred. Back charges to suppliers or subcontractors are recognized as a reduction of cost when it is determined that recovery of such cost is probable, and the amounts can be reliably estimated. Disputed back charges are recognized when the same requirements described above for claims accounting have been satisfied.

ICS generally provides limited warranties for work performed under its solar and LED lighting system contracts. The warranty periods typically extend for a limited duration following substantial completion of ICS's work on a project. ICS does not charge customers for or sell warranties separately, and as such, warranties are not considered a separate performance obligation. Most warranties are guaranteed by subcontractors. ICS has recognized a warranty reserve of \$121,362 as of November 30, 2019 (As restated), and \$313,881 as of May 31, 2019.

ICS's remaining unsatisfied performance obligations as of November 30, 2019 represent a measure of the total dollar value of work to be performed on contracts awarded and in progress. ICS had approximately \$1,075,000 (As restated) in remaining unsatisfied performance obligations as of November 30, 2019. ICS expects to satisfy its remaining unsatisfied performance obligations as of November 30, 2019 over the following twelve months. Although the remaining unsatisfied performance obligations reflects business that is considered to be firm; cancellations, deferrals, or scope adjustments may occur. The remaining unsatisfied performance obligations is adjusted to reflect any known project cancellations, revisions to project scope and cost, and project deferrals, as appropriate.

Disaggregated Revenues

Revenue consists of the following by service offering for the six months ended November 30, 2019 (As restated):

Solar Energy, LED Lighting, and HVAC Implementation Service Revenues ^(a)	Network Hosting Services ^(b)	Subscription Revenues ^(b)	Total
\$ 833,803	\$ 46,431	\$ 25,250	\$ 905,484

Revenue consists of the following by service offering for the six months ended November 30, 2018:

Solar Energy, LED Lighting, and HVAC Implementation Service Revenues ^(a)	Network Hosting Services ^(b)	Subscription Revenues ^(b)	Total
\$ 772,570	\$ 107,843	\$ 5,252	\$ 885,665

Revenue consists of the following by service offering for the three months ended November 30, 2019 (As restated):

Solar Energy, LED Lighting, and HVAC Implementation Service Revenues ^(a)	Network Hosting Services ^(b)	Subscription Revenues ^(b)	Total
\$ -	\$ 8,460	\$ 25,250	\$ 33,710

Revenue consists of the following by service offering for the three months ended November 30, 2018:

Solar Energy, LED Lighting, and HVAC Implementation Service Revenues ^(a)	Network Hosting Services ^(b)	Subscription Revenues ^(b)	Total
\$ 772,570	\$ 58,047	\$ 5,252	\$ 835,869

^(a) Included in Iota Commercial Solutions segment

^(b) Included in Iota Networks segment

Cash

The Company considers all highly liquid short-term instruments that are purchased with an original maturity of three months or less to be cash equivalents. The Company did not have any cash equivalents as of November 30, 2019 and May 31, 2019.

Accounts Receivable

Accounts receivable are reported at realizable value, net of allowances for doubtful accounts, which is estimated and recorded in the period the related revenue is recorded. The Company provides for allowances for doubtful receivables based on management's estimate of uncollectible amounts considering age, collection history, and any other factors considered appropriate. The Company writes off accounts receivable against the allowance for doubtful accounts when a balance is determined to be uncollectible. As of November 30, 2019, and May 31, 2019, the Company's allowance for doubtful accounts was \$1,578,915 (As restated) and \$810,132, respectively.

Contract Assets

The Company records capitalized job costs on the balance sheet and expenses the costs upon completion of related jobs based on when revenue is earned. At November 30, 2019 and May 31, 2019, the Company had \$171,492 and \$435,788, respectively, of contract assets.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, generally three to ten years. Expenditures that enhance the useful lives of the assets are capitalized and depreciated.

All network site setup costs are capitalized as construction-in-progress ("CIP"), as incurred. Once construction on the tower or billboard site is completed, the Company transfers site specific CIP to capitalized network sites and equipment costs and begins to depreciate those assets on a straight-line basis over ten years. Network radios are depreciated on a straight-line basis, typically over three to ten years. Computer hardware and software costs are capitalized at cost and depreciated on a straight-line basis over three to five years. Furniture and fixtures are capitalized at cost and depreciated on a straight-line basis over useful lives ranging from five to seven years.

Maintenance and repairs are charged to expense as incurred. At the time of retirement or other disposition of property and equipment, the cost and accumulated depreciation will be removed from the accounts and the resulting gain or loss, if any, will be reflected in operations.

Software Development Costs

The Company is developing application platforms that will utilize the spectrum network and other leased network availability, to provide solutions for customers. The Company follows the guidance of ASC Topic 985-20, Costs of Software to be Sold, Leased, or Marketed, which calls for the expense of costs until technical feasibility is established. Any costs the Company had incurred during planning, designing, coding, and testing activities that are necessary to establish that the product can be produced to meet its design specifications are expensed as incurred. Once technical feasibility of the product has been established, the Company capitalizes the costs until the product is available for general release to customers. The capitalized costs are amortized on a product-by-product basis over the estimated economic life of the product. When conditions indicate a potential impairment, the Company compares the unamortized capitalized costs to the estimated net realizable value, and if the unamortized costs are greater than the expected future revenues, the excess is written down to the net realizable value.

On November 15, 2019, the Company entered into an asset purchase agreement with Link Labs, Inc. to purchase certain assets, including and not limited to, all work product, know-how, work in process, developments, and deliverables related to Iota Link and the Conductor system, as well as certain software, including source code that is used in connection with the development and operation of dedicated network technology using FCC Parts 22, 24, 90 and 101 spectrum for bi-directional wireless data transmission including the Conductor platform modified for provisioning and managing the Iota Link system and related intellectual property (See Note 4). As of November 30, 2019, Iota Link and the Conductor system have reached technological feasibility, and as such, appropriate costs have been capitalized.

As of November 30, 2019, there were no other software or related products that have reached technical feasibility. For the three and six months ended November 30, 2019 and 2018, approximately \$1,144 and \$3,288 and \$403,509 and \$782,524, respectively, in software development costs have been expensed within research and development costs in the unaudited condensed consolidated statements of operations.

Leases

Leases in which the Company is the lessee include leases of office facilities, office equipment, and tower and billboard space. All the Company's leases are classified as operating leases.

The Company is obligated under certain lease agreements for office space and office equipment with lease terms expiring in 2022.

The Company leases tower and billboard space in various geographic locations across the United States, upon and through which its spectrum network is being developed. Generally, these leases are for an initial five year term with annual lease rate escalations of approximately 3%. With limited exceptions, the leases provide anywhere from one to as many as five, 5-year options to extend. Most of these leases require the Company to restore the towers and billboards to their original pre-lease condition, which creates asset retirement obligations (See Note 14).

In accordance with ASC Topic 842, Leases, and upon its adoption by the Company on June 1, 2019, the Company recognized right of use assets and corresponding lease liabilities on its unaudited condensed consolidated balance sheet for its operating lease agreements. The Company elected the package of practical expedients for its operating leases, which permits the Company not to reassess under the new standard the prior conclusions about lease identification, lease classification, and initial direct costs. See Note 19 - Leases for further discussion, including the impact of adoption on the Company's unaudited condensed consolidated financial statements and required lease disclosures.

Intangible Assets

The Company records its intangible assets at cost in accordance with ASC Topic 350, Intangibles – Goodwill and Other. Definite-lived intangible assets are amortized over the estimated life using the straight-line method, which is determined by identifying the period over which the cash flows from the asset are expected to be generated. During the six months ended November 30, 2019, the Company had no impairment losses relating to its intangible assets (See Note 7).

Impairment of Long-Lived Assets

The Company reviews long-lived assets, including definite-lived intangible assets, property and equipment, and right of use ("ROU") assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Recoverability of these assets is determined by comparing the forecasted undiscounted net cash flows of the operation to which the assets relate to the carrying amount. If the operation is determined to be unable to recover the carrying amount of its assets, then these assets are written down to fair value. Fair value is determined based on discounted cash flows or appraised values, depending on the nature of the assets. For the six months ending November 30, 2019, the Company recognized impairment losses of \$10,773,363 (As restated) related to long-lived assets. For the six months ending November 30, 2018, there were no impairment losses recognized for long-lived assets.

Convertible Instruments

The Company evaluates and accounts for conversion options embedded in its convertible instruments in accordance with accounting standards for Accounting for Derivative Instruments and Hedging Activities, ASC Topic 815.

ASC Topic 815 generally provides three criteria that, if met, require companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments. These three criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable GAAP with changes in fair value reported in earnings as they occur, and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument. Professional standards also provide an exception to this rule when the host instrument is deemed to be conventional as defined under professional standards as "The Meaning of Conventional Convertible Debt Instrument".

The Company accounts for convertible instruments (when it has determined that the embedded conversion options should not be bifurcated from their host instruments) in accordance with professional standards when "Accounting for Convertible Securities with Beneficial Conversion Features," as those professional standards pertain to "Certain Convertible Instruments." Accordingly, the Company records, when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Original issue discounts ("OID") under these arrangements are amortized over the term of the related debt to their earliest date of redemption.

ASC Topic 815-40 provides that, among other things, generally if an event is not within the entity's control, or could require net cash settlement, then the contract will be classified as an asset or a liability.

Contingent Liability

On November 15, 2019, the Company entered into an asset purchase agreement (the "Purchase Agreement") with Link Labs, Inc. Pursuant to the Purchase Agreement, the Company will acquire certain assets from Link Labs (the "Purchased Assets") in a series of three closings on the Purchase Agreement terms and subject to the conditions set forth therein, for consideration totaling \$6,100,000 (As restated) in cash and stock. Through November 30, 2019, the first of these closings had occurred for consideration totaling \$3,100,000 (As restated). The contingent obligation for the second and third closings, totaling \$3,000,000, has been accrued on the Company's unaudited condensed consolidated balance sheet at November 30, 2019 as a contingent liability (See Note 4).

Asset Retirement Obligations

The Company accounts for asset retirement obligations in accordance with authoritative guidance that requires entities to record the fair value of a liability for an asset retirement obligation in the period in which it is incurred. An asset retirement obligation is defined as a legal obligation associated with the retirement of tangible long-lived assets in which the timing and/or method of settlement may or may not be conditional on a future event that may or may not be within the control of the Company. When the liability is initially recorded, the Company capitalizes the estimated cost of retiring the asset as part of the carrying amount of the related long-lived asset. The Company estimates the fair value of its asset retirement obligations based on the discounting of expected cash flows using various estimates, assumptions, and judgments regarding certain factors such as the existence of a legal obligation for an asset retirement obligation; estimated amounts and timing of settlements; the credit-adjusted risk-free rate to be used; and inflation rates.

The asset retirement obligations of the Company are associated with leases for its tower and billboard site locations. For purposes of estimating its asset retirement obligations, the Company assumes lease extension options will be exercised for the tower and billboard site locations consistent with terms used for estimating the related lease liability in accordance with ASC Topic 842, consequently resulting in measurement periods of 5 - 15 years. Accretion associated with asset retirement costs is recognized over the expected term of the respective leases, including reasonably certain extension options.

Deferred Rent

The Company recognizes escalating rent provisions on a straight-line basis over the corresponding lease term. Prior to its adoption of ASC Topic 842, and for leases associated with its tower and billboard site locations, the Company assumed all lease extension options would be exercised resulting in lease terms of 5 – 30 years. For leases associated with office space, the Company assumed the initial lease term, generally 5 years. A deferred rent liability is recognized for the difference between actual scheduled lease payments and the rent expense determined on a straight-line basis. On June 1, 2019, the Company adopted ASC Topic 842 – Leases, and, as such, included all unamortized deferred rent as a component of the right of use asset for the Company's tower, billboard, and long-term office leases.

Research & Development Costs

In accordance with ASC Topic 730-10-25, research and development costs are charged to expense when incurred. Total research and development costs were \$1,144 and \$3,288 and \$671,544 and \$2,064,234 for the three and six months ended November 30, 2019 and 2018, respectively.

License Service Costs

The Company incurs costs related to providing license services to its Spectrum Partners. These costs include frequency coordination fees and FCC filing fees. Per the Company's accounting policy, these costs are expensed as incurred and totaled \$72,890 and \$1,029,670 and \$285,840 and \$405,140 for the three and six months ended November 30, 2019 and 2018, respectively, and are recorded within selling, general, and administrative expenses on the unaudited condensed consolidated statements of operations.

Advertising and Marketing Costs

The Company expenses advertising and marketing costs as they are incurred. Advertising and marketing expenses totaled \$81,570 and \$270,268 (As restated) and \$84,770 and \$201,223 for the three and six months ended November 30, 2019 and 2018, respectively.

Deferred Finance Charges

Broker fees associated with the administration of the Spectrum Partners Program are capitalized as deferred financing costs offset against the revenue-based notes. These financing costs are amortized over the initial five year term of the Spectrum Partners Program. During the three months ended November 30, 2019, deferred finance charges totaling \$518,146 (As restated) were written off in connection with the extinguishment of Solutions Pool revenue-based notes (See Note 11) and are included as a component of loss on extinguishment of debt in the unaudited condensed consolidated statements of operations. Amortization of deferred financing costs is recorded in interest expense, net on the unaudited condensed consolidated statements of operations, and totaled \$285,518 (As restated) and \$339,433 (As restated) and \$53,915 and \$104,601 for the three and six months ended November 30, 2019 and 2018, respectively. The amortization expense for the three and six months ended November 30, 2019 includes \$190,847 (As restated) of accelerated amortization resulting from a change in the estimated life of the remaining Spectrum Partners Program revenue-based notes.

Segment Policy

The Company's reportable segments include Iota Networks, Iota Commercial Solutions, Iota Communications, and Iota Holdings, and are distinguished by types of service, customers, and methods used to provide services. The operating results of these business segments are regularly reviewed by the Company's chief operating decision maker. The Company evaluates performance based primarily on income (loss) from operations.

Fair Value Measurements

ASC Topic 820, Fair Value Measurements and Disclosures, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable. ASC Topic 820 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement). This fair value measurement framework applies at both initial and subsequent measurement.

The three levels of the fair value hierarchy defined by ASC Topic 820 are as follows:

- Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Level 1 primarily consists of financial instruments such as exchange-traded derivatives, marketable securities, and listed equities.
- Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reported date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace. Instruments in this category generally include non-exchange-traded derivatives such as commodity swaps, interest rate swaps, options, and collars.
- Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Fair Value of Financial Instruments

The carrying value of cash, accounts receivable, accounts payable and accrued expenses, and payroll liabilities, approximate their fair values based on the short-term maturity of these instruments. The carrying amount of notes payable and convertible debentures approximates the estimated fair value for these financial instruments as management believes that such notes constitute substantially all the Company's debt, and interest payable on the notes approximates the Company's current incremental borrowing rate. The carrying amount of lease liabilities approximates the estimated fair value for these financial instruments as management believes that such liabilities approximate the present value of the lease obligation owed over the reasonably certain term of the lease.

Net Loss Per Common Share

Net loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the year. All outstanding options and warrants are considered potential common stock. All outstanding convertible securities are considered common stock at the beginning of the period or at the time of issuance, if later, pursuant to the if-converted method. The dilutive effect, if any, of stock options and warrants are calculated using the treasury stock method.

Since the effect of common stock equivalents is anti-dilutive with respect to losses, the convertible securities, options, and warrants have been excluded from the Company's computation of net loss per common share for the three and six month periods ended November 30, 2019 and 2018. The following table summarizes the potentially dilutive securities that would be included in a diluted per share calculation if the Company was in a net income position since the exercise price of these securities is less than the average market price of the common shares during the period:

	Three Months Ended	
	November 30, 2019 (As restated)	November 30, 2018 (As restated)
Convertible notes	11,012,673	4,937,863
Stock options	-	229,487
Warrants	894,511	9,886,573
Potentially dilutive securities	<u>11,907,184</u>	<u>15,053,923</u>
	Six Months Ended	
	November 30, 2019 (As restated)	November 30, 2018 (As restated)
Convertible notes	11,012,673	4,937,863
Stock options	-	74,236
Warrants	2,198,375	9,605,904
Potentially dilutive securities	<u>13,211,048</u>	<u>14,618,003</u>

Excluded from the common stock equivalents presented above due to pricing are 31,857,566 shares and 30,553,702 shares and 23,252,834 shares and 23,688,754 shares for the three and six months ended November 30, 2019 and 2018, respectively.

Stock-based Compensation

The Company applies the provisions of ASC Topic 718, Compensation – Stock Compensation, which requires the measurement and recognition of compensation expense for all stock-based awards made to employees, including employee stock options, in the statement of operations.

For stock options issued to employees and members of the board of directors for their services, the Company estimates the grant date fair value of each option using the Black-Scholes option pricing model. The use of the Black-Scholes option pricing model requires management to make assumptions with respect to the expected term of the option, the expected volatility of the common stock consistent with the expected life of the option, risk-free interest rates, and expected dividend yields of the common stock. For awards subject to service-based vesting conditions, including those with a graded vesting schedule, the Company recognizes stock-based compensation expense equal to the grant date fair value of the stock options on a straight-line basis over the requisite service period, which is generally the vesting term. Forfeitures are recorded as they are incurred as opposed to being estimated at the time of grant and revised.

Pursuant to Accounting Standards Update (“ASU”) 2018-07 Compensation – Stock Compensation: Improvements to Nonemployee Share-Based Payment Accounting, the Company accounts for stock options issued to non-employees for their services in accordance with ASC Topic 718. The Company uses valuation methods and assumptions to value the stock options granted to nonemployees that are in line with the process for valuing employee stock options described above.

Income Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets, including tax loss and credit carry forwards, and liabilities are measured using enacted tax rates expected to apply to taxable income in the 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 income in the period that includes the enactment date.

The Company utilizes ASC Topic 740, Income Taxes, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the unaudited condensed consolidated financial statements or tax returns. The Company accounts for income taxes using the asset and liability method to compute the differences between the tax basis of assets and liabilities and the related financial amounts, using currently enacted tax rates. A valuation allowance is recorded when it is “more likely-than-not” that a deferred tax asset will not be realized.

For uncertain tax positions that meet a “more likely than not” threshold, the Company recognizes the benefit of uncertain tax positions in the unaudited condensed consolidated financial statements. The Company’s practice is to recognize interest and penalties, if any, related to uncertain tax positions in income tax expense in the unaudited condensed consolidated statements of operations.

Recently Adopted Accounting Pronouncements

On February 25, 2016, the Financial Accounting Standards Board (“FASB”) issued ASU No. 2016-02, Leases (Topic 842), which the Company adopted as of June 1, 2019. Topic 842 requires recognition of lease rights and obligations as assets and liabilities on the balance sheet.

On June 1, 2019, the Company adopted the new lease standard using the optional transition method. The comparative financial information will not be restated and will continue to be reported under the previous lease standard in effect during those periods. In addition, the new lease standard provides several optional practical expedients in transition. The Company elected the package of practical expedients, and as such, the Company will not reassess whether expired or contain a lease, will not need to reassess the lease classifications, or reassess the initial direct costs associated with expired or expiring leases. The Company did not elect the use of hindsight or the practical expedient pertaining to land easements; the latter not being applicable to the Company. The new lease standard also provides practical expedients for an entity's ongoing accounting. The Company elected the short-term lease recognition exemption for all leases that qualify. For those leases that qualify, the Company will not recognize right of use assets or lease liabilities, including not recognizing right of use assets or lease liabilities for existing short-term leases of those assets in transition. The Company elected the practical expedient to not separate lease and non-lease components for certain classes of assets (office facilities and office equipment).

On June 1, 2019, the Company recognized right of use assets of \$17,221,387, net of deferred rent liabilities of \$1,975,815, and lease liabilities of \$19,197,202. During the six month period ended November 30, 2019, the Company identified certain billboard leases that were erroneously not recorded as part of the initial ASC Topic 842 adoption. The Company recognized additional right of use assets and lease liabilities of \$2,943,035 (As restated) for these leases. After adjustment, the total impact of the ASC Topic 842 adoption is a right of use asset of \$20,164,422 (As restated), net of deferred rent liabilities of \$1,975,815, and lease liabilities of \$22,140,237 (As restated). When measuring lease liabilities for leases that were classified as operating leases, the Company discounted lease payments using its estimated incremental borrowing rate, which was 7.2% on June 1, 2019. The Company's adoption of the new lease standard did not materially impact its unaudited condensed consolidated statements of operations and its statements of cash flows. No cumulative effect adjustment was recognized upon adoption as the effect was not material. See Note 19 - Leases for further discussion, including the impact on the Company's unaudited condensed consolidated financial statements and required lease disclosures.

All other newly issued but not yet effective accounting pronouncements have been deemed to be not applicable or immaterial to the Company.

NOTE 3 – RESTATEMENT AND REVISION OF PREVIOUSLY REPORTED CONSOLIDATED FINANCIAL STATEMENTS

As previously disclosed in the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission (the "SEC") on March 6, 2020, the Board of Directors (the "Board") of Iota Communications, Inc. ("Iota" or the "Company"), after discussion with management of the Company, concluded that the Company's previously issued unaudited condensed consolidated interim financial statements as of and for the three and six months ended November 30, 2019, included in the Company's Quarterly Report on Form 10-Q and Form 10-Q/A for such period (the "Previously Issued Financial Statements") filed with the SEC on January 22, 2020, (collectively, the "Original Form 10-Q/A") should be restated because of certain material errors in the Previously Issued Financial Statements and should no longer be relied upon. This Note 3 to the unaudited condensed consolidated financial statements discloses the nature of the restatement and adjustments and shows the impact of the restatement as of and for the three and six months ended November 30, 2019.

The following errors were identified and corrected as part of the restatement:

- A. The Company identified certain receivables and other assets that were not properly recorded at net realizable value. In addition, the Company determined, following the completion of a third-party valuation, that certain adjustments to the recorded fair value of the assets acquired from Link Labs on November 15, 2019 were required.
- B. The Company identified errors in the assumptions used in its accounting for its tower and billboard property and equipment and the related asset retirement obligations.
- C. The Company determined that it had not properly performed the required impairment testing of long-lived assets that were not in use including property and equipment and right of use lease assets in accordance with US GAAP.
- D. The Company identified errors in the implementation and application of its accounting for leases under ASC Topic 842, Leases.
- E. The Company determined that it had failed to disclose and properly record the extinguishment of revenue-based note liabilities associated with its Solutions Pool Program.
- F. The Company identified errors in its accounting for the extinguishment of revenue-based note liabilities and the concurrent acquisition of FCC licenses and issuance of limited partnership units by Iota Spectrum Partners, LP.
- G. The Company identified certain liabilities that were not properly and fully recorded at the reasonably estimable amounts incurred.
- H. The Company identified errors in the accounting for its non-controlling interest in Iota Spectrum, Partners, LP.
- I. The Company identified errors in the accounting for its convertible debt, related equity instruments, and extinguishment thereof.
- J. The Company identified certain transactions that had been recorded to incorrect accounts and required reclassification.

Condensed Consolidated Balance Sheet

November 30, 2019

	Previously Reported	Adjustment	As Restated	Reference
ASSETS				
Current Assets:				
Cash	\$ 203,675	\$ -	\$ 203,675	
Accounts receivable, net	534,404	(178,847)	355,557	A
Contract assets	171,492	-	171,492	
Other current assets	599,349	(256,600)	342,749	A, G
Total Current Assets	1,508,920	(435,447)	1,073,473	
Property and equipment, net	11,890,089	(4,616,847)	7,273,242	A, B, C
Right of use assets	17,926,862	(6,432,272)	11,494,590	C, D
Intangible assets, net	4,423,720	2,460,330	6,884,050	A, F
Other assets	169,076	(140,625)	28,451	A
Total Assets	\$ 35,918,667	\$ (9,164,861)	\$ 26,753,806	
LIABILITIES AND DEFICIT				
Current Liabilities:				
Accounts payable and accrued expenses	\$ 6,712,696	\$ 684,608	\$ 7,397,304	G, J
Payroll liability	1,200,249	(40,793)	1,159,456	G, J
Current portion of lease liabilities	1,179,155	482,357	1,661,512	D, J
Service obligations	97,900	-	97,900	
Contract liabilities	205,245	256,838	462,083	A, J
Warranty reserve	150,000	(28,638)	121,362	G
Deferred revenue	303,269	(303,269)	-	J
Convertible notes payable, net	905,637	317,362	1,222,999	I, J
Contingent liability	3,000,000	-	3,000,000	
Notes payable - related parties	911,459	(557,237)	354,222	J
Notes payable - officers and directors	-	557,237	557,237	J
Notes payable	4,331,943	730,028	5,061,971	J
Total Current Liabilities	18,997,553	2,098,493	21,096,046	
Lease liabilities, net of current portion	17,729,382	1,046,108	18,775,490	D, J
Revenue-based notes, net	75,409,098	(2,308,683)	73,100,415	A, E, F
Long-term notes payable - related parties	1,176,596	(510,442)	666,154	J
Long-term notes payable - officers and directors	-	510,442	510,442	J
Asset retirement obligations	1,737,378	(195,608)	1,541,770	B
Total Liabilities	115,050,007	640,310	115,690,317	
Commitments and Contingencies				
Deficit:				
Convertible preferred stock, \$.0001 par value; 5,000,000 shares authorized	-	-	-	
Common stock, \$.0001 par value; 600,000,000 shares authorized;	24,790	1,957	26,747	E, G, I
Additional paid-in capital	37,486,851	8,889,590	46,376,441	A, E, F, G, H, I
Accumulated deficit	(119,964,868)	(18,415,925)	(138,380,793)	A, B, C, D, E, G, H, I
Total Iota Communications, Inc. Deficit	(82,453,227)	(9,524,378)	(91,977,605)	
Non-controlling Interest in Variable Interest Entity	3,321,887	(280,793)	3,041,094	H
Total Deficit	(79,131,340)	(9,805,171)	(88,936,511)	
Total Liabilities and Deficit	\$ 35,918,667	\$ (9,164,861)	\$ 26,753,806	

Condensed Consolidated Statements of Operations

For the Six Months Ended November 30, 2019

	Previously Reported	Adjustment	As Restated	Reference
Net sales	\$ 1,015,566	\$ (110,082)	\$ 905,484	A, J
Cost of sales	816,916	142,760	959,676	G, J
Gross profit (loss)	198,650	(252,842)	(54,192)	
Operating expenses:				
Network site expenses	2,378,103	(99,056)	2,279,047	B, D, G
Research and development	3,288	-	3,288	
Selling, general and administrative	5,147,867	1,546,613	6,694,480	A, B, G, I, J
Depreciation and amortization	556,829	1,065,442	1,622,271	B
Stock-based compensation	1,299,986	(85,486)	1,214,500	I
Gain on settlement of past due lease obligations	(11,167,962)	-	(11,167,962)	
Loss on extinguishment of debt	-	5,857,660	5,857,660	E, I
Impairment of long-lived assets	-	10,773,363	10,773,363	C
Total operating expenses	(1,781,889)	19,058,536	17,276,647	
Income (loss) from operations	1,980,539	(19,311,378)	(17,330,839)	
Interest expense, net	(3,161,077)	431,124	(2,729,953)	B, E, G, I, J
Loss before provision for income taxes	(1,180,538)	(18,880,254)	(20,060,792)	
Provision for income taxes	-	-	-	
Net loss	(1,180,538)	(18,880,254)	(20,060,792)	
Net loss attributable to non-controlling interest	(24,577)	(464,329)	(488,906)	H
Net loss attributable to Iota Communications, Inc.	\$ (1,155,961)	\$ (18,415,925)	\$ (19,571,886)	
Net loss per common share - basic and diluted	\$ (0.01)	\$ (2.52)	\$ (0.08)	
Weighted average shares outstanding - basic and diluted	225,778,381	7,316,397	233,094,778	

Condensed Consolidated Statements of Operations

For the Three Months Ended November 30, 2019

	Previously Reported	Adjustment	As Restated	Reference
Net sales	\$ 257,605	\$ (223,895)	\$ 33,710	A, J
Cost of sales	102,033	(38,239)	63,794	G, J
Gross profit (loss)	155,572	(185,656)	(30,084)	
Operating expenses:				
Network site expenses	1,120,412	(99,056)	1,021,356	B, D, G
Research and development	1,144	-	1,144	
Selling, general and administrative	572,318	1,661,197	2,233,515	A, B, G, I, J
Depreciation and amortization	283,912	1,065,442	1,349,354	B
Stock-based compensation	597,573	(85,486)	512,087	I
Gain on settlement of past due lease obligations	(11,167,962)	-	(11,167,962)	
Loss on extinguishment of debt	-	5,857,660	5,857,660	E, I
Impairment of long-lived assets	-	10,773,363	10,773,363	C
Total operating expenses	(8,592,603)	19,173,120	10,580,517	
Income (loss) from operations	8,748,175	(19,358,776)	(10,610,601)	
Interest expense, net	(1,897,898)	(88,883)	(1,986,781)	B, E, G, I, J
Income (loss) before provision for income taxes	6,850,277	(19,447,659)	(12,597,382)	
Provision for income taxes	-	-	-	
Net income (loss)	6,850,277	(19,447,659)	(12,597,382)	
Net loss attributable to non-controlling interest	(24,577)	(464,329)	(488,906)	H
Net income (loss) attributable to Iota Communications, Inc.	\$ 6,874,854	\$ (18,983,330)	\$ (12,108,476)	
Net income (loss) per common share - basic and diluted	\$ 0.03	\$ (1.42)	\$ (0.05)	
Weighted average shares outstanding - basic and diluted	230,721,378	13,333,010	244,054,388	

In addition to the items noted above as part of the restatement, the Company identified departures from US GAAP in its historical preparation and presentation of its unaudited condensed consolidated statement of cash flows. The adjustments that follow are a result of items "A" through "J" explained above, as well as the addition of certain supplemental cash flow information as required by U.S. GAAP.

Condensed Consolidated Statement of Cash Flows			
For the Six Months Ended November 30, 2019			
	Previously Reported	Adjustment	As Restated
Cash flows from operating activities:			
Net loss	\$ (1,180,538)	\$ (18,880,254)	\$ (20,060,792)
Adjustments to reconcile net loss to net cash used in operating activities	(6,274,449)	17,759,496	11,485,047
Changes in operating assets and liabilities	617,323	1,318,914	1,936,237
Net cash used in operating activities	(6,837,664)	198,156	(6,639,508)
Net cash used in investing activities	(3,889)	(28,503)	(32,392)
Net cash provided by financing activities	6,256,726	(169,653)	6,087,073
Net decrease in cash	(584,827)	-	(584,827)
Cash - beginning of period	788,502	-	788,502
Cash - end of period	<u>\$ 203,675</u>	<u>\$ -</u>	<u>\$ 203,675</u>
Supplemental cash flow information:			
Intangible assets acquired in connection with Link Labs acquisition	\$ 4,155,335	\$ (855,335)	\$ 3,300,000
Software acquired in connection with Link Labs acquisition	\$ 2,610,000	\$ 190,000	\$ 2,800,000
Common stock issued for purchase of Link Labs assets	\$ 3,765,335	\$ (665,335)	\$ 3,100,000
Right of use assets recorded upon adoption of ASC 842	\$ 19,867,608	\$ 2,272,629	\$ 22,140,237
Lease liabilities recorded upon adoption of ASC 842	\$ 21,843,423	\$ 296,814	\$ 22,140,237
Right of use assets disposed in connection with lease modifications and decommissioning of towers	\$ -	\$ 11,522,862	\$ 11,522,862
Lease liabilities extinguished in connection with lease modifications and decommissioning of towers	\$ -	\$ 12,853,201	\$ 12,853,201
Right of use assets and lease liabilities recorded in connection with lease modifications	\$ -	\$ 12,317,300	\$ 12,317,300
Conversion of accounts payable to notes payable for Avalton, a related party	\$ -	\$ 404,222	\$ 404,222
Common stock and warrants issued for settlement of accounts payable	\$ 887,692	\$ 263,326	\$ 1,151,018
Replacement of convertible notes with non-convertible note payable	\$ -	\$ 4,600,000	\$ 4,600,000
Debt discount in connection with restricted shares issued with convertible debt	\$ 212,815	\$ 340,680	\$ 553,495
Receivable for revenue-based note issued	\$ -	\$ 413,032	\$ 413,032
Settlement of Solutions Pool revenue-based notes net of new issuances	\$ -	\$ 3,430,707	\$ 3,430,707
Additions to asset retirement costs	\$ 8,774	\$ (2,026)	\$ 6,748
Asset retirement obligation, revision of estimate	\$ -	\$ 220,201	\$ 220,201
Beneficial conversion feature in connection with issued and Black-Scholes market value of warrants	\$ 2,123,903	\$ (1,244,242)	\$ 879,661
Iota Spectrum Partners, LP limited partnership interests issued for contribution of intangible assets	\$ -	\$ 3,430,000	\$ 3,430,000
Original issue discount in connection with convertible debt issued	\$ 118,830	\$ (118,830)	\$ -
Deferred finance costs in connection with convertible debt issued	\$ 85,680	\$ (85,680)	\$ -
Note payable - related party	\$ 911,459	\$ (911,459)	\$ -

In addition to the restatement items described above, the Company also recorded adjustments for certain immaterial misstatements in the prior periods.

During the three months ended February 28, 2019, the Company incorrectly recorded \$509,996 of equity issuance fees in Selling, general, and administrative expense relating to the December 11, 2018 issuer tender offer in the unaudited condensed consolidated statements of operations. Upon further review, it was determined that these equity issuance fees should be recorded as a reduction of additional paid in capital. The Company has corrected this error to reflect the proper accounting for these fees.

During the three months ended August 31, 2019, the Company did not record certain billboard leases per their lease agreements, the correction of which is reflected within the table below. Upon further review, it was determined that these leases should be included in the Company's implementation of ASC Topic 842 lease accounting. The Company has corrected this error to include these leases in the unaudited condensed consolidated balance sheet for the three and six months ended November 30, 2019.

During the three months ended August 31, 2019, the Company recorded \$567,405 of additional paid-in capital and interest expense related to common stock issued for inducement of convertible debt holders. Upon further review, it was determined that these issuances were already recorded as a debt discount to convertible notes payable. The Company has corrected this error to reflect the correct amounts and accounting treatment for these issuances.

The following tables summarize the effects of the revisions on the financial statements for the periods reported:

Consolidated Balance Sheet as of February 28, 2019	Previously Reported	Adjustments	As Revised
Additional paid-in capital	\$ 20,574,650	\$ (509,996)	\$ 20,064,654
Accumulated deficit	\$ (102,867,832)	\$ 509,996	\$ (102,357,836)

Consolidated Statement of Operations for the 3 months ended February 28, 2019	Previously Reported	Adjustment	As Revised
Selling, general and administrative	\$ 2,883,924	\$ (509,996)	\$ 2,373,928
Net loss	\$ (13,603,661)	\$ 509,996	\$ (13,093,665)
Basic and diluted net loss per share	\$ (0.07)	\$ 0.00	\$ (0.07)

Consolidated Statement of Operations for the 9 months ended February 28, 2019	Previously Reported	Adjustments	As Revised
Selling, general and administrative	\$ 12,364,253	\$ (509,996)	\$ 11,854,257
Net loss	\$ (40,256,330)	\$ 509,996	\$ (39,746,334)
Basic and diluted net loss per share	\$ (0.25)	\$ 0.01	\$ (0.24)

Consolidated Balance Sheet as of May 31, 2019	Previously Reported	Adjustments	As Revised
Additional paid-in capital	\$ 24,539,004	\$ (509,996)	\$ 24,029,008
Accumulated deficit	\$ (119,318,903)	\$ 509,996	\$ (118,808,907)

Consolidated Statement of Operations for the year ended May 31, 2019	Previously Reported	Adjustments	As Revised
Selling, general and administrative	\$ 16,730,695	\$ (509,996)	\$ 16,220,699
Net loss	\$ (56,777,401)	\$ 509,996	\$ (56,267,405)
Basic and diluted net loss per share	\$ (0.32)	\$ 0.00	\$ (0.32)

Consolidated Balance Sheet as of August 31, 2019	Previously Reported	Adjustment	As Restated
Right of use assets	\$ 16,718,780	\$ 2,653,090	\$ 19,371,870
Current portion of lease liabilities	\$ 2,595,994	\$ 137,574	\$ 2,733,568
Lease liabilities, net of current portion	\$ 15,956,589	\$ 2,515,516	\$ 18,472,105
Additional paid-in capital	\$ 27,073,827	\$ (1,077,401)	\$ 25,996,426
Accumulated deficit	\$ (127,344,968)	\$ 1,072,651	\$ (126,272,317)
Total stockholders' deficit	\$ (100,248,781)	\$ (4,750)	\$ (100,253,531)

Consolidated Statement of Operations for the 3 months ended August 31, 2019	Previously Reported	Adjustment	As Restated
Selling, general and administrative	\$ 4,582,066	\$ 4,750	\$ 4,586,816
Interest expense, net	\$ (1,256,662)	\$ 567,405	\$ (689,257)
Net loss	\$ (8,026,065)	\$ (562,655)	\$ (7,463,410)
Basic and diluted loss per share	\$ (0.04)	\$ (0.00)	\$ (0.04)

NOTE 4 – ACQUISITIONS

Merger Agreement with Iota Networks, LLC

Effective September 1, 2018, Iota Communications consummated the Merger pursuant to its Merger Agreement with Merger Sub, Iota Networks, and Spectrum Networks Group, LLC. Pursuant to the terms of the Merger Agreement, Merger Sub merged with and into Iota Networks. Iota Networks was the surviving corporation and, as a result of the Merger, became a wholly owned subsidiary of Iota Communications.

On September 5, 2018, the parties to the Merger Agreement entered into an amendment to the Merger Agreement (the "Amendment"), pursuant to which the terms of the Merger Agreement were amended to reflect that:

- for all bookkeeping and accounting purposes, the closing of the Merger (the "Closing") was to be deemed to have occurred at 12:01 am local time on the first calendar day of the month in which the Closing occurred;
- for the purposes of calculating the number of shares of Iota Communications' common stock, \$0.0001 par value per share, to be issued in exchange for common equity units of Iota Networks in connection with the Merger, the conversion ratio was to be 1.5096; and
- 43,434,034 shares of Iota Communications' common stock were issued and outstanding as of the Closing.

Except as specifically amended by the Amendment, all the other terms of the Merger Agreement remained in full force and effect.

Pursuant to the Merger Agreement, as amended, at the effective time of the Merger:

- Iota Networks outstanding 90,925,518 common equity units were exchanged for an aggregate of 129,671,679 shares of Iota Communications' common stock;
- Iota Networks outstanding 14,559,737 profit participation units ("PPUs") were exchanged for an aggregate of 15,824,972 shares of Iota Communications' common stock;
- Warrants to purchase 1,372,252 common equity units of Iota Networks were exchanged for Warrants to purchase an aggregate of 18,281,494 shares of Iota Communications' common stock; and
- A total of \$2,392,441 of advance payments from an investor were converted into 7,266,499 common equity units prior to the Merger.

Additionally, prior to the Merger, in July 2018, Iota Communications converted \$5,038,712 of convertible debt and accrued interest of Iota Communications into 5,038,712 shares of Iota Communications' common stock, which was distributed to the former parent of Iota Networks.

As a result of the exchange of the PPUs for the 15,824,972 shares of Iota Communications' common stock, the Company recognized approximately \$5,967,000 of stock-based compensation expense for the period ended November 30, 2018.

The Warrants are exercisable for a period of five years from the date the original warrants to purchase common equity units of Iota Networks were issued to the holders. The Warrants provide for the purchase of shares of Iota Communications' common stock at an exercise price of \$0.3753 per share. The Warrants are exercisable for cash only. The number of shares of common stock to be deliverable upon exercise of the Warrants is subject to adjustment for subdivision or consolidation of shares and other standard dilutive events. As a result of these Warrants, Iota Communications recognized approximately \$3,992,000 of stock-based compensation expense for the period ended November 30, 2018.

Immediately following the Merger, Iota Communications had 196,279,076 shares of common stock issued and outstanding. The pre-Merger stockholders of Iota Communications retained an aggregate of 43,434,034 shares of common stock of Iota Communications, representing approximately 22.1% ownership of the post-Merger company. Therefore, upon consummation of the Merger, there was a change in control of Iota Communications, with the former owners of Iota Networks effectively acquiring control of Iota Communications. The Merger has been treated as a recapitalization and reverse acquisition for financial accounting purposes. Iota Networks is considered the acquirer for accounting purposes, and the registrant's historical financial statements before the Merger have been replaced with the historical financial statements of Iota Networks before the Merger in the financial statements and filings with the Securities and Exchange Commission.

The Company accounted for these transactions in accordance with the acquisition method of accounting for business combinations. Assets and liabilities of the acquired business were included in the unaudited condensed consolidated balance sheet, based on the respective estimated fair value on the date of acquisition as determined in a purchase price allocation using available information and making assumptions management believed are reasonable.

The Company obtained a third-party valuation on the fair value of the assets acquired and liabilities assumed for use in the purchase price allocation, as well as the value of the consideration exchanged in the Merger. It was determined that the market price of the Company's common stock was not the most readily determinable measurement for calculating the fair value of the consideration, and instead the estimation was based on an income approach to value the equity interest exchanged.

The following table summarizes the allocation of the purchase price to the fair values of the assets acquired and liabilities assumed as of the transaction date:

Consideration paid	\$ 880,602
Tangible assets acquired:	
Cash	72,059
Accounts receivable, net	184,165
Contract assets	473,998
Other current assets and prepaid expenses	354,955
Fixed assets, net	20,291
Security deposit	30,289
Total tangible assets	<u>1,135,757</u>
Assumed liabilities:	
Accounts payable	2,983,537
Accrued expenses	673,736
Contract liabilities	59,385
Accrued income tax	63,082
Warranty reserve	210,594
Debt subject to equity being issued	179,180
Advances from related party	827,700
Convertible debentures, net of debt discount	850,000
Notes payable	535,832
Total assumed liabilities	<u>6,383,046</u>
Net tangible assets (liabilities)	(5,247,289)
Intangible assets acquired: (a.)	
IP/technology/patents	210,000
Customer base	17,000
Tradenames – trademarks	510,500
Non-compete agreements	140,500
Total intangible assets acquired	<u>878,000</u>
Net assets acquired	(4,369,289)
Goodwill (b.)(c.)	<u>\$ 5,249,891</u>

a. These intangible assets have a useful life of 4 to 5 years (See Note 7). The useful life of the intangible assets for amortization purposes was determined considering the period of expected cash flows generated by the assets used to measure the fair value of the intangible assets adjusted as appropriate for the entity-specific factors, including legal, regulatory, contractual, competitive, economic, or other factors that may limit the useful life of intangible assets.

The primary items that generate goodwill include the value of the synergies between the acquired company and Iota Communications and the acquired assembled workforce, neither of which qualifies for recognition as an intangible asset.

b. Goodwill is the excess of the purchase price over the fair value of the underlying net assets acquired. In accordance with applicable accounting standards, goodwill is not amortized, but instead is tested for impairment at least annually or more frequently if certain indicators are present. Goodwill and intangibles are not deductible for tax purposes.

c. At May 31, 2019, the Company performed an impairment analysis on Goodwill, and due to the carrying value of the reporting unit being greater than the fair value of the reporting unit, management determined that Goodwill was impaired. The Company recorded a \$5,249,891 impairment charge for the fiscal year ended May 31, 2019, to write-down Goodwill to \$0.

Unaudited Pro Forma Financial Information

The following unaudited pro forma information presents the consolidated results of operations of Iota Communications and Iota Networks' as if the Merger consummated on September 1, 2018 had been consummated on June 1, 2017. Such unaudited pro forma information is based on historical unaudited financial information with respect to the 2018 Merger and does not include operational or other charges which might have been affected by the Company. The unaudited pro forma information for the six months ended November 30, 2018 presented below is for illustrative purposes only and is not necessarily indicative of the results which would have been achieved or results which may be achieved in the future:

	Six Months Ended November 30, 2018
Net revenue	\$ 1,731,147
Net loss	\$ (30,515,798)

Link Labs Asset Acquisition

On November 15, 2019, the Company entered into an asset purchase agreement (the "Purchase Agreement") with Link Labs, Inc., a Delaware corporation ("Link Labs") and completed the first closing thereunder. Link Labs is the creator of (i) Symphony Link, a low power, wide area wireless network platform that allows for monitoring and two-way communication with IoT network devices, and (ii) Conductor, which is an enterprise-grade data and network management service for use with Symphony Link.

Pursuant to the Purchase Agreement, the Company will acquire certain assets from Link Labs (the "Purchased Assets") in a series of three closings on the terms and subject to the conditions set forth therein, for total consideration of cash and stock. The Purchased Assets consist of:

(i) All work product, know-how, work in process, developments, and deliverables related to the Iota Link system under development by Link Labs, including hardware designs, firmware, and related documentation;

(ii) All work product, know-how, work in process, developments, and deliverables related to the Conductor system associated with the Iota Link system under development by Link Labs prior to transfer of the source code to Iota Link; and

(iii) All software, including source code, as of the first closing, that is used in connection with the development and operation of dedicated network technology using FCC Parts 22, 24, 90, and 101 spectrum for bi-directional wireless data transmission (collectively, the "Iota Exclusive Business"), including the Conductor platform modified for provisioning and managing the Iota Link system, for use by the Company in furtherance of the Iota Exclusive Business (the "Purchased Software"). The assets in (i), (ii) and (iii) represent the Purchased Assets at the first closing (the "First Closing Assets").

(iv) Termination of the existing agreements between Link Labs and the Company relating to the development, purchase, and ongoing usage and maintenance fees for Iota Link and the Conductor system supplied by Link Labs to the Company. The assets in (iv) represent the Purchased Assets to be delivered at the second closing (the "Second Closing Assets").

(v) All improvements, developments, ideas, and inventions related to the Purchased Intellectual Property (as defined in (vi) below) through the date of the final closing (the "Final Closing Date").

(vi) Full ownership and title to certain network technology patents of Link Labs, which constitute all patents that will be filed by or issued to Link Labs through the Final Closing Date that may be used in the Iota Exclusive Business (the "Purchased Intellectual Property"). The assets in (v) and (vi) represent the Purchased Assets to be delivered at the third and final closing (the "Final Closing Assets").

At the first closing, and as consideration for the First Closing Assets, the Company issued 12,146,241 shares of restricted common stock to Link Labs for consideration totaling \$3,100,000 (As restated). The Company also made a cash payment of \$215,333 to Link Labs at the first closing, representing a partial payment on certain overdue invoices.

The second closing under the Purchase Agreement was required to take place no later than December 31, 2019 and the third and final closing will take place on the date on which the purchase consideration has been paid in full. At the third and final closing, the Company will acquire the Final Closing Assets. See Note 22, Subsequent Events, for details on the second and third closing including the required payment of \$3,000,000 to Link Labs, which is accrued as a contingent liability on the Company's unaudited condensed consolidated balance sheet at November 30, 2019, and the final required payment of \$430,666 on certain overdue invoices, which is accrued within accounts payable and accrued expenses on the Company's unaudited condensed consolidated balance sheet at November 30, 2019.

The Company and Link Labs also entered into a Grant-Back License Agreement on the first closing date pursuant to which, subject to the terms and conditions set forth therein, the Company granted an exclusive, world-wide, royalty-free license to Link Labs for its use of the Purchased Intellectual Property. The Company has not assigned any value to the Grant-Back License as Link Labs' future use, if any, is not presently known, and the license does not have a readily determinable market value.

The Company considered ASC Topic 805, Business Combinations, in its assessment of whether the acquisition from Link Labs constituted the acquisition of a business or an asset acquisition. ASC Topic 805-10-55-3A defines a business as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs, or other economic benefits directly to investors or other owners, members, or participants. In addition, ASU 2017-01 establishes a screen to determine when a set of assets is not a business. Per this ASU, the screen requires that when substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of similar identifiable assets, the set is not a business. The Company believes all the assets acquired from Link Labs can be considered a single asset as one cannot be removed without significant impact to the usability of the others. As such, the Company accounted for the Purchase Agreement as an asset acquisition.

Asset acquisitions are measured based on their cost to the Company, including transaction costs. Asset acquisition costs, or the consideration transferred by the Company, are assumed to be equal to the fair value of the net assets acquired. If the consideration transferred is cash, measurement is based on the amount of cash the Company paid to the seller as well as transaction costs incurred. Consideration given in the form of nonmonetary assets, liabilities incurred, or equity interests issued is measured based on either the cost to the Company or the fair value of the assets or net assets acquired, whichever is more clearly evident. Goodwill is not recognized in an asset acquisition.

Management, assisted by third-party valuation specialists, determined the fair value of the assets acquired from Link Labs as of the transaction date is \$6,100,000 as summarized below (As restated):

Tangible assets acquired:	
Software	\$ 2,800,000
Intangible assets acquired:	
Research and development and Patents ⁽¹⁾	3,300,000
Total assets acquired	<u>\$ 6,100,000</u>
Purchase consideration:	
12,146,241 shares of IOTC Common Stock	\$ 3,100,000
Cash payment ⁽²⁾	1,000,000
Notes payable ⁽²⁾	2,000,000
Total purchase consideration:	<u>\$ 6,100,000</u>

(1) The Company determined that the acquired in-process research and development has future alternative use to the Company and its continued research and development. As such, the acquired asset was not written off upon acquisition.

(2) As the second and third closing have not been completed as of November 30, 2019, the Company recorded the \$1,000,000 cash payment and the \$2,000,000 in notes payable as a contingent liability on the November 30, 2019 unaudited condensed consolidated balance sheet.

Management determined the estimated fair value of the software using the cost approach and the estimated fair values of the research and development and patents using the income approach. Significant data and assumptions used in the valuations included annual return on investment rates, discount rates, and management forecasts. Annual return on investment rates and discount rates for each asset were selected based on judgment of relative risk and approximate rates of returns investors in the subject assets might require. While management believes the assumptions, estimates, appraisal methods, and ensuing results are appropriate and represent the best evidence of fair value in the circumstances, modification or use of other assumptions or methods could have yielded different results.

NOTE 5 – OTHER CURRENT ASSETS

Other current assets consist of:

	November 30, 2019 (As restated)	May 31, 2019
Prepaid expenses	\$ 317,771	\$ 630,746
Prepaid inventory	24,978	5,000
Total other current assets	<u>\$ 342,749</u>	<u>\$ 635,746</u>

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	November 30, 2019 (As restated)	May 31, 2019
Network sites and equipment	\$ 7,870,135	\$ 8,524,194
Network radios	543,946	543,946
Construction in progress	2,650,858	4,606,949
Computer software	2,816,727	16,142
Computer hardware	12,942	120,105
Furniture and fixtures	22,010	72,656
	<u>13,916,618</u>	<u>13,883,992</u>
Less: accumulated depreciation	(3,939,805)	(3,759,229)
Less: impairment charge	(2,703,571)	-
Property and equipment, net	<u>\$ 7,273,242</u>	<u>\$ 10,124,763</u>

Total depreciation expense for the three and six months ended November 30, 2019 and 2018 was \$1,340,585 (As restated) and \$1,604,733 (As restated) and \$254,045 and \$511,427, respectively. During the three months ended November 30, 2019, the Company recognized an impairment charge of \$2,703,571 (As restated) against its construction in progress and network sites and equipment.

NOTE 7 – INTANGIBLE ASSETS

The below table summarizes the identifiable intangible assets as of November 30, 2019 and May 31, 2019:

	Useful life	November 30, 2019 (As restated)	May 31, 2019
FCC licenses ⁽¹⁾		\$ 3,430,000	\$ 114,950
Research & development and Patents	5 years	3,300,000	-
Tradename/marks	5 years	165,900	510,500
Non-compete	3 years	5,688	140,500
IP/Technology	5 years	-	210,000
Customer base	5 years	-	17,000
		<u>6,901,588</u>	<u>992,950</u>
Less accumulated amortization		(17,538)	(90,750)
Less impairment charge		-	(615,662)
Total		<u>\$ 6,884,050</u>	<u>\$ 286,538</u>

(1) While FCC licenses are issued for only a fixed time, generally ten years, such licenses are subject to renewal by the FCC. License renewals have occurred routinely and at nominal cost in the past. There are currently no legal, regulatory, contractual, competitive, economic, or other factors that limit the useful life of the Company's FCC licenses. As a result, the Company has determined that the FCC licenses should be treated as an indefinite-lived intangible asset. The Company will evaluate the useful life determination for its FCC licenses each year to determine whether events and circumstances continue to support their treatment as an indefinite useful life asset.

The weighted average remaining useful life of identifiable intangible assets is 5.0 years (As restated).

Amortization of identifiable intangible assets for the three and six months ended November 30, 2019 and 2018 was \$8,769 (As restated) and \$17,538 (As restated) and \$45,735 and \$45,735, respectively.

As of November 30, 2019, the estimated annual amortization expense for the remaining fiscal year is approximately \$375,000. Estimated annual amortization expense for each of the next four fiscal years is approximately \$694,000 per year through 2024, and approximately \$303,000 in 2025.

NOTE 8 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consist of the following amounts:

	November 30, 2019 (As restated)	May 31, 2019
Accounts payable	\$ 5,137,289	\$ 14,136,259
Tower and billboard rent accrual	-	2,910,483
Accrued expenses	2,260,015	1,516,808
	<u>\$ 7,397,304</u>	<u>\$ 18,563,550</u>

On October 30, 2019, the Company entered into a Collocation and Settlement of Past Due Balance Agreement (the "Collocation Agreement") with a third-party lessor (See Note 19). As of the date of the Collocation Agreement, the Company had a past due balance of rental amounts owed to the lessor of \$11,167,962. Pursuant to the Collocation Agreement, the third-party lessor forgave the past due balance, and the Company recorded a gain on settlement for the full amount, which is included in operating expenses on the unaudited condensed consolidated statement of operations.

NOTE 9 – WARRANTY RESERVE

As of November 30, 2019, the Company has recognized a warranty reserve of \$121,362. Warranty expense (recovery) was \$(231,238) and \$(192,519) and \$0 and \$39,122 for the three and six months ended November 30, 2019 and 2018, respectively.

The following table provides a rollforward of the Company's warranty reserve:

Opening balance, May 31, 2019	\$ 313,881
Accrual for warranties issued	56,436
Adjustments made	(248,955)
Ending balance, November 30, 2019 (as restated)	<u>\$ 121,362</u>

NOTE 10 – CONVERTIBLE DEBENTURES AND NOTES PAYABLE

Convertible debentures, net of debt discount, consists of the following amounts:

	November 30, 2019 (As restated)	May 31, 2019
LIBOR + 10% Convertible note payable, due October 31, 2019 – AIP	\$ -	\$ 2,283,198
LIBOR + 10% Convertible note payable, due December 7, 2019 – AIP	-	1,000,000
LIBOR + 10% Convertible note payable, due May 24, 2020 – AIP	-	1,000,000
10% Convertible note payable due June 19, 2020	150,000	150,000
8% Convertible note payable due January 31, 2020	365,000	17,098
8% Convertible note payable, due March 31, 2020	125,635	-
8% Convertible note payable, due April 30, 2020	426,695	-
8% Convertible note payable, due May 1, 2020	155,669	-
	<u>\$ 1,222,999</u>	<u>\$ 4,450,296</u>

The above convertible notes included debt discounts totaling \$1,557,068 (As restated) and \$796,509 as of November 30, 2019 and May 31, 2019, respectively. Total amortization expense related to these debt discounts was \$776,300 (As restated) and \$964,431 (As restated) and \$223,516 and \$223,516 for the three and six months ended November 30, 2019 and 2018, respectively. The total unamortized debt discount was \$893,888 (As restated) and \$312,902 at November 30, 2019 and May 31, 2019, respectively.

Notes payable consists of the following amounts:

	November 30, 2019 (As restated)	May 31, 2019
Note payable, dated October 4, 2019, with interest at LIBOR + 10% – AIP	\$ 4,600,000	\$ -
Note payable, dated August 11, 2016, currently in default, with interest of 12%	150,000	150,000
Note payable, dated March 1, 2017, currently in default, with interest at 12%	100,000	100,000
Notes payable dated 2011, currently in default, at interest of 8%	74,812	74,812
Notes payable dated 2011, currently in default, at interest of 0% to 16%	67,159	84,290
Note payable, dated April 20, 2018, currently in default, with interest at 10%	50,000	50,000
Note payable, dated March 31, 2016, currently in default, with interest at 12%	10,000	10,000
Note payable, dated May 6, 2016, currently in default, with interest at 12%	10,000	10,000
	<u>\$ 5,061,971</u>	<u>\$ 479,102</u>

Total expense related to interest for the above convertible debentures and notes payable was \$151,323 (As restated) and \$656,388 (As restated) and \$15,162 and \$15,162 for the three and six months ended November 30, 2019 and 2018, respectively.

Convertible Debentures Assumed in Merger

On June 19, 2018, Iota Communications entered into a convertible note payable for \$150,000 with interest at 10%, due June 19, 2019, convertible in 180 days at an exercise price equal to a 40% discount of lowest trading price of Iota Communications' common stock over the 20 trading days prior to conversion. On June 19, 2019, the Company entered into a second amendment with the noteholder extending the maturity date to June 19, 2020 and made a payment of \$67,397 representing accrued interest on the note. Interest expense on this note was \$0 (As restated) and \$67,397 (As restated) and \$3,740 and \$3,740 for the three and six months ended November 30, 2019 and 2018, respectively.

Convertible Debentures and Notes Payable Issued Post-Merger

September 18, 2018

On September 18, 2018, the Company entered into a Securities Purchase Agreement (the "September 2018 Purchase Agreement") with an "accredited investor", pursuant to which, for a purchase price of \$400,000, the investor purchased (a) a Convertible Promissory Note in the original principal amount of \$440,000 (the "September 2018 Convertible Note"), (b) warrants (the "September 2018 Warrants") to purchase 600,000 shares of the Company's common stock, and (c) 100,000 restricted shares of the Company's common stock (the "September 2018 Purchase and Sale Transaction"). The Company used the net proceeds from the September 2018 Purchase and Sale Transaction for working capital and general corporate purposes.

The September 2018 Convertible Note has an original principal balance of \$440,000 (taking into consideration a \$40,000 original issue discount received by the investor), and a stated maturity date of March 31, 2019. Upon issuance of the September 2018 Convertible Note, a one-time interest charge of 8% was applied to the principal amount of the September 2018 Convertible Note, which is also payable on maturity.

On May 21, 2019, the Company entered into an agreement to settle the September 2018 Convertible Note. The Company agreed to issue the investor 1,330,000 shares of common stock in order to settle the outstanding balance, however, in the event the fair value of the shares did not exceed \$665,000, the difference would remain as a convertible note under the same terms as the original convertible note, but with an extended maturity date of May 1, 2020. In connection with the settlement, the Company issued 1,330,000 shares of common stock valued at \$481,943. As of November 30, 2019, the outstanding principal balance on the September 2018 Convertible Note and unamortized debt discount totaled \$183,057 (As restated) and \$27,388 (As restated), respectively.

The September 2018 Warrants are exercisable for a period of three years from the date of issuance, at an exercise price of \$0.60 per share. The September 2018 Warrants are exercisable for cash, or on a cashless basis. The number of shares of common stock to be deliverable upon exercise of the September 2018 Warrants is subject to adjustment for subdivision or consolidation of shares and other standard dilutive events.

May 21, 2019

On May 21, 2019, the Company entered into a Securities Purchase Agreement (the "May 2019 Purchase Agreement") with an "accredited investor", pursuant to which, for a purchase price of \$300,000, the investor purchased (a) a Convertible Promissory Note in the principal amount of \$330,000 (the "May 2019 Convertible Note"), (b) warrants (the "May 2019 Warrants") to purchase 600,000 shares of the Company's common stock, and (c) 100,000 restricted shares of the Company's common stock. The Company used the net proceeds for working capital and general corporate purposes.

The May 2019 Convertible Note has a principal balance of \$330,000 (taking into consideration a \$30,000 original issue discount received by the investor), and a stated maturity date of November 30, 2019. Upon issuance of the May 2019 Convertible Note, a one-time interest charge of 8% was applied to the principal amount of the May 2019 Convertible Note, which is also payable on maturity. Upon the occurrence of an event of default, which is not cured within 7 business days, the principal balance of the May 2019 Convertible Note will immediately increase to 140% of the outstanding balance immediately prior to the occurrence of the event of default. In addition, upon the occurrence of an event of default, the entire unpaid principal balance of the May 2019 Convertible Note, together with any accrued and unpaid interest thereon, will become due and payable, without presentment, demand, or protest of any kind. Amounts due under the May 2019 Convertible Note may be converted into shares ("May 2019 Convertible Note Conversion Shares") of the Company's common stock at any time, at the option of the investor, at a conversion price of \$0.35 per share. The Company has agreed to at all times reserve and keep available from its authorized common stock a number of shares equal to at least two times the full number of May 2019 Convertible Note Conversion Shares. The Company may redeem the May 2019 Convertible Note, upon 10 business days' notice to the investor, by paying the investor: (i) if the redemption is within the first 90 days after the issuance of the May 2019 Convertible Note, an amount equal to 100% of the outstanding balance of the May 2019 Convertible Note, plus any accrued and unpaid interest, or (ii) if the redemption is on or after the 91st day after issuance of the May 2019 Convertible Note, an amount equal to 120% of the outstanding balance of the May 2019 Convertible Note, plus any accrued and unpaid interest. If, while the May 2019 Convertible Note is outstanding, the Company, or any of its subsidiaries, issues any security with any term more favorable to the holder of such security, or with a term in favor of the holder of such security that was not similarly provided to the investor, then the Company will notify the holder of the May 2019 Convertible Note of such additional or more favorable term, and such term, at holder's option, will become a part of the May 2019 Convertible Note. The Company has granted the investor piggyback registration rights with respect to the May 2019 Convertible Note Conversion Shares.

The May 2019 Warrants are exercisable for a period of three years from the date of issuance, at an exercise price of \$0.35 per share. The May 2019 Warrants are exercisable for cash, or on a cashless basis. The number of shares of common stock to be deliverable upon exercise of the May 2019 Warrants is subject to adjustment for subdivision or consolidation of shares and other standard dilutive events.

The issuance of the May 2019 Convertible Note resulted in a discount totaling \$147,306 (As restated) related to the conversion feature, a discount from the issuance of warrants of \$121,531 (As restated) valued using the Black-Scholes Method, and a discount from the issuance of 100,000 shares of restricted stock for \$31,163 (As restated). Total straight-line amortization of these discounts totaled \$190,596 (As restated) and \$347,902 (As restated) during the three and six months ended November 30, 2019. Total interest expense on this note was \$6,654 and \$13,200 for the three and six months ended November 30, 2019.

On November 29, 2019, the Company entered into an amendment in connection with the May 2019 Convertible Note. Pursuant to the amendment, the maturity date was extended to January 31, 2020 and \$35,000 was added to the outstanding principal balance which the Company amortized as interest expense for the three and six months ended November 30, 2019.

September 16, 2019

On September 16, 2019, the Company entered into a Securities Purchase Agreement (the "September 2019 Purchase Agreement") with an "accredited investor", pursuant to which, for a purchase price of \$300,000, the investor purchased (a) a Convertible Promissory Note in the principal amount of \$330,000 (the "September 2019 Convertible Note"), (b) warrants (the "September 2019 Warrants") to purchase 600,000 shares of the Company's common stock, and (c) 150,000 restricted shares of the Company's common stock (the "September 2019 Purchase and Sale Transaction"). On September 16, 2019, the Company issued 150,000 restricted shares of the Company's common stock. The Company used the net proceeds from the September 2019 Purchase and Sale Transaction for working capital and general corporate purposes.

The September 2019 Convertible Note has a principal balance of \$330,000 (taking into consideration a \$30,000 original issue discount received by the investor), and a stated maturity date of March 31, 2020. Upon issuance of the September 2019 Convertible Note, a one-time interest charge of 8% was applied to the principal amount of the September 2019 Convertible Note, which is also payable on maturity. Upon the occurrence of an event of default, which is not cured within 7 business days, the principal balance of the September 2019 Convertible Note will immediately increase to 140% of the outstanding balance immediately prior to the occurrence of the event of default. In addition, upon the occurrence of an event of default, the entire unpaid principal balance of the September 2019 Convertible Note, together with any accrued and unpaid interest thereon, will become due and payable, without presentment, demand, or protest of any kind. Amounts due under the September 2019 Convertible Note may be converted into shares ("September 2019 Convertible Note Conversion Shares") of the Company's common stock at any time, at the option of the investor, at a conversion price of \$0.35 per share. The Company has agreed to at all times reserve and keep available from its authorized common stock a number of shares equal to at least two times the full number of September 2019 Convertible Note Conversion Shares. The Company may redeem the September 2019 Convertible Note, upon 10 business days' notice to the investor, by paying the investor: (i) if the redemption is within the first 90 days after the issuance of the September 2019 Convertible Note, an amount equal to 100% of the outstanding balance of the September 2019 Convertible Note, plus any accrued and unpaid interest, or (ii) if the redemption is on or after the 91st day after issuance of the September 2019 Convertible Note, an amount equal to 120% of the outstanding balance of the September 2019 Convertible Note, plus any accrued and unpaid interest. If, while the September 2019 Convertible Note is outstanding, the Company, or any of its subsidiaries, issues any security with any term more favorable to the holder of such security, or with a term in favor of the holder of such security that was not similarly provided to the investor, then the Company will notify the holder of the September 2019 Convertible Note of such additional or more favorable term, and such term, at holder's option, will become a part of the September 2019 Convertible Note. The Company has granted the investor piggyback registration rights with respect to the September 2019 Convertible Note Conversion Shares.

The September 2019 Warrants are exercisable for a period of three years from the date of issuance, at an exercise price of \$0.35 per share. The September 2019 Warrants are exercisable for cash, or on a cashless basis. The number of shares of common stock to be deliverable upon exercise of the September 2019 Warrants is subject to adjustment for subdivision or consolidation of shares and other standard dilutive events.

The issuance of the September 2019 Convertible Note resulted in a discount from the beneficial conversion feature totaling \$163,058 (As restated), a discount from the issuance of warrants of \$101,840 (As restated) valued using the Black-Scholes Method, a discount from the issuance of 150,000 shares of restricted stock for \$35,102 (As restated), and a \$30,000 original issue discount. Total straight-line amortization of these discounts totaled \$125,635 and \$125,635 during the three and six months ended November 30, 2019, respectively. Total interest expense on this note was \$5,500 and \$5,500 for the three and six months ended November 30, 2019, respectively.

October 3, 2019

On October 3, 2019, the Company entered into a Securities Purchase Agreement (the "October 2019 Purchase Agreement") with an "accredited investor", pursuant to which, for a purchase price of \$250,000, the investor purchased (a) a Convertible Promissory Note in the principal amount of \$225,000 (the "October 2019 Convertible Note") and (b) 100,000 restricted shares of the Company's common stock (the "October 2019 Purchase and Sale Transaction"). On October 3, 2019, the Company issued 100,000 restricted shares of the Company's common stock. The Company used the net proceeds from the October 2019 Purchase and Sale Transaction for working capital and general corporate purposes.

The October 2019 Convertible Note has a principal balance of \$250,000 (taking into consideration a \$25,000 original issue discount received by the investor), and a stated maturity date of April 30, 2020. Upon issuance of the October 2019 Convertible Note, a one-time interest charge of 8% was applied to the principal amount of the October 2019 Convertible Note, which is also payable on maturity. Upon the occurrence of an event of default, which is not cured within 7 business days, the principal balance of the October 2019 Convertible Note will immediately increase to 140% of the outstanding balance immediately prior to the occurrence of the event of default. In addition, upon the occurrence of an event of default, the entire unpaid principal balance of the October 2019 Convertible Note, together with any accrued and unpaid interest thereon, will become due and payable, without presentment, demand, or protest of any kind. Amounts due under the October 2019 Convertible Note may be converted into shares (the "October 2019 Convertible Note Conversion Shares") of the Company's common stock at any time, at the option of the investor, at a conversion price of \$0.35 per share. The Company has agreed to at all times reserve and keep available from its authorized common stock a number of shares equal to at least two times the full number of October 2019 Convertible Note Conversion Shares. The Company may redeem the October 2019 Convertible Note, upon 10 business days' notice to the investor, by paying the investor: (i) if the redemption is within the first 90 days after the issuance of the October 2019 Convertible Note, an amount equal to 100% of the outstanding balance of the October 2019 Convertible Note, plus any accrued and unpaid interest, or (ii) if the redemption is on or after the 91st day after issuance of the October 2019 Convertible Note, an amount equal to 120% of the outstanding balance of the October 2019 Convertible Note, plus any accrued and unpaid interest. If, while the October 2019 Convertible Note is outstanding, the Company, or any of its subsidiaries, issues any security with any term more favorable to the holder of such security, or with a term in favor of the holder of such security that was not similarly provided to the investor, then the Company will notify the holder of the October 2019 Convertible Note of such additional or more favorable term, and such term, at holder's option, will become a part of the October 2019 Convertible Note. The Company has granted the investor piggyback registration rights with respect to the October 2019 Convertible Note Conversion Shares.

The issuance of the October 2019 Convertible Note resulted in a discount from the beneficial conversion feature totaling \$70,197, a discount from the issuance of 100,000 shares of restricted stock for \$34,483, and a \$25,000 original issue discount. On October 13, 2019, the Company repaid the October 2019 Convertible Note in full. As a result of repayment, the total debt discount associated with the October 2019 Convertible Note was expensed at November 30, 2019. Total straight-line amortization of these discounts totaled \$129,680 and \$129,680 during the three and six months ended November 30, 2019. Total interest expense on this note was \$3,333 and \$3,333 for the three and six months ended November 30, 2019.

October 29, 2019

On October 29, 2019, the Company entered into a Securities Purchase Agreement (the "Oasis Purchase Agreement") with an "accredited investor", pursuant to which, for a purchase price of \$1,088,830, the investor purchased (a) a Promissory Note in the principal amount of \$1,000,000 (the "Oasis Note"), (b) warrants (the "Oasis Warrants") to purchase 3,888,679 shares of the Company's common stock and (c) 969,697 restricted shares of the Company's common stock. On October 29, 2019, the Company issued 969,697 restricted shares of the Company's common stock to the investor. The Company used the net proceeds for working capital and general corporate purposes.

The Oasis Note has a principal balance of \$1,088,830 (taking into consideration a \$63,830 original issue discount received by the investor and \$25,000 in fees), and a stated maturity date of April 30, 2020. Upon issuance of the Oasis Note, a one-time interest charge of 8% was applied to the principal amount of the Oasis Note, which is also payable on maturity. Upon the occurrence of any event of default, the Oasis Note will become immediately due and payable and the Company will pay to the investor an amount equal to 135% (plus an additional 5% per each additional Event of Default) multiplied by the then outstanding entire balance of the Oasis Note (including unpaid principal and accrued interest) plus Default Interest from the date of the Event of Default, if any, plus any amounts owed to the investor (collectively, in the aggregate of all of the above, the "Default Amount"). Upon an Event of Default, the investor will have the right at any time thereafter to convert all or any part of the Oasis Note (including without limitation, accrued and unpaid interests, Default Interest, and any other amounts owed to the investor under the Note) into fully paid and non-assessable shares of the Company's common stock at the conversion price, which is equal to the lesser of (i) \$0.50 and (ii) 50% of the lowest VWAP of the common stock during the thirty Trading Day period ending on either (i) the last complete Trading Day prior to the conversion date or (ii) the conversion date, as determined by the investor in its sole discretion upon such conversion. If the Company fails to reserve a sufficient amount of shares of common stock as required, or fails to issue shares of common stock to the investor upon exercise by the investor, in accordance with the default terms the amount due upon demand will be the Default Amount multiplied by two. The Company has granted the investor piggyback registration rights with respect to the Conversion Shares.

The Oasis Warrants are exercisable for a period of five years from the date of issuance, at an exercise price of \$0.308 per share. The Oasis Warrants are exercisable for cash, or on a cashless basis. The number of shares of common stock to be deliverable upon exercise of the Oasis Warrants is subject to adjustment for subdivision or consolidation of shares and other standard dilutive events.

The issuance of the Oasis Convertible Note resulted in a discount from the beneficial conversion feature totaling \$149,668 (As restated), a discount from the issuance of warrants of \$418,368 (As restated), a discount from the issuance of 969,697 shares of restricted stock for \$145,055 (As restated), and \$88,830 of original issue discount. Total straight-line amortization of these discounts totaled \$139,786 (As restated) and \$139,786 (As restated) during the three and six months ended November 30, 2019. Total interest expense on this note was \$7,259 and \$7,259 for the three and six months ended November 30, 2019.

AIP Financing

On October 31, 2018, the Company, entered into a Note Purchase Agreement (the "AIP Purchase Agreement") with a group of noteholders (collectively, "AIP"), pursuant to which AIP will purchase, under certain circumstances, U.S. Libor + 10% Senior Secured Collateralized Convertible Promissory Notes of the Company (each, a "AIP Convertible Note" and, collectively, the "AIP Convertible Notes") in the aggregate principal amount of up to \$5,000,000, at a purchase price of 100% (par) per AIP Convertible Note (the "AIP Note Purchase and Sale Transaction").

At the initial closing of the AIP Note Purchase and Sale Transaction, which occurred on October 31, 2018 (the "AIP Initial Closing"), the Company sold AIP an AIP Convertible Note in the principal amount of \$2,500,000. The net proceeds from the AIP Initial Closing, in the aggregate amount of \$2,261,616 (after deducting fees and expenses related to the AIP Initial Closing in the aggregate amount of \$238,384 (including a closing fee and a facility fee paid to the Security Agent, and legal fees and expenses)), were utilized by the Company for working capital and general corporate purposes.

The AIP Convertible Note issued in the AIP Initial Closing has a principal balance of \$2,500,000, and a stated maturity date on the one year anniversary of the date of issuance. The principal on the AIP Convertible Note bears interest at a rate of U.S. Libor + 10% per annum, which is also payable on maturity. Upon the occurrence of an event of default, the interest rate will increase by an additional 10% per annum. Amounts due under the AIP Convertible Note may be converted into shares ("AIP Conversion Shares") of the Company's common stock at any time at the option of the holder, at a conversion price of \$1.50 per share, which was amended to \$1.00 per share pursuant to the May 31, 2019 waiver. Upon the occurrence of an event of default under the terms of the AIP Convertible Note, and the passage of five business days following AIP giving notice of such event of default to the Company, the entire unpaid principal balance of the AIP Convertible Note, together with any accrued and unpaid interest thereon, will become due and payable, without presentment, demand, or protest of any kind. The Security Agent may also exercise all other rights given to the Security Agent and Holder under the AIP Purchase Agreement. The conversion price and number of AIP Conversion Shares are subject to adjustment from time to time for subdivision or consolidation of shares, or upon the issuance by the Company of additional shares of common stock, or common stock equivalents, while the AIP Convertible Note is outstanding, or other standard dilutive events.

As condition precedents to AIP purchasing the AIP Convertible Note:

- the Company granted to the Security Agent (on behalf of itself and the Holder) a first priority security interest in, and lien on, all now owned or hereafter acquired assets and property, real and personal, of the Company and its subsidiaries (collectively, the "Subsidiaries"), to secure all of the Company's obligations under the AIP Purchase Agreement and the AIP Convertible Note, pursuant to the terms and conditions of a Security Agreement by and among the Company, the Subsidiaries, and the Security Agent;
- the Company and each Subsidiary delivered to the Security Agent (on behalf of itself and the Holder) a notarized affidavit of Confession of Judgment to further secure all the Company's obligations under the AIP Purchase Agreement and the AIP Convertible Note;
- each Subsidiary executed and delivered to the Security Agent (on behalf of itself and the Holder) a Guarantee, guaranteeing all the Company's obligations under the AIP Purchase Agreement and the AIP Convertible Note;
- the Company pledged to the Security Agent (on behalf of itself and AIP) all the shares or membership interests (as applicable) of all the Subsidiaries held by the Company; and
- certain principals of the Company executed and delivered to the Security Agent (on behalf of itself and the Holder) a Lock-Up Agreement, which provided that each such shareholder will not sell or dispose of its equity securities in the Company at any time the AIP Convertible Note is outstanding and for 60 days thereafter without the consent of the Security Agent.

In relation to this transaction, the Company recorded a debt discount related to the beneficial conversion feature and deferred finance costs totaling \$288,384.

On December 7, 2018, the Company drew Convertible Note Tranche #2 ("Tranche #2") totaling \$1,000,000, including \$83,751 of deferred financing costs, receiving net proceeds of \$916,249 against the October 31, 2018 Note Purchase Agreement with AIP, with a maturity date of December 7, 2019. The principal on Tranche #2 bears an interest rate of U.S. Libor + 10% per annum, which is also payable on maturity. Amounts due under Tranche #2 may be converted into shares of the Company's common stock at any time at the option of the holder, at a conversion price of \$1.50 per share, which was amended to \$1.00 per share pursuant to the May 31, 2019 waiver.

On May 24, 2019, the Company drew Convertible Note Tranche #3 ("Tranche #3") totaling \$1,000,000, including \$94,376 of deferred financing costs, receiving net proceeds of \$905,627 against the AIP Purchase Agreement, with a maturity date of May 24, 2020. The principal on Tranche #3 bears an interest rate of U.S. Libor + 10% per annum, which is also payable on maturity. Amounts due under Tranche #3 may be converted into shares of the Company's common stock at any time at the option of the holder, at a conversion price of \$1.50 per share, which was amended to \$1.00 per share pursuant to the May 31, 2019 waiver.

During the fiscal year ended May 31, 2019, and through the six months ended November 30, 2019, the Company entered into various waivers and amendments with AIP to satisfy certain covenant conditions. The following terms were changed as a result of the waiver and amendment agreements:

- Waiver was conditioned upon (i) one of the Company's major vendors agreed in writing to extend the December 31, 2019 date on which the balloon payment is due to the earlier of (a) the date on which the Company raises \$20,000,000 of equity capital or (b) the date of written approval by AIP for payment of such balloon payment; and (ii) the conversion price of the AIP Convertible Notes (Tranche #1, Tranche #2, and Tranche #3) was changed from \$1.50 to \$1.00 per share.
- The Company may issue, and the holders may at their option purchase, additional notes in the aggregate principal amount of \$500,000 on or after the date of 60 days following the execution of the AIP Agreement and Waiver if (i) one of the Company's major vendors has entered into a settlement agreement with the Company covering all claims the vendor has or may have against the Company; and (ii) the Company has raised or has binding commitments from investors to invest at least \$10,000,000 in common or preferred equity.
- The AIP Note Purchase and Sale Transaction was amended in its entirety to read as follows with respect to a monthly pay down: "Beginning May 2019, the Company will pay down the outstanding principal amount in an amount equal to \$50,000 at the beginning of each month."
- The holders agreed to extend the maturity date for Tranches #1, #2, and #3 of the AIP Note Purchase and Sale Transaction by six months if (i) the Company's shares become listed on Nasdaq before the existing maturity date or (ii) the weighted average price of the Company's shares exceeds two times the conversion price for 20 consecutive trading days, each with a daily volume of 300,000 shares or more.

On August 1, 2019, the Company drew Convertible Note Tranche #4 ("Tranche #4") totaling \$500,000, including \$60,680 of deferred financing costs, receiving net proceeds of \$439,320 against the AIP Note Purchase Agreement, with a maturity date of August 1, 2020. In connection with Tranche #4, the Company issued 2,000,000 restricted shares of the Company's common stock on August 29, 2019, resulting in a debt discount of \$307,962 (As restated). The principal on Tranche #4 bears an interest rate of U.S. Libor + 10% per annum, which is also payable on maturity. Amounts due under Tranche #4 may be converted into shares of the Company's common stock at any time at the option of the holder, at a conversion price of \$1.00 per share. Total straight-line amortization for this transaction amounted to \$34,935 (As restated) and \$65,760 (As restated) for the three and six months ended November 30, 2019.

On October 4, 2019, the Company entered into a secured non-convertible note (the "AIP Replacement Note") with AIP Global Macro Fund, L.P. for a principal amount of \$4,600,000 with a maturity date of April 4, 2021. The AIP Replacement Note calls for principal payments of \$50,000 per month. The outstanding principal on the note bears interest at a rate of U.S. Libor + 10% per annum. The AIP Replacement Note replaces Tranches #1, #2, #3, and #4 drawn under the AIP Purchase Agreement. Due to the AIP Replacement Note not having a conversion feature and replacing the convertible tranches under the AIP Purchase Agreement, the Company treated the transaction as an extinguishment of debt as per ASC Topic 470-50 Debt – Modifications and Extinguishment.

On October 4, 2019, the Company entered into an Agreement and Extension (the "AIP Extension Agreement") with AIP to satisfy certain covenant conditions relative to the AIP Purchase Agreement. The following terms were agreed to as a result of the AIP Extension Agreement:

- No later than October 16, 2019, (i) the Company will make a principal payment on the tranches stemming from the AIP Purchase Agreement in the amount of \$33,197 and (ii) the tranches are cancelled and replaced by the AIP Replacement Note with a principal amount of \$4,600,000;
- The Company will issue AIP warrants to purchase up to 14,500,000 shares of the Company's common stock at an exercise price of \$0.32 per share, (of which 4,350,000 were issued on December 18, 2019), as follows:
 - The five-day volume weighted average price of the Company's common stock on the last trading day of each calendar month (the "VWAP") will be computed. If the VWAP for any month is less than the VWAP for the previous month, the Company will issue to the Noteholders, upon written request of AIP, up to 1,450,000 new warrants for each such \$0.01 decrease;
 - The Company will issue AIP 14,500,000 new warrants (less the amount of warrants previously issued) before the Company prepays the AIP Replacement Note in full on April 4, 2020 if the Company chooses to prepay the AIP Replacement Note on such date;
 - The Company will issue AIP 14,500,000 new warrants (less the amount of warrants previously issued) before the Company prepays the AIP Replacement Note in full on October 4, 2020, if the Company chooses to prepay the AIP Replacement Note on such date;
 - The Company will issue AIP 14,500,000 new warrants (less the amount of warrants previously issued) on the maturity date of the AIP Replacement Note.
- The Company issued AIP 1,000,000 shares of the Company's common stock on October 22, 2019, with a fair value of \$0.33 per share. If the Company does not prepay the AIP Replacement Note on April 4, 2020, the Company will issue AIP an additional 1,000,000 shares of the Company's common stock on such date. If the Company does not prepay the AIP Replacement Note on October 4, 2020, the Company will issue AIP an additional 1,000,000 shares of the Company's common stock on such date.

In connection with the debt extinguishment, the Company recognized a loss of \$1,776,580 (As restated), which consists of the estimated fair value of the 4,350,000 warrants to be issued using the Black-Scholes Method of \$1,176,375 (As restated), the fair value of the 1,000,000 shares of Company common stock to be issued of \$289,900 (As restated), and the write-off of \$310,305 (As restated) of net unamortized debt issuance costs outstanding.

The total amount recorded as interest expense, including amortization of debt discount, for the above notes was \$163,566 (As restated) and \$285,358 (As restated) and \$449,442 and \$493,241 for the three and six months ended November 30, 2019 and 2018, respectively.

NOTE 11 – REVENUE-BASED NOTES AND ACCRUED INTEREST

Revenue-based notes and accrued interest consists of the following:

	November 30, 2019 (As restated)	May 31, 2019
Spectrum Partners Program	\$ 67,340,367	\$ 68,253,496
Solutions Pool Program	3,430,530	6,861,237
Reservation Program	2,045,075	2,045,075
Accrued interest on Reservations Program	341,272	243,820
Total revenue-based notes	<u>73,157,244</u>	<u>77,403,628</u>
Financing costs, unamortized	(56,829)	(914,408)
Total revenue-based notes, net	<u>\$ 73,100,415</u>	<u>\$ 76,489,220</u>

Maturities of the revenue-based notes over the next five years are not readily determinable because of the uncertainty of the amount of future revenues subject to the revenue pools described below.

Spectrum Partners Program

The Company's Spectrum Partners Program includes non-interest-bearing revenue-based notes and represents a noncurrent liability of the Company, which is a component provision of Iota Network's spectrum lease agreements with its licensees. The Company determined that due to the provisions of ASC Topic 470-10-25, the Company's "significant continuing involvement in the generation of the cash flows due to the Spectrum Partners," that the Company should record this as a debt obligation as opposed to deferred income.

The source of repayment is the respective licensees' allocable shares of a quarterly revenue pool established by the Company, payable one quarter in arrears. The revenue pool consists of ten percent of the monthly recurring revenue generated from the operation of the Company's network during each fiscal quarter. Recurring network revenues are limited to revenues collected on a continuing basis for the provision of machine-to-machine communication services for the Company's network clients, and are net of all refunds of recurring revenue, including customer or reseller discounts, commissions, referral fees, and/or revenue sharing arrangements. Specifically excluded revenues include: revenues from Network Hosting Services; revenues collected to construct licenses; brokerage fees and commissions; and any one-time nonrecurring revenue including set-up, installation, termination, and nonrecurring services; return/restocking revenue; revenues from sales or analysis of network data; revenue from the sale or lease of devices; revenue from the sale of software licensing; and revenue from consulting services.

Allocation of revenue pool payments are to be applied in the following order of priority:

1. First, to any outstanding loan amount until fully paid;
2. Thereafter, to lease payments;
3. If, however, the agreement has been terminated or not renewed before a payment is due, then such payment will be reduced to the amount necessary to pay the loan amount.

During the quarter ended November 30, 2019, certain licensees entered into an agreement to terminate their existing lease agreements with Iota Networks and concurrently contribute their spectrum licenses and contract rights to Iota Partners (See Note 16). The termination of the lease agreements resulted in the extinguishment of debt from the Company's balance sheet. As of November 30, 2019, total revenue-based notes extinguished totaled \$3,733,667 which is recorded as an increase to additional paid-in capital on the Company's unaudited condensed consolidated balance sheet.

Reservation Program Notes

The Company's reservation program, initially launched in April 2017, is intended to facilitate the (i) application for FCC spectrum licenses and (ii) the build-out of FCC granted licenses and (iii) the leasing of those spectrum licenses for clients previously under contract with Smartcomm, LLC ("Smartcomm"), a related party, (the "Reservation Program").

Pursuant to the terms of the Company's Reservation Program, a Licensee agrees to loan funds to the Company for the purpose of constructing its spectrum licenses when granted by the FCC. The loan term is ten years with compound interest thereon at the rate of 7% per annum. Interest payments due to licensees, payable quarterly in arrears, are made from a separate reservation pool, the funding of which is based on a percentage formula of monthly recurring revenue and MHz/Pops under reservation. If, or when, a license is granted, and at such time that the Company certifies that license construction is complete, the outstanding loan amount is deemed to be paid in full. Thereafter, the licensee is transferred into the Spectrum Partners Program and future lease payments to the Licensees are made from the revenue pool related thereto and discussed above. If a FCC spectrum license is not granted within ten years of the effective date of the Reservation Program agreement effective date, then the outstanding loan amount and unpaid accrued interest becomes due and payable. The Company intends to convert all the Reservation Program notes to the Spectrum Program Partners revenue-based notes prior to expiration of the notes.

Total interest expense related to financing of this program was \$61,925 and \$97,452 and \$33,347 and \$64,889 for the three and six months ended November 30, 2019 and 2018, respectively.

Solutions Pool Program

The Company's Solutions Pool Program, initially launched in April 2017, is intended to increase investor returns for the spectrum partners and enable them to receive additional funds from the pool. Pursuant to the terms of the Solutions Pool Program, a Licensee agrees to invest additional funds in the Company for the purpose of obtaining a larger revenue percentage payment as consideration for the additional funds. Payments due to Solutions Pool participants, payable quarterly in arrears, are made from the same Spectrum Partners revenue pool payments on a percentage formula of the total investment in the solutions pool.

During the quarter ended November 30, 2019, the Company and the Solutions Pool participants entered into agreements to terminate the prior solutions pool agreement and related notes outstanding in exchange for (1) 18,543,402 shares of the Company's restricted common stock with a total value of \$6,993,641 (As restated); and, (2) \$3,430,530 (As restated) of new revenue-based obligations. A loss on the extinguishment of debt totaling \$4,081,080 (As restated) was recognized as a result of the termination agreement which includes the write-off of \$518,146 (As restated) of deferred financing costs related to the notes. The new revenue-based obligations are non-interest bearing, with revenue-share payable quarterly in arrears which will be derived from a revenue share pool equal to 5% of the Company's overall revenues, not including the recurring connectivity revenues eligible for the 10% revenue pool as defined in the new Master Lease Agreement between Iota Networks and Iota Partners (See Note 16).

Total amortization expense related to deferred financing costs on revenue-based notes amounted to \$285,518 (As restated) and \$339,433 (As restated) and \$53,915 and \$104,601 for the three and six months ended November 30, 2019 and 2018, respectively. The amortization expense for the three and six months ended November 30, 2019 includes \$190,847 (As restated) of accelerated amortization resulting from a change in the estimated life of the remaining Spectrum Partners Program revenue-based notes.

During the three months ended November 30, 2019, the Company recognized \$607,500 of financing fees for consideration owed to certain spectrum holders for providing stand-ready backstop commitments to Iota Networks.

NOTE 12 – NOTES PAYABLE TO OFFICERS AND DIRECTORS

Short-Term Notes Payable

In April 2019, the Company issued two demand promissory notes to an officer and a director, respectively, collectively totaling \$110,726. The notes call for periodic graduated annual adjusted rates of interest beginning at 2.89%. In May 2019, the Company issued two additional demand promissory notes to two different officers, collectively totaling \$62,500. The notes call for an interest rate of 2.74% per annum. In July 2019, the Company issued an additional on demand promissory note totaling \$140,000 with an interest rate of 2.13% per annum. The outstanding principal balance of these loans is \$317,237 and \$173,769 as of November 30, 2019 and May 31, 2019, respectively. Interest accrued on these loans is \$4,011 and \$543 as of November 30, 2019 and May 31, 2019, respectively. Interest expense under these loans was \$1,968 and \$3,468 for the three and six months ended November 30, 2019, respectively.

Long-Term Notes Payable

On February 6, 2017, the Company issued a new promissory note to an officer to replace three prior notes that were held by the officer, collectively totaling \$950,000. Accrued interest of \$60,714 under the prior notes has been added to the principal under the new note. The note calls for periodic graduated annual adjusted rates of interest beginning at 2% and ending at 8%. Fifty percent of the annual interest was required to be paid beginning on or before December 31, 2017, and each year thereafter, with the remaining accrued balance added to principal. Interest is to compound annually. The note is scheduled to mature on December 31, 2023. As of November 30, 2019, the Company has paid \$76,906 and \$42,195 towards principal and accrued interest, respectively.

The note provides for alternative payments in equity, where, at the discretion of the Company, it may pay all or part of the outstanding loan balance through the issuance of shares of common stock at the fair market value of such shares at the time of issuance.

The outstanding principal balance of this loan is \$750,442 and \$827,348 as of November 30, 2019 and May 31, 2019, respectively. Of this amount, \$240,000 and \$510,442 are included in short-term notes payable and long-term notes payable, respectively, on the accompanying unaudited condensed consolidated balance sheet as of November 30, 2019. Interest accrued on this loan is \$2,290 and \$28,243 as of November 30, 2019 and May 31, 2019, respectively. Interest expense under this loan was \$7,901 (As restated) and \$16,242 and \$6,805 and \$13,061 for the three and six months ended November 30, 2019 and 2018, respectively.

As of the date of this report, the Company is currently in default on all outstanding notes payable to officers and directors.

NOTE 13 – NOTES PAYABLE TO RELATED PARTIES AND RELATED PARTY TRANSACTIONS

Smartcomm Transactions and Promissory Note

The Company has engaged in transactions with Smartcomm, and its related entities, including advances of funds and allocations of shared expenses. An officer and director of the Company is the majority member in Smartcomm. Smartcomm License Services, LLC ("Smartcomm Services") is a single member limited liability company wholly owned by Smartcomm.

In prior periods, the Company maintained an informal employee payroll expense sharing arrangement with Smartcomm. The Company recognized a credit offset to employee payroll costs with a corresponding charge against its outstanding liability to Smartcomm pertaining to Smartcomm's allocated share of employee payroll costs. The employee payroll cost allocations under this arrangement were determined by management based on the estimated amounts of time employees were providing services to the two companies. Smartcomm filed for Chapter 7 bankruptcy protection on March 25, 2019. For the three and six months ended November 30, 2019 and 2018, the employee payroll cost allocation to Smartcomm by the Company was \$0 and \$0 and \$35,807 and \$64,344, respectively. The Company does not anticipate engaging in such allocations in the future.

In addition, the Company shared office space with Smartcomm through March 25, 2019, at which time the Company stopped allocating a portion of the rent expense to Smartcomm. For the three and six months ended November 30, 2019 and 2018, the Company expensed \$0 and \$0 and \$54,614 and \$109,229, respectively, in lease payments, net of \$0 and \$0 and \$1,404 and \$2,341, respectively, which was allocated to Smartcomm.

On September 1, 2016, the Company issued a promissory note to Smartcomm with an original principal balance of \$3,971,824. The note calls for periodic graduated annual adjusted rates of interest beginning at 2% and ending at 8%. Fifty percent of the annual interest is required to be paid beginning on or before December 31, 2017, and each year thereafter, with the remaining accrued balance added to principal. Interest is to compound annually. The note is scheduled to mature on December 31, 2023. The note provides for alternative payments in equity, where under the Company may pay all or part of the outstanding loan balance through the issuance of shares of common stock, at the fair market value of such shares at the time of issuance. As satisfaction for a portion of this note, in April 2018 Iota Networks assumed specific license application service obligations of Smartcomm. For the six months ended November 30, 2019, Smartcomm advanced no additional funds and the Company made no payments against the note. The outstanding principal balance of this note is \$666,154 as of November 30, 2019 and May 31, 2019, respectively.

On October 16, 2019, the Company entered into an Exchange Agreement (the "Avalton Exchange Agreement") with Avalton, Inc. ("Avalton"), a related party. An employee of the Company is the current Chief Executive Officer of Avalton. In connection with the Company's September 23, 2019 private placement offering, the Company requested Avalton to exchange \$800,000 of debt (the "Avalton Exchanged Debt") in exchange for shares of the Company's common stock at \$0.32 per share (the "Avalton Exchange"). As per the Avalton Exchange Agreement, the Company issued 2,500,000 shares of the Company's common stock on October 16, 2019. As a result, the Company recorded a loss on settlement of liability of \$50,000 for the three months ended November 30, 2019.

Pursuant to the Avalton Exchange, the Company is to repay the remaining \$404,222 balance of the debt owed to Avalton according to the following payment schedule: (i) \$50,000 on the date of the Avalton Exchange Agreement, (ii) \$50,000 on November 15, 2019, (iii) \$150,000 on December 15, 2019, and (iv) the balance of \$154,222 on January 15, 2020. As of November 30, 2019, the outstanding balance of the debt owed to Avalton is \$354,222.

As of the date of this report, the Company is currently in default on all outstanding notes payable to related parties.

NOTE 14 – ASSET RETIREMENT OBLIGATIONS

The following is a summary of the Company's asset retirement obligations:

	November 30, 2019 (As restated)	May 31, 2019
Balance, beginning of period	\$ 1,771,227	\$ 1,676,932
Liabilities incurred	6,748	40,989
Tower decommission write-off	(67,710)	-
Accretion expense	51,706	53,306
Revision of estimate	(220,201)	-
Balance, end of period	<u>\$ 1,541,770</u>	<u>\$ 1,771,227</u>

Accretion expense related to the asset retirement obligations was \$25,427 (As restated) and \$51,706 (As restated) and \$13,149 and \$26,401 for the three and six months ended November 30, 2019 and 2018, respectively.

NOTE 15 – STOCKHOLDERS' EQUITY

Convertible Preferred Stock

On April 28, 2017, the Company's Board of Directors adopted resolutions authorizing an amendment (the "Amendment") to the Company's amended certificate of incorporation to authorize the Board of Directors, without further vote or action by the stockholders, to create out of the unissued shares of the Company's preferred stock, par value \$0.0001 per share ("Preferred Stock"), series of Preferred Stock and, with respect to each such series, to fix the number of shares, designations, preferences, voting powers, qualifications, and special or relative rights or privileges as the Board of Directors will determine, which may include, among others, dividend rights, voting rights, liquidation preferences, conversion rights, and preemptive rights (the "Board Authorization"). Upon effectiveness of the Amendment, the Board of Directors has authority to issue shares of Preferred Stock from time to time on terms it may determine, to divide shares of Preferred Stock into one or more series, and to fix the designations, preferences, privileges, and restrictions of Preferred Stock, including dividend rights, conversion rights, voting rights, terms of redemption, liquidation preference, and the number of shares constituting any series or the designation of any series to the fullest extent permitted by the General Corporation Law of Delaware. The issuance of Preferred Stock could have the effect of decreasing the trading price of the common stock, restricting dividends on the capital stock, diluting the voting power of the common stock, impairing the liquidation rights of the capital stock, or delaying or preventing a change in control of the Company.

On May 1, 2017, the Company's Board of Directors approved the designation of 5,000,000 shares of Preferred Stock as Series A preferred stock ("Series A Preferred Stock"). No shares of Series A Preferred Stock were outstanding as of November 30, 2019 and May 31, 2019. Cash dividends accrue on each share of Series A Preferred Stock, at the rate of 4% per annum of the stated value, and are payable quarterly in arrears in cash on the first day of March, June, September, and December each year, commencing June 1, 2017. Dividends accrue whether or not they are declared and whether or not the Company has funds legally available to make the cash payment. As of November 30, 2019, the Company had no undeclared dividends in arrears.

Private Placement Offering

On September 23, 2019, the Company commenced a private placement offering (the "September 2019 Offering") of up to \$15,000,000 of Units at a purchase price of \$0.32 per Unit. Each Unit consists of (i) one share of common stock of the Company (the "Purchase Shares") and (ii) a five year warrant to purchase the number of shares of common stock that is equal to 20% of the Purchase Shares purchased by such subscriber in the September 2019 Offering. The warrants have a five year term (See Note 17). As of November 30, 2019, the Company has issued 6,919,782 shares of common stock and 1,383,957 warrants and has received \$2,052,482 in cash proceeds, net of \$161,638 in equity issuance fees, in connection with the September 2019 Offering. In addition, the Company issued warrants to purchase 366,748 shares of the Company's common stock as additional equity issuance fees in connection with the September 2019 Offering (See Note 17). The warrants issued were valued at \$118,435 (As restated) using the Black-Scholes Method.

The Company also entered into a registration rights agreement with the subscribers of the September 2019 Offering, pursuant to which the Company will be obligated to file with the SEC as soon as practicable, but in any event no later than 60 days after the final closing, a registration statement on Form S-1 (the "Registration Statement") to register the Purchase Shares and the shares of common stock issuable upon exercise of the warrants for resale under the Securities Act of 1933, as amended (the "Securities Act"). The Company is obligated to use its commercially reasonable best efforts to cause the Registration Statement to be declared effective by the SEC within 60 days after the filing of the Registration Statement, or within 90 days in the event the SEC reviews and has written comments to the Registration Statement. As of the date of this report, the Company has not filed the Registration Statement required under the terms of the September 2019 Offering.

Equity Transactions During the Period

Issuance of Common Stock

During the three months ended August 31, 2019, the Company issued 445,000 shares of common stock with a range of fair values of \$0.42 - \$0.44 per share to various employees in lieu of cash for compensation.

During the three months ended August 31, 2019, the Company issued 300,000 shares of common stock with a fair value of \$0.63 per share to vendors for satisfaction of outstanding payables.

During the three months ended August 31, 2019, the Company issued 408,736 shares of common stock to investors as a result of the exercise of warrants, of which, 324,000 shares of common stock were issued as a cashless exercise with a fair value of \$0.67 per share and 84,736 shares of common stock were issued with a fair value of \$0.01 per share (See Note 17).

During the three months ended August 31, 2019, the Company issued 2,100,000 shares of common stock with a range of fair values of \$0.42 - \$0.55 per share to investors in connection with convertible notes payable (See Note 10).

During the three months ended August 31, 2019, the Company issued 1,133,334 shares of common stock with a range of fair values of \$0.58 - \$0.74 per share to consultants for services rendered.

During the three months ended November 30, 2019, the Company issued 6,919,782 shares of common stock with a fair value of \$0.32 per share pursuant to the September 23, 2019, private placement offering.

During the three months ended November 30, 2019, the Company issued 2,500,000 shares of common stock with a fair value of \$0.34 per share to vendors for satisfaction of outstanding payables.

During the three months ended November 30, 2019, the Company issued 1,000,000 shares of common stock with a fair value of \$0.37 per share to investors in connection with the extinguishment of existing convertibles notes payable (See Note 10).

During the three months ended November 30, 2019, the Company issued 18,543,405 shares of common stock with a range of fair values of \$0.28 - \$0.41 per share to investors in connection with the settlement of the Solutions Pool Program (See Note 11).

During the three months ended November 30, 2019, the Company issued 12,146,241 shares of common stock to Link Labs, Inc. pursuant to the Purchase Agreement dated November 15, 2019 (See Note 4), with a total value of \$3,100,000.

During the three months ended November 30, 2019, the Company issued 1,816,364 shares of common stock with a range of fair values of \$0.31 - \$0.40 per share to investors in connection with convertible notes payable (See Note 10).

During the three months ended November 30, 2019, the Company issued 947,499 shares of common stock with a range of fair values of \$0.27 - \$0.42 per share to consultants for services rendered.

See Note 4, Note 10, and Note 17 for additional disclosure of equity related transactions completed during the period.

NOTE 16 – FORMATION OF IOTA SPECTRUM HOLDINGS AND IOTA SPECTRUM PARTNERS

On April 17, 2019, the Company formed Iota Holdings to act as the general partner for Iota Partners, which was formed on April 24, 2019. Iota Partners is a variable interest entity controlled by Iota Holdings. The purpose of Iota Partners is to own the spectrum licenses that Iota Networks leases to operate its nationwide IoT communications network.

Iota Partners obtains services from the Parent and certain of its wholly owned subsidiaries. Under an Administrative Expenses Agreement dated August 7, 2019, Iota Holdings, as general partner, provides general and administrative services to Iota Partners. Iota Partners is charged with its allocable share of all fees, costs, and expenses that are incurred in the performance of these services in addition to any out of pocket expenses incurred. In addition, and under a License Application and Construction Services Agreement dated July 25, 2019, the Parent serves as a service provider and exclusive agent to Iota Partners for FCC license application and construction and maintenance of network facilities necessary to maintain the licenses owned by Iota Partners. The Parent provides the services under this agreement at no cost to Iota Partners. Pursuant to a Master Lease Agreement entered into on July 25, 2019, Iota Networks will lease back all the licenses owned by Iota Partners. Lease payments will be made by Iota Networks to Iota Partners out of a revenue pool consisting of 10% of the monthly recurring connectivity revenues generated by connecting devices to the Iota Networks network. Revenue Pool payments go to the limited partners only, and those payments are calculated based on the MHz-Pops of the licenses they contributed to Iota Partners. Payments are not made to Iota Partners for the licenses that were contributed by Iota Holdings. Upon a sale or liquidation of Iota Partners' licenses or assets, all Iota Holdings and Iota Partners units share equally in those proceeds on a per unit basis.

On November 5, 2019, Iota Partners, Iota Holdings, Iota Communications, Iota Networks, and certain revenue-based noteholders (the "Exchange Investors") entered into a Contribution and Exchange Agreement (the "Exchange Agreement") pursuant to which the Exchange Investors, upon approval from the FCC, have agreed to contribute and transfer their FCC licenses to Iota Partners. Pursuant to the Exchange Agreement, the individual Exchange Investors and Iota Networks agreed, that effective as of the Closing Date, each existing spectrum lease agreement (See Note 11) will be fully and irrevocably terminated upon license contribution and transfer to Iota Partners. As consideration for the contributed FCC licenses, each Exchange Investor will receive one limited partnership unit of Iota Partners for each MHz-POP contributed to Iota Partners.

Through November 30, 2019, Exchange Investors contributed 16,246,612 MHz-POPs of FCC licenses to Iota Partners in exchange for an equal number of limited partnership units. Management, assisted by third-party valuation specialists, determined the fair value of the FCC licenses contributed by the Exchange Investors to Iota Partners totaled \$3,430,000 at November 30, 2019.

Through November 30, 2019, Iota Holdings contributed 1,922,469 MHz-POPs of FCC licenses to Iota Partners in exchange for an equal number of general partnership units. Since this is a transfer of assets between entities under common control, the value of the contributed licenses is recorded at Iota Holding's carrying value which is \$0.

Through November 30, 2019, three investors subscribed for 333,333 limited partnership units in Iota Partners for \$100,000 cash.

At November 30, 2019, Iota Holdings owns approximately 10% of the outstanding partnership units of Iota Partners resulting in a non-controlling interest of 90%.

NOTE 17 – STOCK-BASED COMPENSATION

The Company accounts for its stock-based compensation in accordance with the fair value recognition provisions of ASC Topic 718, Compensation – Stock Compensation.

2017 Equity Incentive Plan

The Board of Directors approved the Company's 2017 Equity Incentive Plan (the "2017 Plan") on April 27, 2017 and the stockholders of the Company holding a majority in interest of the outstanding voting capital stock of the Company approved and adopted the 2017 Plan on April 28, 2017. The maximum number of shares of the Company's common stock that may be issued under the Company's 2017 Plan, is 10,000,000 shares.

Options

The Company granted 1,000,000 options during the six months ended November 30, 2019. There were no options issued during the six months ended November 30, 2018.

Compensation based stock option activity for qualified and unqualified stock options are summarized as follows:

	Shares	Weighted Average Exercise Price
Outstanding at May 31, 2019	6,812,500	\$ 1.02
Granted	1,000,000	0.41
Exercised	-	-
Expired or cancelled (As restated)	(337,500)	1.20
Outstanding at November 30, 2019 (As restated)	7,475,000	\$ 0.93

The following table summarizes information about options to purchase shares of the Company's common stock outstanding and exercisable at November 30, 2019 (As restated):

Range of exercise prices	Outstanding Options	Weighted-Average		Weighted-Average		Number Exercisable
		Remaining Life In Years		Exercise Price		
\$ 0.41	1,000,000	9.97	\$	0.41	-	
0.60	1,000,000	6.40		0.60	1,000,000	
0.99	4,000,000	8.77		0.99	1,250,000	
1.20	1,225,000	5.27		1.20	1,225,000	
2.00	250,000	6.40		2.00	250,000	
	7,475,000	7.96	\$	0.93	3,725,000	

The compensation expense attributed to the issuance of the options is recognized as they are vested.

The 2017 Plan stock options are exercisable for ten years from the grant date and vest over various terms from the grant date to four years.

The aggregate intrinsic value totaled \$0 based on the Company's closing stock price of \$0.30 on November 30, 2019, which would have been received by the option holders had all option holders exercised their options as of that date.

On November 15, 2019, the Company granted 1,000,000 options to Brian Ray, Chief Technology Officer, in connection with his employment agreement dated November 15, 2019, with an exercise price of \$0.41 per share, and a fair value of \$234,720 (As restated). The employment agreement calls for vesting of 250,000 options on the one year anniversary of the agreement and the remaining options will vest monthly on a pro-rata basis over the 36 month period following the one year anniversary of the agreement. The options issued were valued using the Black-Scholes option pricing model under the following assumptions (As restated): stock price - \$0.31; strike price - \$0.41; expected volatility - 246.04%; risk-free interest rate - 1.63%; dividend rate - 0%; and expected term - 4 years.

Total compensation expense related to the options was \$94,937 (As restated) and \$297,719 (As restated) and \$202,782 and \$202,782 for the three and six months ended November 30, 2019 and 2018, respectively. As of November 30, 2019, there was future compensation cost of \$2,093,861 (As restated) related to non-vested stock options with a recognition period from 2019 through 2023.

Warrants

The issuance of warrants to purchase shares of the Company's common stock including those attributed to debt issuances are summarized as follows:

	Shares	Weighted Average Exercise Price
Outstanding at May 31, 2019	16,501,252	\$ 0.635
Granted (As restated)	12,329,384	0.34
Exercised	(684,736)	0.28
Expired or cancelled	(2,868,823)	1.20
Outstanding at November 30, 2019 (As restated)	25,277,077	\$ 0.44

The following table summarizes information about warrants outstanding and exercisable at November 30, 2019 (As restated):

Outstanding and exercisable				
Range of Exercise Prices	Number Outstanding	Weighted-Average Remaining Life in Years	Weighted-Average Exercise Price	Number Exercisable
\$ 0.01	922,400	4.56	\$ 0.01	922,400
0.31	3,888,679	4.92	0.31	3,888,679
0.32	4,350,000	2.85	0.32	4,350,000
0.35	1,200,000	2.64	0.35	1,200,000
0.38	6,024,725	4.12	0.38	6,024,725
0.40	998,500	4.62	0.40	998,500
0.48	2,203,957	4.91	0.48	2,203,957
0.54	1,985,000	4.07	0.54	1,985,000
0.58	29,464	3.29	0.58	29,464
0.60	1,179,464	2.87	0.60	1,179,464
1.00	2,494,888	0.45	1.00	2,494,888
	25,277,077	3.63	\$ 0.44	25,277,077

The expense attributed to the issuances of the warrants was recognized as they were vested/earned. These warrants are exercisable for three to five years from the grant date. All are currently exercisable.

On September 20, 2018, as part of a securities purchase agreement with an "accredited investor", the Company issued warrants to purchase 600,000 shares of the Company's common stock at an exercise price of \$0.60 per share. The warrants were exercisable for cash, or on a cashless basis. The number of shares of common stock to be deliverable upon exercise of the warrants was subject to adjustment for subdivision or consolidation of shares and other standard dilutive events. As a result of the December 2018 issuer tender offer, the exercise price of the warrants reset to \$0.3128 per share. On June 20, 2019, the Company issued 324,000 shares of common stock as a result of a cashless exercise of the warrants.

On August 7, 2019, the Company issued 84,736 shares of common stock to an investor as a result of the exercise of warrants with a fair value of \$0.01 per share.

Issuances of warrants to purchase shares of the Company's common stock during the six months ending November 30, 2019 were as follows:

During the three months ended August 31, 2019, the Company issued warrants to purchase 905,000 shares of the Company's common stock with an exercise price of \$0.40 per share to several investors who provided financing to the Company.

During the three months ended November 30, 2019, the Company issued warrants to purchase 15,000 shares of the Company's common stock with an exercise price of \$0.40 per share to an investor who provided financing to the Company.

During the three months ended November 30, 2019, the Company issued warrants to purchase 4,988,679 shares of the Company's common stock with a range of exercise prices of \$0.31 - \$0.48 per share to investors in connection with convertible notes payable (See Note 10).

During the three months ended November 30, 2019, the Company issued warrants to purchase 1,383,957 shares of the Company's common stock with an exercise price of \$0.48 per share in connection with the September 23, 2019, private placement.

During the three months ended November 30, 2019, the Company issued warrants to purchase 320,000 shares of the Company's common stock with an exercise price of \$0.48 per share in connection with a consulting agreement.

During the three months ended November 30, 2019, the Company issued warrants to purchase 366,748 shares of the Company's common stock with an exercise price of \$0.01 per share for equity issuance fees in connection with the September 23, 2019, private placement (See Note 15).

During the three months ended November 30, 2019, the Company issued warrants to purchase 4,350,000 shares of the Company's common stock with an exercise price of \$0.32 per share to investors in connection with the extinguishment of existing convertibles notes payable (See Note 10).

As a result of the issuances of these warrants, the Company recognized \$417,269 (As restated) and \$726,998 (As restated) of stock-based compensation expense for the three and six months ended November 30, 2019, respectively.

NOTE 18 – COMMITMENTS AND CONTINGENCIES

Compensatory Arrangements of Certain Officers

Employment Agreement with Brian Ray, Chief Technology Officer

Concurrent with the first closing of the Link Labs Purchase Agreement on November 15, 2019, the Company entered into a two-year Employment Agreement with Brian Ray (the "Ray Employment Agreement"), pursuant to which he will serve as the Company's Chief Technology Officer. The term will automatically renew for periods of one year unless either party gives written notice to the other party that the agreement will not be further extended at least 60 days prior to the end of the term, as it may have been extended.

Pursuant to the Ray Employment Agreement, Mr. Ray will earn an initial base annual salary of \$250,000, which may be increased in accordance with the Company's normal compensation and performance review policies for senior executives generally. He is entitled to receive an annual bonus in an amount of up to 50% of his base annual salary, at the Board's discretion, based on certain provided milestones. Mr. Ray is also entitled to receive stock options, under the Company's 2017 Plan, to purchase 1,000,000 shares of the Company's common stock, with an exercise price equal to the fair market value of the Company's common stock on the grant date. The stock options will vest in accordance with the following schedule: (i) 250,000 on the one year anniversary of the Ray Employment Agreement and (ii) the remaining unvested shares will vest monthly thereafter on a pro-rata basis over the 36 month period following the one year anniversary of the Ray Employment Agreement. Mr. Ray will also be eligible to participate in any long-term equity incentive programs established by the Company for its senior level executives generally, and benefits under any benefit plan or arrangement that may be in effect from time to time and made available to similarly situated executives of the Company.

Employment Agreement with Barclay Knapp

Simultaneous with the consummation of the Merger, the Company entered into a two year Employment Agreement with Barclay Knapp (the "Knapp Employment Agreement"), pursuant to which he will serve as the Company's Chief Executive Officer. The term will automatically renew for periods of one year unless either party gives written notice to the other party that the agreement will not be further extended at least 90 days prior to the end of the term, as it may have been extended.

Pursuant to the Knapp Employment Agreement, Mr. Knapp will earn an initial base annual salary of \$450,000, which may be increased in accordance with the Company's normal compensation and performance review policies for senior executives generally. He is entitled to receive semi-annual bonuses in a yearly aggregate amount of up to 100% of his base annual salary, at the Board's discretion, based on the attainment of certain individual and corporate performance goals and targets and the business condition of the Company. Mr. Knapp is also entitled to receive stock options, under the Company's 2017 Plan, to purchase a number of shares of the Company's common stock yet to be determined by the Board, with an exercise price equal to the fair market value of the Company's common stock on the grant date. The stock options will vest in a series of 16 successive equal quarterly installments, provided that Mr. Knapp is employed by the Company on each such vesting date. As of November 30, 2019, no options have been issued. Mr. Knapp will also be eligible to participate in any long-term equity incentive programs established by the Company for its senior level executives generally, and benefits under any benefit plan or arrangement that may be in effect from time to time and made available to similarly situated executives of the Company.

On May 20, 2019, the Knapp Employment Agreement was amended, in connection with Mr. Knapp's resignation as Chief Executive Officer, to reflect the title change from Chairman and Chief Executive Officer to Executive Chairman.

On September 12, 2019, the Knapp Employment agreement was terminated by mutual agreement of the parties. Mr. Knapp will continue as Chairman of the Company's Board of Directors.

Employment Agreement with Terrence DeFranco

Simultaneous with the consummation of the Merger, the Company entered into a two year Employment Agreement (the "DeFranco Employment Agreement") with Terrence DeFranco, pursuant to which he will serve as the Company's President and Chief Financial Officer. The term will automatically renew for periods of one year unless either party gives written notice to the other party that the agreement will not be further extended at least 90 days prior to the end of the term, as it may have been extended.

Pursuant to the DeFranco Employment Agreement, Mr. DeFranco will earn an initial base annual salary of \$375,000, which may be increased in accordance with the Company's normal compensation and performance review policies for senior executives generally. He is entitled to receive semi-annual bonuses in a yearly aggregate amount of up to 100% of his base annual salary, at the discretion of the Board, based on the attainment of certain individual and corporate performance goals and targets and the business condition of the Company. Mr. DeFranco will also receive stock options, under the Company's 2017 Plan, to purchase 4,000,000 shares of the Company's common stock, with an exercise price equal to the fair market value of the Company's common stock on the grant date. The stock options will vest in a series of 16 successive equal quarterly installments, provided that Mr. DeFranco is employed by the Company on each such vesting date. Mr. DeFranco will also be eligible to participate in any long-term equity incentive programs established by the Company for its senior level executives generally, and benefits under any benefit plan or arrangement that may be in effect from time to time and made available to similarly situated executives of the Company.

On May 20, 2019, the DeFranco Employment Agreement was amended, in connection with Mr. DeFranco's resignation as Chief Financial Officer and appointment to Chief Executive Officer, to reflect the title change.

Legal Claims

Except as described below, there are no material pending legal proceedings in which the Company or any of its subsidiaries is a party or in which any director, officer, or affiliate of the Company, any owner of record or beneficially of more than 5% of any class of its voting securities, or security holder is a party adverse to us or has a material interest adverse to the Company.

David Alcorn Professional Corporation, et al. v. M2M Spectrum Networks, LLC, et al.

On September 7, 2018, David Alcorn Professional Corporation and its principal, David Alcorn ("Alcorn") filed a complaint in Superior Court of Arizona, Maricopa County, CV2108-011966, against the Company for fraudulent transfer and successor liability as to Iota Networks, based on claims that the Company is really just a continuation of Smartcomm, LLC's business, a related party of the Company, and that money was improperly transferred from Smartcomm, LLC to the Company to avoid Smartcomm, LLC's creditors. The Company believes the true nature of this dispute is between Alcorn and Smartcomm, LLC. Alcorn is owed approximately \$900,000 by Smartcomm, LLC, for which the parties have been negotiating settlement options before suit was filed. The Company has tried to facilitate settlement between those parties by offering to prepay its note payable to Smartcomm, LLC, allowing the proceeds to be used by Smartcomm, LLC to pay Smartcomm, LLC's judgment creditors. On March 25, 2019, Smartcomm, LLC filed for Chapter 7 bankruptcy and the claims against the Company now reside with the Chapter 7 trustee. The Company believes it is more likely than not that the Chapter 7 trustee will not relinquish these claims to Alcorn and the case will be dismissed. On November 1, 2019, the Alcorn parties filed a motion for summary judgment claiming they are entitled to collect their judgments from the Company and defendant Carole Downs, among others, on the theories of fraudulent transfer, alter ego/corporate veil, and successor liability. The Company hired new counsel in the case to respond to the motion and file a motion to dismiss the case on the basis that the court lacks subject matter jurisdiction, due to the fact that Bankruptcy Court has not relinquished its jurisdiction over the allegedly fraudulently transferred funds. The Company has appropriately accrued for all potential liabilities at November 30, 2019.

Vertical Ventures II, LLC et al v. Smartcomm, LLC et al

On July 21, 2015, Vertical Ventures II, LLC, along with Carla Marshall, its principal, and her investors ("Vertical") filed a complaint in Superior Court of Arizona, Maricopa County, CV2015-009078, against Smartcomm, LLC, a related party, including Iota Networks. The complaint alleges breach of contract on the part of Smartcomm, LLC and Iota Networks, among other allegations, related to FCC licenses and construction permits. Vertical seeks unspecified damages, believed to be approximately \$107,000 against Iota Networks and \$1,400,000 against Smartcomm. Management intends to defend the counts via summary judgment. To date, Smartcomm, LLC has been paying the cost to defend against this complaint. Smartcomm, LLC and Iota Networks are seeking indemnity from certain of the plaintiffs for all legal expenses and intend to do the same as to the other plaintiffs for issues relating to the first public notice licenses because they each signed indemnity agreements. On March 25, 2019, Smartcomm, LLC filed for Chapter 7 bankruptcy. As a result of the bankruptcy, the case has been temporarily delayed and is expected to resume at a date determined at a hearing to be held on November 2, 2020. The Company has appropriately accrued for all potential liabilities at November 30, 2019.

On April 17, 2019, Ladenburg Thalmann & Co. Inc. ("Ladenburg") filed a complaint in The Circuit Court of the 11th Judicial Circuit in and for Miami-Dade County, Florida, Case No. 2019-011385-CA-01, against the Company claiming fees that are owed under an investment banking agreement with M2M Spectrum Networks, LLC. Ladenburg seeks \$758,891 based upon a transaction fee of \$737,000, out-of-pocket expenses of \$1,391, and four monthly retainers of \$5,000 each totaling \$20,000. Ladenburg claims an amendment to the contract with M2M Spectrum Networks, LLC was a valid and binding amendment. The Company believes the claim has no merit and that the amendment is void as it is without authority as to the Company, that it violates FINRA rules charging excessive fees, and will either be dismissed or Ladenburg will need to substitute the proper party, Iota Networks, LLC. Iota Networks' motion to dismiss was denied on July 25, 2019, so an answer was filed on August 23, 2019. The case is now in the discovery phase. The Company has appropriately accrued for all potential liabilities at November 30, 2019.

Other Proceedings

The Company is currently the defendant in various smaller cases with total claimed damages of approximately \$300,000 which have been fully accrued for at November 30, 2019. The Company has responded to these lawsuits and is prepared to vigorously contest these matters.

NOTE 19 – LEASES

A lease is defined as a contract that conveys the right to control the use of identified tangible property for a period of time in exchange for consideration. On June 1, 2019, the Company adopted ASC Topic 842 which primarily affected the accounting treatment for operating lease agreements in which the Company is the lessee including Company leases of office facilities, office equipment, and tower and billboard space.

All the Company's leases are classified as operating leases, and as such, were previously not recognized on the Company's unaudited condensed consolidated balance sheet. With the adoption of ASC Topic 842, operating lease agreements are required to be recognized on the condensed consolidated balance sheet as right of use assets and corresponding lease liabilities.

On June 1, 2019, the Company recognized right of use assets of \$17,221,387, net of deferred rent liabilities of \$1,975,815, and lease liabilities of \$19,197,202. During the six month period ended November 30, 2019, the Company identified certain billboard leases that were erroneously not recorded as part of the initial ASC Topic 842 adoption. The Company recognized additional right of use assets and lease liabilities of \$2,943,035 (As restated) for these leases. After adjustment, the total impact of the ASC Topic 842 adoption is a right of use asset of \$20,164,422 (As restated), net of deferred rent liabilities of \$1,975,815, and lease liabilities of \$22,140,237 (As restated).

On October 30, 2019, the Company entered into a Collocation and Settlement of Past Due Balance Agreement (the "Collocation Agreement") with a third-party lessor (the "Lessor") of 186 collocation agreements (the "Terminated License Agreements") pursuant to which the Lessor granted the Company a license to install, operate, and maintain equipment at certain telecommunication sites owned, leased, or licensed by the Lessor. As of the date of the Collocation Agreement, the Company had a past due balance of rental amounts owed to the Lessor of \$11,167,962 (the "Past Due Balance"). Pursuant to the Collocation Agreement:

- The parties agreed that the Terminated License Agreements terminated effective January 31, 2019 (the "Termination Date");
- As settlement for its Past Due Balance:
 - The Company paid the Lessor \$1,000,000; and
 - On or before February 1, 2020, the Company will execute 186 new collocation agreements with the Lessor. At least 166 of the new license agreements will be for old sites. No more than 20 of the new license agreements will be for new sites. See Note 22 - Agreement Regarding Collocation for subsequent agreement and terms thereof.

Each new license agreement will be for one term of seven years and neither party may terminate a new lease agreement during the term. The initial monthly license rent due under each of the 186 new license agreements will be \$884. The monthly rent will be increased on the first anniversary of the Term Commencement Date and thereafter by 3% per year.

Management deemed the Collocation Agreement to be a termination of the existing license agreements with the Lessor. As a result, the Company wrote-off \$11,522,862 (As restated), \$12,853,201 (As restated), and \$1,041,245 of net right of use assets, lease liabilities, and deferred rent, respectively, resulting in a gain of \$1,359,554 (As restated), including the gain on decommissioning of towers. In addition, and pursuant to the Collocation Agreement, the Company's outstanding liabilities owed to the Lessor of \$11,167,962 was forgiven. The gains are recorded in the unaudited condensed consolidated statement of operations as part of selling, general, and administrative expenses and gain on settlement of past due lease obligations, respectively.

On November 1, 2019, and as a result of the Collocation Agreement, the Company recognized net right of use assets and lease liabilities of \$12,317,300 (As restated) stemming from the new 186 collocation agreements.

Right of use assets include any prepaid lease payments and exclude any lease incentives and initial direct costs incurred. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. The lease terms may include options to extend or terminate the lease if it is reasonably certain that the Company will exercise that option.

When measuring lease liabilities for leases that were classified as operating leases at adoption of ASC Topic 842, the Company discounted lease payments using its estimated incremental borrowing rate of 7.2% (As restated) as of June 1, 2019. On November 1, 2019, the Company discounted lease payments related to the Collocation Agreement using its estimated incremental borrowing rate of 5.8% (As restated). As of November 30, 2019, the weighted average discount rate utilized is 6.31% (As restated). As of November 30, 2019, the Company's leases had a weighted average remaining term of 7.97 years (As restated).

The Company evaluates right of use assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. When the carrying amount of the right of use assets are not recoverable and exceed fair value, an impairment loss is recognized equal to the excess of the right of use assets' carrying value over the estimated fair value. The Company recognized \$8,069,792 (As restated) of impairment losses related to right of use assets for the three and six months ended November 30, 2019, in impairment of long-lived assets in the unaudited condensed consolidated statement of operations.

Rent expense totaled \$1,267,270 (As restated) and \$2,428,842 (As restated), and approximately \$1,300,000 and \$2,500,000 for the three and six months ended November 30, 2019 and 2018, respectively.

The following table presents net lease cost and other supplemental lease information:

	Six Months Ended November 30, 2019 (As restated)	Three Months Ended November 30, 2019 (As restated)
Lease cost		
Operating lease cost	\$ 2,345,510	\$ 1,222,898
Short term lease cost	83,332	44,372
Net lease cost	<u>\$ 2,428,842</u>	<u>\$ 1,267,270</u>
Operating lease – operating cash flows (payments)	\$ 539,165	\$ 305,485
Non-current leases – right of use assets	\$ 11,494,590	\$ 11,494,590
Current liabilities – operating lease liabilities	\$ 1,661,512	\$ 1,661,512
Non-current liabilities – operating lease liabilities	\$ 18,775,490	\$ 18,775,490

Future minimum payments under non-cancelable leases, other than short-term leases, for the remaining terms of the leases ending after November 30, 2019, are as follows:

Fiscal Year	Operating Leases (As restated)
2020 (excluding the six months ended November 30, 2019)	\$ 1,222,951
2021	3,194,902
2022	3,282,423
2023	3,358,537
2024	3,459,187
After 2024	11,854,156
Total future minimum lease payments	<u>26,372,156</u>
Less imputed interest	(5,935,154)
Present value of net future minimum lease payments	<u>\$ 20,437,002</u>

NOTE 20 – CONCENTRATIONS OF CREDIT RISK

Cash Deposits

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. As of November 30, 2019, and May 31, 2019, the Company had \$0 and \$583,500, respectively, in excess of the FDIC insured limit.

Revenues

One customer accounted for 80% (As restated) of the revenue for the six months ended November 30, 2019.

Two customers accounted for 55% of the revenue for the six months ended November 30, 2018, as set forth below:

Customer 1	36%
Customer 2	19%

Accounts Receivable

Three customers accounted for 98% (As restated) of the accounts receivable as of November 30, 2019, as set forth below:

Customer 1	57%
Customer 2	24%
Customer 3	17%

Two customers accounted for 73% of the accounts receivable as of May 31, 2019, as set forth below:

Customer 1	37%
Customer 2	36%

Accounts Payable

Two vendors accounted for 31% of the accounts payable as of November 30, 2019, as set forth below:

Vendor 1	16%
Vendor 2	15%

One vendor accounted for 53% of the accounts payable as of May 31, 2019.

NOTE 21 – BUSINESS SEGMENT INFORMATION

The Company's reportable segments include Iota Networks, Iota Commercial Solutions, Iota Communications, and Iota Holdings, and are distinguished by types of service, customers, and methods used to provide services. The operating results of these business segments are regularly reviewed by the Company's chief operating decision maker. The Company evaluates performance based primarily on income (loss) from operations. The accounting policies of each of the segments are the same as those described in the Summary of Significant Accounting Policies in Note 2.

Operating results and total assets for the business segments of the Company were as follows:

	Iota Communications	ICS	Iota Networks	Iota Holdings	Total
Three Months Ended November 30, 2019					
Net Sales (As restated)	\$ -	\$ -	\$ 33,710	\$ -	\$ 33,710
Loss from operations (As restated)	\$ (3,147,932)	\$ (725,429)	\$ (6,291,091)	\$ (446,149)	\$ (10,610,601)
Six Months Ended November 30, 2019					
Net Sales (As restated)	\$ -	\$ 833,803	\$ 71,681	\$ -	\$ 905,484
Loss from operations (As restated)	\$ (6,014,431)	\$ (1,233,357)	\$ (9,411,019)	\$ (672,032)	\$ (17,330,839)
Three Months Ended November 30, 2018					
Net sales	\$ -	\$ 772,570	\$ 63,299	\$ -	\$ 835,869
Loss from operations	\$ (12,010,615)	\$ (140,872)	\$ (4,741,253)	\$ -	\$ (16,892,740)
Six Months Ended November 30, 2018					
Net sales	\$ -	\$ 772,570	\$ 113,095	\$ -	\$ 885,665
Loss from operations	\$ (12,010,615)	\$ (140,872)	\$ (13,225,787)	\$ -	\$ (25,377,274)
Total Assets					
November 30, 2019 (As restated)	\$ 119,894	\$ 804,552	\$ 22,347,594	\$ 3,481,766	\$ 26,753,806
May 31, 2019	\$ 845,063	\$ 1,471,678	\$ 10,660,887	\$ -	\$ 12,977,628

NOTE 22 – SUBSEQUENT EVENTS*Issuance of Debt - AIP*

On December 18, 2019, the Company entered into an Agreement and Waiver with AIP to satisfy certain covenant conditions relative to the Extension Agreement (See Note 10). Pursuant to the Agreement and Waiver, all Events of Default relative to the AIP Note are waived through December 31, 2020. The waiver was conditioned upon (i) the Company agreeing to issue 1,000,000 shares of its common stock to AIP, (ii) the Company agreeing to issue warrants to purchase 4,350,000 shares of the Company's common stock at an exercise price of \$0.32 per share and warrants to purchase 4,350,000 shares of the Company's common stock at an exercise price of \$0.30 per share, and (iii) the Company agreeing to issue additional notes in the aggregate principal amount of \$1,400,000 with a maturity date 6 months from the date of issuance.

Pursuant to the Agreement and Waiver, on December 18, 2019, the Company issued warrants to purchase 4,350,000 shares of the Company's common stock with an exercise price of \$0.30 per share. On December 20, 2019, the Company issued a 12-month LIBOR + 10% Secured Non-Convertible Note in the principal amount of \$1,400,000 to AIP Convertible Private Debt Fund L.P., due June 20, 2020, pursuant to an Agreement and Waiver, dated December 18, 2019, by and between the Company and AIP Asset Management, Inc. in settlement of the Company's default under certain outstanding promissory notes.

On March 30, 2020, the Company issued a 12-month LIBOR + 10% Secured Non-Convertible Note in the principal amount of \$1,000,000 to AIP Convertible Private Debt Fund L.P., due April 4, 2021, pursuant to an Agreement and Waiver, dated March 25, 2020, by and between the Company and AIP Asset Management, Inc. in settlement of the Company's default under certain outstanding promissory notes. Pursuant to the Agreement and Waiver, the Company issued 2,500,000 shares of its common stock to AIP and repriced the exercise price of all outstanding warrants to \$0.20 per share.

On June 2, 2020, the Company issued a 12-month LIBOR + 10% Secured Non-Convertible Note in the principal amount of \$500,000 to AIP Convertible Private Debt Fund L.P., due April 4, 2021, pursuant to an Agreement and Waiver, dated June 2, 2020, by and between the Company and AIP Asset Management, Inc. in settlement of the Company's default under certain outstanding promissory notes. Pursuant to the Agreement and Waiver, the Company issued 500,000 shares of its common stock and warrants to purchase 2,500,000 shares of the Company's common stock at an exercise price of \$0.20 per share to AIP.

On July 30, 2020, the Company issued a 12-month LIBOR + 10% Secured Non-Convertible Note in the principal amount of \$1,000,000 to AIP Convertible Private Debt Fund L.P., due April 4, 2021, pursuant to an Agreement, dated July 30, 2020, by and between the Company and AIP Asset Management, Inc. Pursuant to the Agreement, the Company agreed to issue 2,000,000 shares of its common stock to AIP.

On August 31, 2020, the Company entered into a Debt Restructuring Agreement with Forced Conversion Rights (the "AIP Restructuring Agreement"), by and between the Company and AIP. In connection with the Restructuring Agreement, all outstanding notes previously issued under the AIP Purchase Agreement were cancelled. In addition, the 14,673,800 shares of common stock and 21,350,000 warrants to purchase shares of common stock previously issued to AIP, and the Company's obligation to issue an additional 2,000,000 shares of common stock to AIP, were cancelled. The canceled notes, shares, and warrants were replaced with the AIP Replacement Note and a secured convertible royalty note (the "AIP Royalty Note" and, together with the AIP Replacement Note, the "AIP Notes"). Upon execution of the AIP Restructuring Agreement, the Company borrowed an additional \$1,100,000 under the AIP Replacement Note. As part of the debt restructuring, the Company agreed to issue 5,000,000 shares of its common stock to AIP Private Capital Inc. as a prepayment of all monitoring fees payable until the AIP Notes are fully repaid or converted.

The AIP Replacement Note, with a principal balance of \$9,000,000, and the AIP Royalty Note, with a principal balance of \$6,000,000, both mature on November 30, 2021, unless earlier converted in accordance with the terms of the AIP Restructuring Agreement. The Notes bear interest at a rate of 10% per annum, provided that during an event of default, they will bear interest at a rate of 20% per annum. The Company has prepaid interest on the AIP Replacement Note through December 31, 2020. Beginning January 1, 2021, interest on the AIP Replacement Note will be calculated monthly with 4% payable monthly, and 6% added monthly to the outstanding principal balance until the entire principal balance has been repaid in full. Interest on the AIP Royalty Note will be calculated monthly and added to the outstanding principal balance. In addition, and as specified in the AIP Royalty Note, the Company will pay the holders a royalty equal to 5% of the Company's revenues, with the first payment made no later than September 20, 2021 for the Company's fiscal year ending May 31, 2021. Thereafter, and until the AIP Royalty Note is fully repaid or converted, the royalty payments are due monthly, in arrears, in an amount equal to 5% of the Company's revenues for such month.

The Company may elect to convert all or part of the principal balance, together with accrued and unpaid interest and any other amount then payable under the AIP Notes, into Units (comprised of one share of common stock of the Company and one warrant to purchase one share of common stock of the Company) at any time all of the conditions specified within the AIP Restructuring Agreement are met, at a conversion price of \$0.12. Each holder has the right, at such holder's option, at any time, to convert all or part of the AIP Notes, together with accrued and unpaid interest and any other amount then payable under the AIP Notes, into Units, at a conversion price of \$0.12.

On November 5, 2020, the Company issued a 10% Secured Convertible Note in the principal amount of \$500,000 to AIP Convertible Private Debt Fund L.P., due November 30, 2021, unless earlier converted, pursuant to an Agreement dated November 5, 2020, by and between the Company and AIP Asset Management, Inc. The Company has prepaid interest on the November 2020 Convertible Note through December 31, 2020. The November 2020 Convertible Note is subject to the same conversion features as the AIP Notes.

Issuance of Debt – Other Creditors

On December 19, 2019, the Company entered into a Securities Purchase Agreement with an "accredited investor", pursuant to which it issued a promissory note to the investor in the principal amount of \$238,352, due and payable June 19, 2020 and warrants to purchase 851,425 shares of common stock at an exercise price of \$0.308, for a total purchase price of \$238,352. As of the date of this report, the Company is currently in default on this promissory note.

On January 16, 2020, the Company entered into a Securities Purchase Agreement with an "accredited investor", pursuant to which it issued a promissory note to the investor in the principal amount of \$320,000, due and payable February 29, 2020, and 1,000,000 shares, for a total purchase price of \$320,000. Pursuant to the Securities Purchase Agreement, upon the occurrence of an event of default, which is not cured within 7 business days, the Company will issue 1,000,000 shares of its common stock per month, pro rata based on the number of calendar days that have elapsed following the event of default, until such time as the event of default has occurred. As of the date of this report, the Company is in default on this promissory note, and has issued 8,000,000 shares of the Company's common stock.

On January 27, 2020, the Company issued a 10% Convertible Promissory Note in the principal amount of \$77,000, due, and payable on January 27, 2021. As of the date of this report, the Company is currently in default on this Convertible Promissory Note.

On May 21, 2019, the Company issued a Convertible Promissory Note in the principal amount of \$330,000, which was originally due and payable on November 30, 2019. The Company has entered into successive amendments to the original note, such that the maturity date for this note was extended to November 30, 2020, the conversion price was changed from \$0.35 to \$0.12 per share, and \$130,000 was added to the principal amount due under this note.

On September 16, 2019, the Company issued a Convertible Promissory Note in the principal amount of \$330,000, which was originally due and payable on March 31, 2020. The Company has entered into successive amendments to the original note, such that the maturity date for this note was extended to November 30, 2020, the conversion price was changed from \$0.35 to \$0.12 per share, and \$60,000 was added to the principal amount due under this note.

On October 16, 2019, the Company entered into an Exchange Agreement with Avalton, whereby the Company issued shares of Company common stock to reduce outstanding debt owed to Avalton (See Note 13). As of November 30, 2019, the outstanding balance of the debt owed to Avalton is \$354,222, which was to be paid according to the following payment schedule: (i) \$50,000 on November 15, 2019, (ii) \$150,000 on December 15, 2019, and (iii) the balance of \$154,222 on January 15, 2020. As of the date of this report, the Company is currently in default on this debt.

On October 29, 2019, the Company issued a Convertible Promissory Note in the principal amount of \$1,000,000, which was originally due and payable on April 30, 2020. As of the date of this report, the Company is currently in default on this Convertible Promissory Note.

On February 17, 2020, the Company entered into a Securities Purchase Agreement with an "accredited investor", pursuant to which it issued a promissory note to the investor in the principal amount of \$300,000, due and payable March 31, 2020, and 1,000,000 shares, for a total purchase price of \$300,000. Pursuant to the Securities Purchase Agreement, upon the occurrence of an event of default, which is not cured within 7 business days, the Company will issue 1,000,000 shares of its common stock per month, pro rata based on the number of calendar days that have elapsed following the event of default, until such time as the event of default has occurred. As of the date of this report, the Company is in default on this promissory note, and has issued 7,000,000 shares of the Company's common stock.

On May 4, 2020, the Company was granted a loan from a lender in the aggregate amount of \$763,600, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted on March 27, 2020. The loan, which was in the form of a note dated May 4, 2020 issued by the Company, matures on May 4, 2022 and bears interest at a rate of 1.00% per annum, payable monthly commencing on December 4, 2020, unless forgiven in whole or in part in accordance with the PPP regulations. The note may be prepaid by the Company at any time prior to maturity with no prepayment penalties.

On May 5, 2020, the Company entered into an Amendment and Settlement Agreement with an "accredited investor", related to a Securities Purchase Agreement entered into by the parties on September 18, 2018 (See Note 10), pursuant to which the Company issued the investor a promissory note in the principal amount of \$440,000. The parties entered into a settlement agreement on May 21, 2019, pursuant to which the Company issued the investor 1,330,000 shares of its common stock and paid the investor \$50,000 in partial satisfaction of the "make whole" payments due under the settlement agreement. The Company has entered into successive amendments to the settlement agreement such that \$50,000 was paid toward the outstanding balance, and the remaining \$83,057 may be converted to shares of the Company's common stock at the investor's option. On September 23, 2020, the investor elected to convert the make whole balance into 830,570 shares of the Company's common stock.

On February 29, 2020 and May 8, 2020, the Company exchanged several existing promissory notes with directors of the Company for two promissory notes in the principal amounts of \$743,445 and \$161,606, respectively. The promissory notes bear interest equal to 1.93% and 1.15% per annum, respectively, and are payable on demand.

On June 1, 2020, the Company issued two promissory notes to an employee of the Company in the principal amounts of \$500,000 and \$350,000, due, and payable on July 12, 2020 and December 31, 2020, respectively. The promissory notes bear interest at 8% per annum. Upon the occurrence of an event of default on either promissory note, the respective principal balance and accrued interest will bear interest equal to 21% per annum from the date on which the payment was due and payable until the delinquent payment is received by the holder. As of the date of this report, the Company is in default on the \$500,000 promissory note.

Default on Collocation Agreement

On July 2, 2020, the Company received a demand notice from a third-party lessor (the "Lessor") in which the Lessor demanded full payment of the Company's past due balance under the Collocation Agreement (See Note 19) within five days of the Company's receipt of the demand notice. The Company is currently past due for monthly lease payments owed to the Lessor from the month of April 2020 through the current date of this report and for other charges for services performed by the Lessor. On July 13, 2020, the Company received a notice of default and termination from the Lessor, indicating that the Lessor will execute the following remedies provided for in the Collocation Agreement: (a) termination of the Collocation Agreement effective as of July 13, 2020; (b) demand for full payment of all amounts due and owing through the current term end of each of license agreement the Collocation Agreement, including late fees properly charged under the Collocation Agreement, which currently totals \$13,834,247; and (c) exercise by the Lessor of its Right to Re-Enter Upon Default and power down and/or decommission the Company's equipment installed pursuant to the Collocation Agreement. The notice of default and termination also stated that the Company was in default of its contractual obligations under the Collocation Agreement, which requires the execution of 20 new license agreements by the Deadline, as such term is defined therein. As of the date of its letter, the Company has executed only six of those required agreements. The Company is in the process of negotiating a settlement with the Lessor, who has agreed to hold off taking any action for the moment, but has indicated that it will not lift the default until the past due balance is paid and they are given assurances of the Company's ability to continue making payments throughout the lease terms.

Agreement Regarding Collocation

On November 6, 2020, the Company entered into an Agreement Regarding Collocation (the "Agreement") with a third-party lessor (the "Lessor"). Pursuant to the Agreement:

- The parties agreed that the Company has satisfied all required obligations as set forth in Section 4 of the October 30, 2019 Collocation and Settlement of Past Due Balance Agreement (the "Collocation Agreement"), See Note 8 and Note 19.
- On or before June 30, 2021, the Company agrees to execute and deliver 14 new license agreements with the Lessor.
 - Each new license agreement will be for one term of seven years and neither party may terminate a new lease agreement during the term.
 - The initial monthly license rent for the 14 new license agreements will be \$884 for each new license agreement executed before December 31, 2020 and \$910.52 for each new license agreement executed thereafter. The monthly rent will be increased on the first anniversary of the Term Commencement Date and thereafter by 3% per year. In addition to the monthly license rent and any additional charges due, a one-time special license fee, as defined within the Agreement, is due to the Lessor for each new license agreement that is executed.
- In the event the Company does not execute and deliver 14 new license agreements with the Lessor on or before the required deadline, the Company agrees to pay the Lessor a one-time lump-sum shortfall payment and a monthly shortfall fee, as defined within the Agreement, for each shortfall from the 14 new license agreements required.

Issuance of Common Stock

From December 1, 2019 and through the date of this report, the Company issued 21,500,000 shares of common stock, with a range of fair values of \$0.11 - \$0.30 per share in connection with notes payable.

From December 1, 2019 and through the date of this report, the Company issued 8,821,389 shares of common stock, with a fair value of \$0.32 per share to investors pursuant to the September 23, 2019 private placement offering.

From December 1, 2019 and through the date of this report, the Company issued 6,040,995 shares of common stock, with a range of fair values of \$0.10 - \$0.26 per share in connection with convertible notes payable.

From December 1, 2019 and through the date of this report, the Company issued 3,653,611 shares of common stock, with a range of fair values of \$0.16 - \$0.30 per share to consultants for services rendered.

From December 1, 2019 and through the date of this report, the Company issued 583,000 shares of common stock, with a fair value of \$0.17 per share in connection with a debt exchange agreement.

From December 1, 2019 and through the date of this report, the Company issued 416,667 shares of common stock, with a fair value of \$0.11 to an investor pursuant to the September 2020 private placement offering.

From December 1, 2019 and through the date of this report, the Company issued 454,674 shares of common stock, with a range of fair values of \$0.01 - \$0.44 per share as a result of the exercise of warrants.

On April 10, 2020, an investor made a deposit of \$1,000,000 to subscribe to a future equity offering by the Company.

In connection with the AIP Restructuring Agreement, the Company cancelled all 14,673,800 outstanding and 2,000,000 to be issued shares of the Company's common stock held by AIP.

Issuance of Options

From December 1, 2019 and through the date of this report, the Company granted a total of 3,150,000 options to the Chief Financial Officer, the Head of Go-to-Market Strategy, the Senior Vice President – Operations, the Director of SEC Reporting and Technical Accounting, and the Director of Corporate Accounting in connection with their employment, with an exercise price as follows: (i) 150,000 options have an exercise price of \$0.32 per share, (ii) 1,500,000 options have an exercise price of \$0.40 per share, (iii) 750,000 options have an exercise price of \$0.80 per share, and (iv) 750,000 options have an exercise price of \$1.20 per share.

On April 2, 2020, the Board of Directors authorized an increase in the number of shares of Stock Awards, as defined in the 2017 Plan, from 10,000,000 to 30,000,000, effective December 1, 2019, subject to shareholder approval. The Company is in the process of preparing the proposed increase for shareholder approval, which will be completed as soon as practicable.

On June 1, 2020, the Company modified its terms of employment with Dana W. Amato, in resolution of certain unpaid past wage claims (including bonuses and stock options), pursuant to which Mr. Amato agreed to surrender 7,000,000 shares of common stock to the Company in exchange for (i) an option to purchase up to 14,000,000 shares of the Company's common stock at an exercise price of \$0.20 per share, (ii) a previously determined performance bonus of \$500,000 due upon the earlier to occur of (a) the Company's receipt of \$4,500,000 from any source or (b) July 12, 2020; and (iii) a previously determined performance bonus of \$350,000 due upon the earlier to occur of (a) the Company's receipt of \$4,500,000 from any source or (b) December 31, 2020. Should Iota default on the payment of either item (ii) or (iii), the amounts due will accrue interest at the lesser of 21% per annum or the maximum amount allowed under Arizona usury laws.

Issuance of Warrants

From December 1, 2019 and through the date of this report, the Company issued warrants to purchase 851,254 shares of the Company's common stock with an exercise price of \$0.308 per share in connection with a convertible note issued.

From December 1, 2019 and through the date of this report, the Company issued warrants to purchase 1,764,278 shares of the Company's common stock with an exercise price of \$0.48 per share in connection with the September 23, 2019 private placement offering.

From December 1, 2019 and through the date of this report, the Company issued warrants to purchase 424,968 shares of the Company's common stock with an exercise price of \$0.01 per share in connection with administration of the September 23, 2019 private placement offering.

From December 1, 2019 and through the date of this report, the Company issued warrants to purchase 416,667 shares of the Company's common stock with an exercise price of \$0.12 per share in connection with the September 2020 private placement offering.

From December 1, 2019 and through February 29, 2020, the Company issued warrants to AIP to purchase 7,250,000 and 4,350,000 shares, of the Company's common stock with exercise price of \$0.32 and \$0.30 per share, respectively, in connection with the October 4, 2019 AIP Extension Agreement (See Note 10) and December 18, 2019 Agreement and Waiver, respectively. In connection with the April 1, 2020 Agreement and Waiver, the Company cancelled all outstanding warrants issued to AIP and issued 15,950,000 replacement warrants with exercise prices of \$0.20 per share. In connection with the April 1, 2020 and June 2, 2020 Agreement and Waivers, the Company issued warrants to purchase 2,900,000 and 2,500,000 shares, respectively, of the Company's common stock with exercise prices of \$0.20 per share. In connection with the August 31, 2020 Debt Restructuring Agreement, the Company cancelled all 21,350,000 outstanding warrants held by AIP.

Link Labs Acquisition

On December 31, 2019, the Company entered into a Side Letter Agreement with Link Labs whereby the parties agreed to break the second closing into three phases. On December 31, 2019, and in satisfaction of the first phase, the Company entered into two promissory notes with Link Labs for a principal amount of \$1,000,000 each with a maturity date of March 31, 2020 and June 30, 2020. The principal on the notes bears interest at 1.61% per annum. On January 3, 2020, and in satisfaction of the second phase, the Company paid Link Labs \$1,000,000 in cash. The third and final phase of the second closing, which involves payment of \$430,666 to Link Labs and Link Labs' provision of the Termination of Agreements, was scheduled to be completed on January 17, 2020. On January 17, 2020 and January 21, 2020, the Company entered into successive Side Letter Agreements with Link Labs whereby the parties agreed to extend the due date of the third and final phase of the second closing to January 21, 2020 and then January 31, 2020. The third and final closing was to take place on the date on which the Notes have been satisfied in full, which was expected to be on or before June 30, 2020, the maturity date of the second Note. As of the date of this report, The Company is currently in default on both promissory notes.

September 2019 Private Placement

The September 23, 2019 private placement offering closed in April 2020. From December 1, 2019 and through closing, the Company issued 8,821,319 shares of the Company's common stock for cash proceeds of \$2,634,811, net of \$188,033 in equity issuance fees, and issued 1,495,528 warrants for cash proceeds of \$291,722.

September 2020 Private Placement Offering

In September 2020, the Company commenced a private placement offering for up to \$15,000,000 of units at a purchase price of \$0.12 per unit. Each unit consists of (i) one share of common stock and (ii) one five year warrant to purchase one share of common stock. Net proceeds from the offering will be paid directly to the Company, which intends to use the proceeds for working capital and other general corporate purposes. As of the date of this report, the Company has received \$50,000 of cash under this offering.

Revenue-based Notes

From December 1, 2019 and through the date of this report, Iota Networks and spectrum licensees further terminated their existing spectrum lease agreements which resulted in the extinguishment of an additional \$58,356,763 of revenue-based notes. As of the date of this report, outstanding revenue-based notes total \$14,459,209, accrued interest outstanding totals \$387,759, and deferred financing costs on revenue-based notes totals \$0.

Iota Spectrum Partners LP

From December 1, 2019 and through the date of this report, Iota Partners issued a total of 361,732,693 partnership units comprised of (i) 58,675,271 units to Iota Holdings and, (ii) 303,057,422 units to limited partners, in exchange for spectrum licenses contributed (one partner unit for each MHz-POP contributed). As of the date of this report, Iota Holdings owns approximately 16% of the outstanding partnership units (60,597,740 units) while limited partners own the remaining 84% (319,637,369 units).

Employment Agreements

On December 9, 2019, James F. Dullinger was appointed as Chief Financial Officer of the Company. Mr. Dullinger's employment agreement has an initial term of two years and is subject to automatic one year renewals unless a written notice of non-renewal no less than 90 days prior to the end of the then current term is provided. The employment agreement provides for an annual base salary of \$210,000, subject to review for possible increases as determined by the Chief Executive Officer of the Company. Mr. Dullinger is also entitled to receive annual bonuses in accordance with the Company's Annual Incentive Plan at the discretion of the Company's Board of Directors. The target amount of his annual bonus is 50% of his annual base salary, with 25% paid in cash and 25% issued in Common Stock with the first bonus to be paid at the end of the current fiscal year (May 31, 2020). His employment agreement further provides for the issuance of stock options to Mr. Dullinger to purchase 2,000,000 shares of the Company's common stock under its 2017 Plan and other benefits that are made available to other similarly situated executives. Mr. Dullinger's employment agreement also provides for severance benefits payable in the event of Mr. Dullinger's termination by the Company without cause or by Mr. Dullinger for good reason. If terminated by the Company without cause or if Mr. Dullinger resigns for good reason within 60 days before or within 12 months following a change in control, Mr. Dullinger will be entitled to his annual base salary (as determined on a monthly basis) for 6 months, a pro rata bonus, and reimbursement of his COBRA expenses for 6 months. In addition, all outstanding equity grants which vest over the 12 months following such termination will become fully and immediately vested. Mr. Dullinger's employment agreement also contains customary non-solicitation and non-compete provisions that apply during the term of employment and for a period of 6 months following such employment.

On May 8, 2020, in connection with the winddown of its Spectrum Partners Program and the shifting of those activities to Iota Spectrum Holdings, LLC, Iota Communications, Inc. entered into an agreement with Carole L. Downs to terminate her employment as President of Spectrum Programs effective July 3, 2020. On June 30, 2020, Carole Downs also voluntarily resigned from the Board of Directors of the Company.

On May 22, 2020, and in connection with Brian Ray's resignation as the Company's Chief Technology Officer, and his assumption of a new role as Head of Network Strategy, Mr. Ray and the Company entered into an amendment to his Employment and Non-Competition Agreement dated November 15, 2019. The amendment provides that Mr. Ray's base salary will be reduced to \$100,000 per year and modifies the term his employment with the Company, annual discretionary bonus eligibility, certain termination provisions, certain severance benefits, and certain non-compete restrictions.

Litigation

On August 24, 2020, Dina L. Anderson, acting as principal on behalf of Smartcomm, a related party of the Company, filed a complaint in United States Bankruptcy Court in and for the District of Arizona, Case No. 2:20-AP-00238-EPB, against the Company claiming breach of contract for failure to make timely payments on its outstanding promissory note and for fraudulent transfer and successor liability as to Iota Networks, based on claims that the Company is really just a continuation of Smartcomm, LLC's business, and that money was improperly transferred from Smartcomm, LLC to the Company to avoid Smartcomm, LLC's creditors. The Company believes there is no merit to the case.

Other

On March 1, 2020, the Company relocated its corporate headquarters to downtown Allentown, PA and commenced its lease of a total of 7,150 square feet of office space for 5 years with an option to renew for two additional 5 year terms. The base rent for the office space ranges from approximately \$6,000 to \$9,000 in the first year, subject to an annual increase of 2.5%. In addition, the Company will also pay its proportionate share of the operating expenses of the building. The lease agreement provides for tenant improvements which will be financed by the landlord and payable by the Company over 5 years at an interest rate of 4.0% per annum, net of a tenant improvement allowance of \$785,999 plus an additional \$20 per square foot for costs or expenses that exceed the tenant improvement allowance, which totaled \$142,909.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

The following discussion should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto contained in Part I, Item 1 of this Quarterly Report on Form 10-Q/A (Amendment No. 2), in addition to our Annual Report on Form 10-K for the fiscal year ended May 31, 2019 and other reports filed with the Securities and Exchange Commission (the "SEC").

As used in this Quarterly Report on Form 10-Q/A (Amendment No. 2) (the "Quarterly Report"), and unless otherwise indicated, the terms "Iota," "Company," "we," "us," and "our" refer to Iota Communications, Inc. (formerly known as SolBright Group, Inc.), a Delaware corporation, our three wholly-owned subsidiaries: (i) Iota Networks, LLC (f/k/a M2M Spectrum Networks, LLC ("M2M")) ("Iota Networks"), an Arizona limited liability company, (ii) Iota Commercial Solutions, LLC (f/k/a SolBright Energy Solutions, LLC ("ICS")), a Delaware limited liability company, and (iii) Iota Spectrum Holdings, LLC ("Iota Holdings") an Arizona limited liability company, and our consolidated variable interest entity: Iota Spectrum Partners, LP ("Iota Partners"), an Arizona limited partnership.

As discussed in Note 3 to our unaudited condensed consolidated financial statements, included in Part I, Item 1 of this Quarterly Report, the Company has restated its financial statements as of and for the three and six months ended November 30, 2019, and the following information presented herein in this Item 2 has been revised to reflect the Restatement.

Note Regarding Forward-Looking Statements

This Quarterly Report includes forward-looking statements that reflect management's current views with respect to future events and financial performance. Forward-looking statements are projections in respect of future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," or "continue" or the negative of these terms or other comparable terminology. These statements include statements regarding the intent, belief, or current expectations of us and members of our management team, as well as the assumptions on which such statements are based. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance. Actual results may differ materially from those contemplated by such forward-looking statements. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors, including the risks described in the section entitled "Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended May 31, 2019, as filed with the Securities and Exchange Commission (the "SEC") on September 13, 2019, any of which may cause our Company's or our industry's actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by these forward-looking statements. These risks include, by way of example, and without limitation:

- our ability to successfully commercialize our products and services on a large enough scale to generate profitable operations;
- our ability to obtain ownership or access to FCC licensed spectrum;
- our ability to maintain and develop relationships with customers and suppliers;
- our ability to successfully integrate acquired businesses or new brands;
- the impact of competitive products and pricing;
- supply constraints or difficulties;
- general economic and business conditions;
- our ability to continue as a going concern;
- our need to raise additional funds;
- our ability to successfully recruit and retain qualified personnel;
- our ability to successfully implement our business plan;
- our ability to successfully acquire, develop, or commercialize new products and equipment;
- our ability to protect our intellectual property and defend against any claims brought by third parties; and
- the impact of any industry regulation.

Any forward-looking statement speaks only as of the date on which that statement is made. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, or performance. We undertake no obligation to update or revise forward-looking statements to reflect events or circumstances that occur after the date on which the statement is made, except as required by law. We believe that our assumptions are based upon reasonable data derived from and known about our business and operations. No assurances are made that actual results of operations or the results of our future activities will not differ materially from our assumptions.

Corporate History

The Company is a wireless communication and software-as-a-service ("SaaS") company dedicated to the Internet of Things ("IoT"). The Company combines long range wireless connectivity with software applications to provide its commercial and industrial customers turn-key services to optimize energy efficiency, sustainability, and operations for their facilities. The combination of its unique communications capabilities with its analytics and visualization software platform, provides customers with valuable insights to reduce costs and increase revenue. These solutions fall in the realm of Smart Buildings and Smart Cities and the Company's primary focus is on the office, health care, manufacturing, and education verticals.

The Company operates its business across four segments: (1) Iota Communications, (2) Iota Networks, (3) ICS, and (4) Iota Holdings. Operating activities related to the parent company are classified within Iota Communications.

Iota Communications

The parent company's operations are primarily related to running the operations of the public company. The Company re-organized its operating segments in September 2018 in connection with its merger (the "Merger") with M2M. The significant expenses included within the parent company are executive and employee salaries, stock-based compensation, professional and service fees, rent, and interest on convertible and other notes.

Iota Networks

Iota Networks is the network and application research, development, marketing, and sales segment of the business, where all go-to-market activities are conducted. Iota Network's sales and marketing activities focus on the commercialization of applications that leverage connectivity and analytics to reduce costs, optimize operations, and advance sustainability. Data collected from sensors and other advanced end point devices as well as other external data, such as weather patterns and utility pricing, is run through a data analysis engine to yield actionable insights for commercial and industrial customers. With the technological backbone developed in the Iota Networks segment, the Company can focus on the commercialization of such technologies with applications based on data analytics and operations optimization within the IoT value chain.

Iota Commercial Solutions

ICS acts as a general contractor for energy management-related services, such as solar photovoltaic system installation and LED lighting retrofits. These services are value-added for customers and allow them to execute on actions that result from analytic insights.

Iota Holdings

Iota Holdings was formed to act as the general partner for Iota Partners. Iota Partners is a variable interest entity of Iota Holdings, (See Note 16). The purpose of Iota Partners is to own spectrum licenses that Iota Networks uses to operate its network. At November 30, 2019, Iota Holdings owns approximately 10% of the outstanding partnership units of Iota Partners resulting in a non-controlling interest of 90%.

Recent Developments

Private Placement Offering

On September 23, 2019, the Company commenced a private placement offering (the "September 2019 Offering") of up to \$15,000,000 of Units at a purchase price of \$0.32 per Unit. Each Unit consists of (i) one share of common stock of the Company (the "Purchase Shares") and (ii) a five year warrant to purchase the number of shares of common stock that is equal to 20% of the Purchase Shares purchased by such subscriber in the September 2019 Offering. The warrants have a five year term (See Note 17). As of November 30, 2019, the Company has issued 6,919,782 shares of common stock and 1,383,957 warrants and has received \$2,052,482 in cash proceeds, net of \$161,638 in equity issuance fees, in connection with the September 2019 Offering. In addition, the Company issued warrants to purchase 366,748 shares of the Company's common stock as additional equity issuance fees in connection with the September 2019 Offering (See Note 17). The warrants issued were valued at \$118,435 (As restated) using the Black-Scholes Method.

The Company also entered into a registration rights agreement with the subscribers of the September 2019 Offering, pursuant to which the Company will be obligated to file with the SEC as soon as practicable, but in any event no later than 60 days after the final closing, a registration statement on Form S-1 (the "Registration Statement") to register the Purchase Shares and the shares of common stock issuable upon exercise of the warrants for resale under the Securities Act of 1933, as amended (the "Securities Act"). The Company is obligated to use its commercially reasonable best efforts to cause the Registration Statement to be declared effective by the SEC within 60 days after the filing of the Registration Statement, or within 90 days in the event the SEC reviews and has written comments to the Registration Statement. As of the date of this report, the Company has not filed the Registration Statement required under the terms of the September 2019 Offering.

We engaged GP Nurmenkari, Inc., as our placement agent (the "Placement Agent"), to assist us in placing the Units in this Offering. The Units are being offered on a "reasonable best efforts" basis with respect to the Maximum Offering Amount. We agreed to pay the Placement Agent a cash fee equal to (i) 10% of each closing's gross proceeds from the sale of Units to any subscriber identified by the Placement Agent, or (ii) 5.3% of each closing's gross proceeds from the sale of Units to any subscriber identified by the Company (the "Broker Cash Fee"). We will also pay to the Placement Agent a non-accountable expense allowance in an amount equal to 2% of each closing's gross proceeds from the sale of Units (the "Non-accountable Expense Fee"). The Broker Cash Fee and the Non-accountable Expense Fee will be paid to the Placement Agent in cash by wire transfer from the Company at the time of each closing, and as a condition to the closing, simultaneous with the distribution of funds to the Company.

In addition, at each closing, the Company will deliver to the Placement Agent (or its designees), a warrant to purchase shares of common stock (the "Broker Warrants") equal, in the aggregate, to (i) 10% of the number of Purchase Shares sold in the September 2019 Offering to any subscriber identified by the Placement Agent or (ii) 5.3% of the number of Purchase Shares sold in the September 2019 Offering to any subscriber identified by the Company, with an initial exercise price per share of common stock equal to \$0.01. The Broker Warrants will expire five years from the date of the grant, include a net exercise provision (in the event the resale of the shares of common stock underlying the Broker Warrants are not then registered or in the event of a sale of the Company), and include the customary anti-dilution provisions covering stock splits, dividends, mergers, and similar transactions. To the extent permitted by applicable laws, all Broker Warrants will permit unencumbered transfer to the Placement Agent's employees and affiliates, and the Broker Warrants may be issued directly to the Placement Agent's employees and affiliates at the Placement Agent's request.

The issuance and sale of the Purchase Shares and the Warrants (collectively, the "Securities") was not registered under the Securities Act, and these Securities may not be offered or sold in the United States absent registration under or exemption from the Securities Act and any applicable state securities laws. The Securities were issued and sold in reliance upon an exemption from registration afforded by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated under the Securities Act. The subscribers represented to the Company that each was an "accredited investor" within the meaning of Rule 501 of Regulation D under the Securities Act, and that each was receiving the Securities for investment for its own account and without a view to distribute them.

Extension Agreement with AIP

On October 4, 2019, the Company entered into an Agreement and Extension (the "AIP Extension Agreement") with a group of noteholders (collectively, "AIP") to satisfy certain covenant conditions relative to the Note Purchase Agreement entered into with AIP on October 31, 2018 (the "AIP Purchase Agreement"). The following terms were agreed to as a result of the AIP Extension Agreement:

- No later than October 16, 2019, (i) the Company will make a principal payment on the tranches stemming from the AIP Purchase Agreement in the amount of \$33,197 and (ii) the tranches are cancelled and replaced by a secured non-convertible note (the "AIP Replacement Note") with a principal amount of \$4,600,000;
- The Company will issue AIP warrants to purchase up to 14,500,000 shares of the Company's common stock at an exercise price of \$0.32 per share, (of which 4,350,000 were issued on December 18, 2019), as follows:
 - The five-day volume weighted average price of the Company's common stock on the last trading day of each calendar month (the "VWAP") will be computed. If the VWAP for any month is less than the VWAP for the previous month, the Company will issue to the Noteholders, upon written request of AIP, up to 1,450,000 new warrants for each such \$0.01 decrease;
 - The Company will issue AIP 14,500,000 new warrants (less the amount of warrants previously issued) before the Company prepays the AIP Replacement Note in full on April 4, 2020 if the Company chooses to prepay the AIP Replacement Note on such date;
 - The Company will issue AIP 14,500,000 new warrants (less the amount of warrants previously issued) before the Company prepays the AIP Replacement Note in full on October 4, 2020, if the Company chooses to prepay the AIP Replacement Note on such date;
 - The Company will issue AIP 14,500,000 new warrants (less the amount of warrants previously issued) on the maturity date of the AIP Replacement Note.
- The Company issued AIP 1,000,000 shares of the Company's common stock on October 22, 2019, with a fair value of \$0.33 per share. If the Company does not prepay the AIP Replacement Note on April 4, 2020, the Company will issue AIP an additional 1,000,000 shares of the Company's common stock on such date. If the Company does not prepay the AIP Replacement Note on October 4, 2020, the Company will issue AIP an additional 1,000,000 shares of the Company's common stock on such date.

Exchange Agreement with Avalton, Inc.

On October 16, 2019, the Company entered into an Exchange Agreement (the "Avalton Exchange Agreement") with Avalton, Inc. ("Avalton"), a related party. An employee of the Company is the current Chief Executive Officer of Avalton. In connection with the Company's September 23, 2019 private placement offering, the Company requested Avalton to exchange \$800,000 of debt (the "Avalton Exchanged Debt") in exchange for shares of the Company's common stock at \$0.32 per share (the "Avalton Exchange"). As per the Avalton Exchange Agreement, the Company issued 2,500,000 shares of the Company's common stock on October 16, 2019. As a result, the Company recorded a loss on settlement of liability of \$50,000 for the three months ended November 30, 2019.

Pursuant to the Avalton Exchange, the Company is to repay the remaining \$404,222 balance of the debt owed to Avalton according to the following payment schedule: (i) \$50,000 on the date of the Avalton Exchange Agreement, (ii) \$50,000 on November 15, 2019, (iii) \$150,000 on December 15, 2019, and (iv) the balance of \$154,222 on January 15, 2020. As of November 30, 2019, the outstanding balance of the debt owed to Avalton is \$354,222.

Collocation and Settlement of Past Due Balance Agreement

On October 30, 2019, the Company entered into a Collocation and Settlement of Past Due Balance Agreement (the "Collocation Agreement") with a third-party lessor (the "Lessor") of 186 collocation agreements (the "Terminated License Agreements") pursuant to which the Lessor granted the Company a license to install, operate, and maintain equipment at certain telecommunication sites owned, leased, or licensed by the Lessor. As of the date of the Collocation Agreement, the Company had a past due balance of rental amounts owed to the Lessor of \$11,167,962 (the "Past Due Balance"). Pursuant to the Collocation Agreement:

- The parties agreed that the Terminated License Agreements terminated effective January 31, 2019 (the "Termination Date");
- As settlement for its Past Due Balance:
 - The Company paid the Lessor \$1,000,000; and
 - On or before February 1, 2020, the Company will execute 186 new collocation agreements with the Lessor. At least 166 of the new license agreements will be for old sites. No more than 20 of the new license agreements will be for new sites. See Note 22 - Agreement Regarding Collocation for subsequent agreement and terms thereof.

Each new license agreement will be for one term of seven years and neither party may terminate a new lease agreement during the term. The initial monthly license rent due under each of the 186 new license agreements will be \$884. The monthly rent will be increased on the first anniversary of the Term Commencement Date and thereafter by 3% per year.

Management deemed the Collocation Agreement to be a termination of the existing license agreements with the Lessor. As a result, the Company wrote-off \$11,522,862 (As restated), \$12,853,201 (As restated), and \$1,041,245 of net right of use assets, lease liabilities, and deferred rent, respectively, resulting in a gain of \$1,359,554 (As restated), including the gain on decommissioning of towers. In addition, and pursuant to the Collocation Agreement, the Company's outstanding liabilities owed to the Lessor of \$11,167,962 was forgiven. The gains are recorded in the unaudited condensed consolidated statement of operations as part of selling, general, and administrative expenses and gain on settlement of past due lease obligations, respectively.

On November 1, 2019, and as a result of the Collocation Agreement, the Company recognized net right of use assets and lease liabilities of \$12,317,300 (As restated) stemming from the new 186 collocation agreements. Right of use assets include any prepaid lease payments and exclude any lease incentives and initial direct costs incurred. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. The lease terms may include options to extend or terminate the lease if it is reasonably certain that the Company will exercise that option. On November 1, 2019, the Company discounted lease payments related to the Collocation Agreement using its estimated incremental borrowing rate of 5.8% (As restated).

Contribution of FCC Licenses to Iota Partners

On November 5, 2019, Iota Partners, Iota Holdings, Iota Communications, Iota Networks, and certain revenue-based noteholders (the "Exchange Investors") entered into a Contribution and Exchange Agreement (the "Exchange Agreement") pursuant to which the Exchange Investors, upon approval from the FCC, have agreed to contribute and transfer their FCC licenses to Iota Partners. Pursuant to the Exchange Agreement, the individual Exchange Investors and Iota Networks agreed, that effective as of the Closing Date, each existing spectrum lease agreement (See Note 11) will be fully and irrevocably terminated upon license contribution and transfer to Iota Partners. As consideration for the contributed FCC licenses, each Exchange Investor will receive one limited partnership unit of Iota Partners for each MHz-POP contributed to Iota Partners.

Through November 30, 2019, Exchange Investors contributed 16,246,612 MHz-POPs of FCC licenses to Iota Partners in exchange for an equal number of limited partnership units. Management, assisted by third-party valuation specialists, determined the fair value of the FCC licenses contributed by the Exchange Investors to Iota Partners totaled \$3,430,000 at November 30, 2019. Through November 30, 2019, Iota Holdings contributed 1,922,469 MHz-POPs of FCC licenses to Iota Partners in exchange for an equal number of general partnership units. Since this is a transfer of assets between entities under common control, the value of the contributed licenses is recorded at Iota Holding's carrying value which is \$0. Through November 30, 2019, three investors subscribed for 333,333 limited partnership units in Iota Partners for \$100,000 cash. At November 30, 2019, Iota Holdings owns approximately 10% of the outstanding partnership units of Iota Partners resulting in a non-controlling interest of 90%.

On November 15, 2019, the Company entered into an asset purchase agreement (the "Purchase Agreement") with Link Labs, Inc., a Delaware corporation ("Link Labs") and completed the first closing thereunder. Link Labs is the creator of (i) Symphony Link, a low power, wide area wireless network platform that allows for monitoring and two-way communication with IoT network devices, and (ii) Conductor, which is an enterprise-grade data and network management service for use with Symphony Link.

Pursuant to the Purchase Agreement, the Company will acquire certain assets from Link Labs (the "Purchased Assets") in a series of three closings on the terms and subject to the conditions set forth therein, for total consideration of cash and stock. The Purchased Assets consist of:

(i) All work product, know-how, work in process, developments, and deliverables related to the Iota Link system under development by Link Labs, including hardware designs, firmware, and related documentation;

(ii) All work product, know-how, work in process, developments, and deliverables related to the Conductor system associated with the Iota Link system under development by Link Labs prior to transfer of the source code to Iota Link; and

(iii) All software, including source code, as of the first closing, that is used in connection with the development and operation of dedicated network technology using FCC Parts 22, 24, 90, and 101 spectrum for bi-directional wireless data transmission (collectively, the "Iota Exclusive Business"), including the Conductor platform modified for provisioning and managing the Iota Link system, for use by the Company in furtherance of the Iota Exclusive Business (the "Purchased Software"). The assets in (i), (ii) and (iii) represent the Purchased Assets at the first closing (the "First Closing Assets").

(iv) Termination of the existing agreements between Link Labs and the Company relating to the development, purchase, and ongoing usage and maintenance fees for Iota Link and the Conductor system supplied by Link Labs to the Company. The assets in (iv) represent the Purchased Assets to be delivered at the second closing (the "Second Closing Assets").

(v) All improvements, developments, ideas, and inventions related to the Purchased Intellectual Property (as defined in (vi) below) through the date of the final closing (the "Final Closing Date").

(vi) Full ownership and title to certain network technology patents of Link Labs, which constitute all patents that will be filed by or issued to Link Labs through the Final Closing Date that may be used in the Iota Exclusive Business (the "Purchased Intellectual Property"). The assets in (v) and (vi) represent the Purchased Assets to be delivered at the third and final closing (the "Final Closing Assets").

At the first closing, and as consideration for the First Closing Assets, the Company issued 12,146,241 shares of restricted common stock to Link Labs for consideration totaling \$3,100,000 (As restated). The Company also made a cash payment of \$215,333 to Link Labs at the first closing, representing a partial payment on certain overdue invoices.

The second closing under the Purchase Agreement was required to take place no later than December 31, 2019 and the third and final closing will take place on the date on which the purchase consideration has been paid in full. At the third and final closing, the Company will acquire the Final Closing Assets. See Note 22, Subsequent Events, for details on the second and third closing including the required payment of \$3,000,000 to Link Labs, which is accrued as a contingent liability on the Company's unaudited condensed consolidated balance sheet at November 30, 2019, and the final required payment of \$430,666 on certain overdue invoices, which is accrued within accounts payable and accrued expenses on the Company's unaudited condensed consolidated balance sheet at November 30, 2019.

The Company and Link Labs also entered into a Grant-Back License Agreement on the first closing date pursuant to which, subject to the terms and conditions set forth therein, the Company granted an exclusive, world-wide, royalty-free license to Link Labs for its use of the Purchased Intellectual Property. The Company has not assigned any value to the Grant-Back License as Link Labs' future use, if any, is not presently known, and the license does not have a readily determinable market value.

Concurrent with the first closing of the Link Labs Purchase Agreement on November 15, 2019, the Company entered into a two year Employment Agreement with Brian Ray (the "Ray Employment Agreement"), pursuant to which he will serve as the Company's Chief Technology Officer. The term will automatically renew for periods of one year unless either party gives written notice to the other party that the agreement will not be further extended at least 60 days prior to the end of the term, as it may have been extended.

Pursuant to the Ray Employment Agreement, Mr. Ray will earn an initial base annual salary of \$250,000, which may be increased in accordance with the Company's normal compensation and performance review policies for senior executives generally. He is entitled to receive an annual bonus in an amount of up to 50% of his base annual salary, at the Board's discretion, based on certain provided milestones. Mr. Ray is also entitled to receive stock options, under the Company's 2017 Plan, to purchase 1,000,000 shares of the Company's common stock, with an exercise price equal to the fair market value of the Company's common stock on the grant date. The stock options will vest in accordance with the following schedule: (i) 250,000 on the one year anniversary of the Ray Employment Agreement and (ii) the remaining unvested shares will vest monthly thereafter on a pro-rata basis over the 36 month period following the one year anniversary of the Ray Employment Agreement. Mr. Ray will also be eligible to participate in any long-term equity incentive programs established by the Company for its senior level executives generally, and benefits under any benefit plan or arrangement that may be in effect from time to time and made available to similarly situated executives of the Company.

Employment Agreement – James F. Dullinger, Chief Financial Officer

On December 9, 2019, James F. Dullinger was appointed as Chief Financial Officer of the Company, pursuant to the terms and provisions of the Employment Agreement dated December 9, 2019 (the "Dullinger Employment Agreement") by and between the Company and Mr. Dullinger. In connection with his appointment as Chief Financial Officer, Mr. Dullinger was designated as the Company's "Principal Financial and Accounting Officer" for SEC reporting purposes.

The Dullinger Employment Agreement has an initial term of two years and is subject to automatic one year renewals unless either party provides the other with written notice of non-renewal no less than 90 days prior to the end of the then current term. Under the Dullinger Employment Agreement, Mr. Dullinger will be paid an annual base salary of \$210,000, subject to review for possible increases as determined by the Chief Executive Officer of the Company. Mr. Dullinger is also entitled to receive annual bonuses in accordance with the Company's Annual Incentive Plan at the discretion of the Company's Board of Directors. The target amount of his annual bonus is 50% of his annual base salary, with 25% paid in cash and 25% issued in common stock with the first bonus to be paid at the end of the fiscal year ended May 31, 2020.

The Dullinger Employment Agreement further provides for the issuance of stock options to Mr. Dullinger to purchase 2,000,000 shares of the Company's common stock under its 2017 Plan. The options are subject to a three year vesting schedule, with 8.33% of the options vesting in 12 successive equal quarterly installments, provided Mr. Dullinger is employed by the Company on each vesting date. The exercise price for 50% of the options is \$0.40, 25% are at \$0.80, and 25% are at \$1.20. Should either Mr. Dullinger or the Company choose not to extend the Dullinger Employment Agreement per the terms, all remaining unvested options will be canceled. The Dullinger Employment Agreement also includes provisions for paid vacation time, expense reimbursement, and participation in the Company's group health, life, and disability programs, 401(k) savings plans, profit sharing plans, or other retirement savings plans as are made available to the Company's other similarly situated executives.

The Dullinger Employment Agreement can be terminated voluntarily by either party upon 60 days prior written notice to the other. The Company has the right to terminate Mr. Dullinger immediately without cause and without notice if the Company pays Mr. Dullinger (i) any accrued and unpaid base salary for the unexpired notice period, (ii) any unreimbursed business expenses, and (iii) any accrued and unused paid vacation time. The Employment Agreement provides for severance benefits payable to Mr. Dullinger in the event of termination by the Company without cause or by Mr. Dullinger for good reason. If his employment is terminated by the Company without cause or if Mr. Dullinger resigns for good reason within 60 days before or within 12 months following a change in control, Mr. Dullinger will be entitled to his annual base salary (as determined on a monthly basis) for 6 months, a pro rata bonus, and reimbursement of his COBRA expenses for 6 months. In addition, all outstanding equity grants which vest over the 12 months following such termination will become fully and immediately vested. The Employment Agreement also contains customary non-solicitation and non-compete provisions that apply during the term of employment and for a period of 6 months following such employment.

Results of Operations

Activities related to the Company's wireless communication and application technology segment and BrightAI subscriptions are classified under Iota Networks, activities related to solar energy, LED lighting, and HVAC implementation services are classified under ICS, activities related to the parent company are classified under Iota Communications, and activities related to the spectrum licenses owned by Iota Partners that Iota Networks uses to operate its networks are classified under Iota Holdings.

Comparison of the Three Months Ended November 30, 2019 to the Three Months Ended November 30, 2018

A comparison of the Company's operating results for the three months ended November 30, 2019 and 2018, respectively, is as follows.

Three Months Ended November 30, 2019 (As restated)	Iota Communications	ICS	Iota Networks	Iota Holdings	Total
Net sales	\$ -	\$ -	\$ 33,710	\$ -	\$ 33,710
Cost of sales	-	36,826	26,968	-	63,794
Gross profit (loss)	-	(36,826)	6,742	-	(30,084)
Operating expenses	3,147,932	688,603	6,297,833	446,149	10,580,517
Operating loss	(3,147,932)	(725,429)	(6,291,091)	(446,149)	(10,610,601)
Interest expense, net	(987,990)	(28,000)	(970,791)	-	(1,986,781)
Loss before income taxes	\$ (4,135,922)	\$ (753,429)	\$ (7,261,882)	\$ (446,149)	\$ (12,597,382)

Three Months Ended November 30, 2018	Iota Communications	ICS	Iota Networks	Iota Holdings	Total
Net sales	\$ -	\$ 772,570	\$ 63,299	\$ -	\$ 835,869
Cost of sales	-	724,549	50,639	-	775,188
Gross profit (loss)	-	48,021	12,660	-	60,681
Operating expenses	12,010,615	188,893	4,753,913	-	16,953,421
Operating loss	(12,010,615)	(140,872)	(4,741,253)	-	(16,892,740)
Interest expense, net	(112,626)	(16,571)	(96,960)	-	(226,157)
Loss before income taxes	\$ (12,123,241)	\$ (157,443)	\$ (4,838,213)	\$ -	\$ (17,118,897)

The variances between the three months ended November 30, 2019 and 2018 were as follows:

	Iota Communications	ICS	Iota Networks	Iota Holdings	Total
Net sales	\$ -	\$ (772,570)	\$ (29,589)	\$ -	\$ (802,159)
Cost of sales	-	(687,723)	(23,671)	-	(711,394)
Gross profit (loss)	-	(84,847)	(5,918)	-	(90,765)
Operating expenses	(8,862,683)	499,710	1,543,920	446,149	(6,372,904)
Operating loss	8,862,683	(584,557)	(1,549,838)	(446,149)	6,282,139
Interest expense, net	(875,364)	(11,429)	(873,831)	-	(1,760,624)
Loss before income taxes	\$ 7,987,319	\$ (595,986)	\$ (2,423,669)	\$ (446,149)	\$ 4,521,515

Net Sales

Net sales for ICS decreased by \$772,570, or 100%, for the three months ended November 30, 2019, as compared to the three months ended November 30, 2018, due to a decrease in the number of active solar engineering, procurement, and construction services projects during the current period.

Net sales for Iota Networks decreased by \$29,589, or 47%, for the three months ended November 30, 2019, as compared to the three months ended November 30, 2018, as a result of a change in product mix from 2018. During the last half of fiscal 2019, the Company discontinued selling certain products.

Cost of Sales

Cost of sales for ICS decreased by \$687,723, or 95%, for the three months ended November 30, 2019, as compared to the three months ended November 30, 2018, due to the loss of active customer contracts during the current period and a reduction in the provision for warranties of \$231,238.

Cost of sales for Iota Networks decreased by \$23,671, or 47%, for the three months ended November 30, 2019, as compared to the three months ended November 30, 2018, consistent with the decline in net sales for the three month period.

Operating Expenses

Operating expenses for Iota Communications decreased by \$8,862,683, or 74%, for the three months ended November 30, 2019, as compared to the three months ended November 30, 2018, due primarily to a decrease in stock-based compensation related to the issuance of stock options, warrants, and common stock issued for services; offset in part by a loss on debt extinguishment of \$1,776,580.

Operating expenses for ICS increased by \$499,710, or 265%, for the three months ended November 30, 2019, as compared to the three months ended November 30, 2018 primarily due to (i) increased bad debt expense totaling \$219,200 due to an increase in significantly aged receivables, disputed customer balances, and performance bonds unlikely of being returned, and (ii) increased provisions for indirect taxes totaling \$250,000.

Operating expenses for Iota Networks increased by \$1,543,920, or 32%, for the three months ended November 30, 2019, as compared to the three months ended November 30, 2018. This increase is primarily due to the following: (i) a current year impairment charge on long-lived right of use and tangible fixed assets totaling \$10,773,363, (ii) a loss on the extinguishment of debt totaling \$4,081,080, (iii) an increase in depreciation and amortization of \$1,049,634 due primarily to change in accounting estimate effective beginning second quarter of fiscal year 2020, (iv) prior year non-recurring merger related expenses totaling \$827,700 recorded in Iota Networks in the first quarter of the prior fiscal year and reclassified to Iota Communications in the second quarter of the prior fiscal year, (v) an increase in bad debt expense totaling \$735,205 due to increased aged receivables and other receivables deemed to be potentially uncollectible, and (vi) increased provisions for indirect taxes totaling \$250,000, offset by (vii) a \$11,433,729 net gain on lease modification and restructuring of past due lease obligations and \$635,179 of decreased network site expenses, (viii) a decrease of \$1,745,096 in research and development costs, (ix) a decrease in salaries and wages totaling \$1,656,846 due to a reduction in the workforce, and (x) a decrease in legal provisions of approximately \$800,000 due to favorable progress in ongoing litigation and reduced exposure to loss.

Operating expenses for Iota Holdings increased by \$446,149, or 100%, for the three months ended November 30, 2019, as compared to the three months ended November 30, 2018, as a result of Iota Holdings being created on April 17, 2019 and the incurrence of professional fees related to entity formation and start-up.

Interest Expense, net

Interest expense, net for Iota Communications increased by \$875,364, or 777%, for the three months ended November 30, 2019, as compared to the three months ended November 30, 2018, due primarily to (i) increased amortization of original issue discounts and beneficial conversion features on convertible notes and notes payable totaling \$776,300, and (ii) increased interest expense of approximately \$100,000 on approximately \$3,585,000 of higher average outstanding balances of convertible debt and notes payable.

Interest expense, net for ICS increased by \$11,429, or 69%, for the three months ended November 30, 2019, as compared to the three months ended November 30, 2018, due primarily to the interest on reimbursable expenses due to an employee of the Company.

Interest expense, net for Iota Networks increased by \$873,831, or 901%, for the three months ended November 30, 2019, as compared to the three months ended November 30, 2018, due primarily to (i) \$607,500 of fees incurred for stand-ready obligations provided by third-parties, (ii) increased amortization of deferred financing costs on revenue-based notes totaling \$231,603, including \$190,847 of accelerated amortization from a change in the estimated life of the remaining outstanding Spectrum Partners Program notes, and (iii) increased accretion expense on asset retirement obligations totaling \$25,427.

Comparison of the Six Months Ended November 30, 2019 to the Six Months Ended November 30, 2018

A comparison of the Company's operating results for the six months ended November 30, 2019 and 2018, respectively, is as follows.

Six Months Ended November 30, 2019 (As restated)	Iota Communications	ICS	Iota Networks	Iota Holdings	Total
Net sales	\$ -	\$ 833,803	\$ 71,681	\$ -	\$ 905,484
Cost of sales	-	902,332	57,344	-	959,676
Gross profit (loss)	-	(68,529)	14,337	-	(54,192)
Operating expenses	6,014,431	1,164,828	9,425,356	672,032	17,276,647
Operating loss	(6,014,431)	(1,233,357)	(9,411,019)	(672,032)	(17,330,839)
Interest expense, net	(1,622,250)	(32,210)	(1,075,493)	-	(2,729,953)
Loss before income taxes	\$ (7,636,681)	\$ (1,265,567)	\$ (10,486,512)	\$ (672,032)	\$ (20,060,792)

Six Months Ended November 30, 2018	Iota Communications	ICS	Iota Networks	Iota Holdings	Total
Net sales	\$ -	\$ 772,570	\$ 113,095	\$ -	\$ 885,665
Cost of sales	-	724,549	88,131	-	812,680
Gross profit (loss)	-	48,021	24,964	-	72,985
Operating expenses	12,010,615	188,893	13,250,751	-	25,450,259
Operating loss	(12,010,615)	(140,872)	(13,225,787)	-	(25,377,274)
Interest expense, net	(112,626)	(16,571)	(155,533)	-	(284,730)
Loss before income taxes	\$ (12,123,241)	\$ (157,443)	\$ (13,381,320)	\$ -	\$ (25,662,004)

The variances between the six months ended November 30, 2019 and 2018 were as follows:

	Iota Communications	ICS	Iota Networks	Iota Holdings	Total
Net sales	\$ -	\$ 61,233	\$ (41,414)	\$ -	\$ 19,819
Cost of sales	-	177,783	(30,787)	-	146,996
Gross profit (loss)	-	(116,550)	(10,627)	-	(127,177)
Operating expenses	(5,996,184)	975,935	(3,825,395)	672,032	(8,173,612)
Operating loss	5,996,184	(1,092,485)	3,814,768	(672,032)	8,046,435
Interest expense, net	(1,509,624)	(15,639)	(919,960)	-	(2,445,223)
Loss before income taxes	\$ 4,486,560	\$ (1,108,124)	\$ 2,894,808	\$ (672,032)	\$ 5,601,212

Net Sales

Net sales for ICS increased by \$61,233, or 8%, for the six months ended November 30, 2019, as compared to the six months ended November 30, 2018, due to robust sales in the first fiscal quarter of 2020 as compared to no reported sales in the first fiscal quarter of 2019 due to the Merger, offset by \$0 sales in the second fiscal quarter of 2020 as compared to full quarter sales in second fiscal quarter of 2019.

Net sales for Iota Networks decreased by \$41,414, or 37%, for the six months ended November 30, 2019, as compared to the six months ended November 30, 2018, as a result of a change in product mix from 2018. During the last half of fiscal 2019, the Company discontinued selling certain products.

Cost of Sales

Cost of sales for ICS increased by \$177,783, or 25%, for the six months ended November 30, 2019, as compared to the six months ended November 30, 2018, due to full quarter cost of sales in first fiscal quarter of 2020 as compared to no reported cost of sales in first fiscal quarter of 2019 due to the Merger, offset by limited cost of sales in the second fiscal quarter of 2020 due to a decrease in active projects as compared to full quarter cost of sales in the second fiscal quarter of 2019.

Cost of sales for Iota Networks decreased by \$30,787, or 35%, for the six months ended November 30, 2019, as compared to the six months ended November 30, 2018, consistent with the decline in net sales for the six month period.

Operating Expenses

Operating expenses for Iota Communications decreased by \$5,996,184, or 50%, for the six months ended November 30, 2019, as compared to the six months ended November 30, 2018, primarily as a result of a decrease in stock-based compensation related to the issuance of stock options, warrants, and common stock issued for services, offset in part by a loss on debt extinguishment of \$1,776,580.

Operating expenses for ICS increased by \$975,935, or 517%, for the six months ended November 30, 2019, as compared to the six months ended November 30, 2018, primarily due to (i) increased bad debt expense totaling \$219,200 due to an increase in significantly aged receivables, disputed customer balances, and performance bonds unlikely of being returned, (ii) increased provisions for indirect taxes totaling \$250,000, and (iii) an increase in salaries and wages totaling \$478,057 as a result of a full six months of activity in the current year as compared to only three months of activity in the prior year due to the Merger.

Operating expenses for Iota Networks decreased by \$3,825,395 or 29%, for the six months ended November 30, 2019, as compared to the six months ended November 30, 2018. This decrease is primarily due to the following: (i) a \$11,433,729 net gain on lease modification and restructuring of past due lease obligations and \$548,635 of decreased network site expenses, (ii) a decrease of \$3,135,642 in research and development costs, (iii) a decrease in salaries and wages totaling \$4,400,085 due to a reduction in the workforce, (iv) a decrease in legal provisions of approximately \$800,000 due to favorable progress in ongoing litigation and reduced exposure to loss, and (v) a reduction of \$337,710 in net expenses associated with maintaining and operating FCC licenses, offset by (vi) a current year impairment charge on long-lived right of use and tangible fixed assets totaling \$10,773,363, (vii) a loss on extinguishment of debt totaling \$4,081,080, (viii) an increase in depreciation and amortization totaling \$1,094,606 due primarily to change in accounting estimate effective beginning second quarter of fiscal year 2020, (ix) increased provisions for indirect taxes totaling \$250,000, and (x) an increase in bad debt expense totaling \$735,205 due to increased aged receivables and other receivables deemed to be potentially uncollectible.

Operating expenses for Iota Holdings increased by \$672,032, or 100%, for the six months ended November 30, 2019, as compared to the six months ended November 30, 2018, as a result of the Company being created on April 17, 2019 and the incurrence of professional fees related to entity formation and start-up.

Interest Expense, net

Interest expense, net for Iota Communications increased by \$1,509,624, or 1,340%, for the six months ended November 30, 2019, as compared to the six months ended November 30, 2018, due primarily to (i) increased amortization of original issue discounts and beneficial conversion features on convertible notes and notes payable totaling approximately \$1,325,000, (ii) increased interest expense of approximately \$113,000 on approximately \$2,025,000 of higher average outstanding balances of convertible debt and notes payable, and (iii) decreased interest and other income of approximately \$40,000.

Interest expense, net for ICS increased by \$15,639, or 94%, for the six months ended November 30, 2019, as compared to the six months ended November 30, 2018, due primarily to the interest on reimbursable expenses due to an employee of the Company.

Interest expense, net for Iota Networks increased by \$919,960, or 591%, for the six months ended November 30, 2019, as compared to the six months ended November 30, 2018, due primarily to (i) \$607,500 of fees incurred for stand-ready obligations provided by third-parties, (ii) increased amortization of deferred financing costs on revenue-based notes totaling \$232,025, including \$190,847 of accelerated amortization from a change in the estimated life of the remaining outstanding Spectrum Partners Program notes, and (iii) increased accretion expense on asset retirement obligations totaling \$51,706.

Liquidity, Financial Condition, and Capital Resources

At November 30, 2019, we had cash on hand of \$203,675 and a working capital deficit of \$20,022,573, as compared to cash on hand of \$788,502 and a working capital deficit of \$23,638,461 at May 31, 2019.

Going Concern

The accompanying unaudited condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company has incurred net losses of \$138,380,793 since inception, including a net loss attributable to Iota Communications of \$19,571,886 for the six months ended November 30, 2019. Additionally, the Company had negative working capital of \$20,022,573 and \$23,638,461 at November 30, 2019 and May 31, 2019, respectively, and has negative cash flows from operations of \$6,639,508 for the six months ended November 30, 2019. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management expects to incur additional losses in the foreseeable future and recognizes the need to raise capital to remain viable. The accompanying unaudited condensed consolidated financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

The Company's plan is to generate sufficient revenues to cover its anticipated expenses through the continued promotion of its services to existing and potential customers. The Company believes it can raise additional capital to meet its short-term cash requirements, including an equity raise and debt funding from third parties.

Subsequent to November 30, 2019, and through the date of this report, and in connection with the September 23, 2019 private placement offering, the Company received cash proceeds of \$2,634,811, net of \$188,033 in equity issuance fees. On April 10, 2020, the Company received a \$1,000,000 cash deposit from an investor to be subscribed in a future security offering. In September 2020, the Company commenced a new private placement offering for up to \$15,000,000 of common stock and accompanying warrants (together a "Unit") at a purchase price of \$0.12 per Unit. As of the date of this report, the Company has received cash proceeds of \$50,000 under this new offering. In addition, and subsequent to November 30, 2019, and through the date of this report, the Company has received \$4,927,327 of net cash proceeds from the issuance of debt to third parties. On May 4, 2020, the Company was granted a loan in the aggregate amount of \$763,600, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted on March 27, 2020. The loan, which was in the form of a note dated May 4, 2020 issued by the Company, matures on May 4, 2022 and bears interest at a rate of 1.00% per annum, payable monthly commencing on December 4, 2020, unless forgiven in whole or in part in accordance with the PPP regulations. The note may be prepaid by the Company at any time prior to maturity with no prepayment penalties.

Although no assurances can be given as to the Company's ability to deliver on its revenue or capital raise plans, or that unforeseen expenses may arise, management believes that the revenue to be generated from operations together with potential equity and debt financing or other potential financing will provide the necessary funding for the Company to continue as a going concern. However, management cannot guarantee any potential equity or debt financing will be available on favorable terms. Without raising additional capital, there is substantial doubt about the Company's ability to continue as a going concern through November 6, 2021. As such, management does not believe they have sufficient cash for the next 12 months from the date of this report. If adequate funds are not available on acceptable terms, or at all, the Company will need to curtail operations, or cease operations completely.

Working Capital

	November 30, 2019 (As restated)	May 31, 2019
Current assets	\$ 1,073,473	\$ 2,367,381
Current liabilities	21,096,046	26,005,842
Working capital deficit	\$ (20,022,573)	\$ (23,638,461)

The Company's working capital deficit decreased by \$3,615,888 during the six months ended November 30, 2019 with a decrease in current assets totaling \$1,293,908 more than offset by a decrease in current liabilities totaling \$4,909,796. The decrease in current assets is primarily due to (i) a decrease in cash of \$584,827, and (ii) a decrease in contract and other current assets of \$557,293 due to required write-downs and write-offs of assets to net realizable value. The decrease in current liabilities is primarily due to (i) a decrease in accounts payable and accrued expenses of \$11,166,246 resulting from the execution of a Collocation and Settlement of Past Due Balance Agreement with a third-party lessor (See Note 19), and (ii) a decrease in service obligations of \$233,380 due to the recognition of fee income during the period as performance obligations were fulfilled, offset in part by (iii) a net increase in convertible and non-convertible debt outstanding of \$2,093,262 due primarily to additional borrowings from AIP, the Company's senior secured creditor, and increases in other notes payable (See Notes 10, 12, and 13), (iv) an increase in the current portion of lease liabilities of \$1,661,512 which were recorded on-balance sheet beginning June 1, 2019 concurrent with the Company's adoption of ASC Topic 842, Leases, (See Note 19), and (v) a \$3,000,000 contingent liability incurred by the Company in connection with its Asset Purchase Agreement with Link Labs (See Note 4).

Cash Flows

	Six Months Ended November 30,	
	2019 (As restated)	2018
Net cash used in operating activities	\$ (6,639,508)	\$ (12,087,500)
Net cash used in investing activities	(32,392)	(5,698,602)
Net cash provided by financing activities	6,087,073	16,982,254
Decrease in cash	\$ (584,827)	\$ (803,848)

Operating Activities

Net cash used in operating activities totaled \$(6,639,508) for the six months ended November 30, 2019, a decrease of \$5,447,992 from the \$(12,087,500) net cash used in operating activities for the six months ended November 30, 2018.

For the six months ended November 30, 2019, net cash used in operating activities is primarily comprised of (i) a net loss excluding non-cash items totaling \$(8,575,745), (ii) a decrease in other assets totaling \$493,362, and (iii) an increase in accounts payable and accrued expenses totaling \$1,297,098.

For the six months ended November 30, 2018, net cash used in operating activities is primarily comprised of (i) a net loss excluding non-cash items totaling \$(14,258,628), (ii) an increase in other assets totaling \$338,723, (iii) an increase in accounts payable and accrued expenses totaling \$1,770,701, and (iv) an increase in payroll liabilities totaling \$709,787.

Investing Activities

For the six months ended November 30, 2019, net cash used in investing activities totaled \$32,392. This was attributable to the increase in security deposits of \$29,870 and purchase of property and equipment of \$2,522.

For the six months ended November 30, 2018, net cash used in investing activities totaled \$5,698,602. This was primarily attributable to the cash outlaid for the purchase of a note from and advances to SolBright Group, Inc. of \$5,038,712 and of \$827,700, respectively.

Financing Activities

For the six months ended November 30, 2019, net cash provided by financing activities totaled \$6,087,073, of which \$2,407,505 was the proceeds from revenue-based notes, \$1,964,320 was from the issuance of convertible notes payable, and \$2,052,482 was the proceeds from the issuance of common stock, partially offset by payments made on outstanding convertible and non-convertible notes payable totaling \$577,234.

For the six months ended November 30, 2018, net cash provided by financing activities totaled \$16,982,254, of which \$14,452,871 was attributable to proceeds from revenue-based notes and \$2,600,616 was from the issuance of convertible notes payable.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements.

Effects of Inflation

We do not believe that inflation has had a material impact on our business, revenues or operating results during the periods presented.

Critical Accounting Policies and Estimates

Our significant accounting policies are more fully described in the notes to our unaudited condensed consolidated financial statements included herein for the quarter ended November 30, 2019 and in the notes to our financial statements included in our Current Report on Form 10-K, which includes audited financial statements for the fiscal years ended May 31, 2019 and 2018. We believe that the accounting policies below are critical for one to fully understand and evaluate our financial condition and results of operations.

Revenue Recognition

The Company accounts for revenue in accordance with ASC Topic 606, Revenue from Contracts with Customers, which the Company adopted beginning June 1, 2016. The Company did not record a retrospective adjustment upon adoption, and instead opted to apply the full retrospective method for all customer contracts.

As part of ASC Topic 606, the Company adopted several practical expedients including that the Company has determined that it need not adjust the promised amount of consideration for the effects of a significant financing component since the Company expects, at contract inception, that the period between when the Company transfers a promised service to the customer and when the customer pays for that service will be one year or less.

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in ASC Topic 606. The contract transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. Amounts received prior to being earned are recognized as contract liabilities on the accompanying unaudited condensed consolidated balance sheets.

Activities related to the Company's wireless communication and application technology segment and BrightAI subscriptions are classified under Iota Networks, activities related to solar energy, LED lighting, and HVAC implementation services are classified under ICS, activities related to the parent company are classified under Iota Communications, and activities related to the spectrum licenses owned by Iota Partners that Iota Networks uses to operate its networks are classified under Iota Holdings.

Iota Networks

Iota Networks derives revenues in part from FCC license services provided to customers who have already obtained an FCC spectrum license from other service providers. Additionally, owners of granted but not yet operational licenses (termed "FCC Construction Permits" or "Permits") can pay an upfront fee to Iota Networks to construct the facilities for the customer's licenses and activate their licenses operationally, thus converting the customer's ownership of the FCC Construction Permits into a fully-constructed license ("FCC License Authorization"). Once the construction certification is obtained from the FCC, Iota Networks may enter into an agreement with the customer to lease the spectrum. Once perfected in this manner, Iota Networks charges the customer a recurring annual license and equipment administration fee of 10% of the original payment amount. Collectively, these services constitute Iota Networks' Network Hosting Services. In addition, owners of already perfected licenses can pay an upfront fee plus an annual renewal fee of 10% of the upfront application fee for maintaining the customer's license and equipment and allowing the customer access to its license outside of the nationwide network. For the purposes of clarification, these spectrum licenses are not part of the Iota Partners spectrum pool.

The Company has determined there are three performance obligations related to the Network Hosting Services agreements. The first performance obligation arises from the services related to obtaining FCC license perfection, the second performance obligation arises from maintaining the license in compliance with regulatory affairs, and the third performance obligation arises from the services related to acting as a future sales or lease agent for the customer. Given the nature of the service in the first performance obligation, Iota Networks recognizes revenue from the upfront fees at the point in time that the license is perfected. Iota Networks recognizes the annual fee revenue related to the second performance obligation ratably over the contract term as the services are transferred to and performed for the customer. Pursuant to its Network Hosting Services agreements, Iota Networks also derives revenues from annual renewal fees from its customers for the purpose of covering costs associated with maintaining and operating the customer licenses. Annual renewal fee revenue is recognized ratably over the renewal period as the services are performed. The third performance obligation is for future possible services and is recognized when and if the performance obligation is satisfied.

Iota Networks has committed to provide future performance obligations to certain parties, including employees and former employees, at no cost. These performance obligations include both obtaining FCC license perfection and maintaining the license in accordance with regulatory affairs thereafter. The estimated remaining unfulfilled commitment based upon estimated standalone selling prices totals \$2,857,976 (As restated) at November 30, 2019 including \$450,503 (As restated) to employees and former employees and \$2,407,473 (As restated) to other parties. During the six months ended November 30, 2019, the Company paid \$180,420 (As restated) of FCC license application fees for licenses granted to related parties and completed the application process for the related parties at no cost. Management estimates that the incremental direct costs to fulfill these performance obligations after licenses are acquired and fully constructed are immaterial.

Iota Networks also derives revenue from subscriptions to its cloud-based data and analytics platform, BrightAI. The platform receives data from energy, environmental, and mechanical sensors and organizes, stores, and analyzes this data to provide insights to drive energy efficiency and create optimization plans for commercial facility managers. BrightAI data and analytics service offerings are sold on a subscription basis with revenue generally recognized ratably over the contract term commencing with the date the data and analytics service is made available to customers. These contracts generally have a single performance obligation which is not separately identifiable from other promises in the contracts and is, therefore, not distinct. For certain customer contracts, the Company may separately charge for equipment and optional installation and other professional services. These additional performance obligations are recognized at the point in time that the equipment is accepted by the customer or services are provided to the customer.

Iota Commercial Solutions

ICS derives revenues through solar energy, LED lighting, and HVAC implementation services. Revenues from the sale of hardware products are generally recognized upon delivery of the hardware product to the customer provided all other revenue recognition criteria are satisfied. Sales of services are recognized as the performance obligations are fulfilled, and the customer takes risk of ownership and assumes the risk of loss. Service revenue is recognized as the service is completed under ASC Topic 606.

Most ICS customer contracts have a single performance obligation which is not separately identifiable from other promises in the contracts and is, therefore, not distinct. Payment is generally due within 30 to 45 days of invoicing. There is no financing or variable component.

ICS recognizes solar panel and LED lighting system design, construction, and installation services revenue over time, as performance obligations are satisfied, due to the continuous transfer of control to the customer. ICS has determined that individual contracts at a single location are generally accounted for as a single performance obligation and are not segmented between types of services provided on these contracts. ICS recognizes revenue on these contracts using the cost to cost percentage of completion method, based primarily on contract costs incurred to date compared to total estimated contract costs. The percentage of completion method (an input method) is the most accurate depiction of ICS's performance because it directly measures the value of the services transferred to the customer, and the consideration that is required to be paid by the customer based on the contract.

Changes to total estimated contract costs or losses, if any, are recognized in the period in which they are determined as assessed at the contract level. Pre-contract costs are expensed as incurred unless they are expected to be recovered from the client. Customer payments on solar and LED lighting system contracts are typically billed upon the successful completion of milestones written into the contract and are due within 30 to 45 days of billing, depending on the contract.

Contract assets represent revenue recognized in excess of amounts billed and include unbilled receivables (typically for cost reimbursable contracts). Contract liabilities represent amounts billed to clients in excess of revenue recognized to date. ICS has recorded a loss reserve on contract assets of \$0 as of November 30, 2019 and \$71,624 as of May 31, 2019, which is included in contract assets on the unaudited condensed consolidated balance sheets.

The nature of ICS's solar panel and LED lighting system design, construction, and installation services contracts gives rise to several types of variable consideration, including claims and unpriced change orders. ICS recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. ICS estimates the amount of revenue to be recognized on variable consideration using the expected value (i.e., the sum of a probability-weighted amount) or the most likely amount method, whichever is expected to better predict the revenue amount.

Change orders are modifications of an original contract. Either ICS or its customer may initiate change orders. They may include changes in specifications or design, manner of performance, facilities, equipment, materials, sites, and period of completion of the work. ICS evaluates when a change order is probable based upon its experience in negotiating change orders, the customer's written approval of such changes, or separate documentation of change order costs that are identifiable. Change orders may take time to be formally documented and terms of such change orders are agreed with the customer before the work is performed. Sometimes circumstances require that work progresses before an agreement is reached with the customer. If ICS is having difficulties in renegotiating the change order, it will stop work, record all costs incurred to date, and determine, on a project by project basis, the appropriate final revenue recognition.

Factors considered in determining whether revenue associated with claims (including change orders in dispute and unapproved change orders in regard to both scope and price) should be recognized include the following: (a) the contract or other evidence provides a legal basis for the claim, (b) additional costs were caused by circumstances that were unforeseen at the contract date and not the result of deficiencies in ICS's performance, (c) claim-related costs are identifiable and considered reasonable in view of the work performed, and (d) evidence supporting the claim is objective and verifiable. If the requirements for recognizing revenue for claims or unapproved change orders are met, revenue is recorded only when the costs associated with the claims or unapproved change orders have been incurred. Back charges to suppliers or subcontractors are recognized as a reduction of cost when it is determined that recovery of such cost is probable, and the amounts can be reliably estimated. Disputed back charges are recognized when the same requirements described above for claims accounting have been satisfied.

ICS generally provides limited warranties for work performed under its solar and LED lighting system contracts. The warranty periods typically extend for a limited duration following substantial completion of ICS's work on a project. ICS does not charge customers for or sell warranties separately, and as such, warranties are not considered a separate performance obligation. Most warranties are guaranteed by subcontractors. ICS has recognized a warranty reserve of \$121,362 as of November 30, 2019 (As restated), and \$313,881 as of May 31, 2019.

ICS's remaining unsatisfied performance obligations as of November 30, 2019 represent a measure of the total dollar value of work to be performed on contracts awarded and in progress. ICS had approximately \$1,075,000 (As restated) in remaining unsatisfied performance obligations as of November 30, 2019. ICS expects to satisfy its remaining unsatisfied performance obligations as of November 30, 2019 over the following twelve months. Although the remaining unsatisfied performance obligations reflects business that is considered to be firm; cancellations, deferrals, or scope adjustments may occur. The remaining unsatisfied performance obligations is adjusted to reflect any known project cancellations, revisions to project scope and cost, and project deferrals, as appropriate.

Fair Value Measurement

ASC Topic 820, Fair Value Measurements and Disclosures, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable. ASC Topic 820 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement). This fair value measurement framework applies at both initial and subsequent measurement.

The three levels of the fair value hierarchy defined by ASC Topic 820 are as follows:

- Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Level 1 primarily consists of financial instruments such as exchange-traded derivatives, marketable securities, and listed equities.
- Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reported date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace. Instruments in this category generally include non-exchange-traded derivatives such as commodity swaps, interest rate swaps, options, and collars.
- Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Impairment of Long-Lived Assets

The Company reviews long-lived assets, including definite-lived intangible assets, property and equipment, and right of use ("ROU") assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Recoverability of these assets is determined by comparing the forecasted undiscounted net cash flows of the operation to which the assets relate to the carrying amount. If the operation is determined to be unable to recover the carrying amount of its assets, then these assets are written down to fair value. Fair value is determined based on discounted cash flows or appraised values, depending on the nature of the assets. For the six months ending November 30, 2019, the Company recognized impairment losses of \$10,773,363 (As restated) related to long-lived assets. For the six months ending November 30, 2018, there were no impairment losses recognized for long-lived assets.

Stock-based Compensation

The Company applies the provisions of ASC Topic 718, Compensation – Stock Compensation, which requires the measurement and recognition of compensation expense for all stock-based awards made to employees, including employee stock options, in the statement of operations.

For stock options issued to employees and members of the board of directors for their services, the Company estimates the grant date fair value of each option using the Black-Scholes option pricing model. The use of the Black-Scholes option pricing model requires management to make assumptions with respect to the expected term of the option, the expected volatility of the common stock consistent with the expected life of the option, risk-free interest rates, and expected dividend yields of the common stock. For awards subject to service-based vesting conditions, including those with a graded vesting schedule, the Company recognizes stock-based compensation expense equal to the grant date fair value of the stock options on a straight-line basis over the requisite service period, which is generally the vesting term. Forfeitures are recorded as they are incurred as opposed to being estimated at the time of grant and revised.

Pursuant to Accounting Standards Update ("ASU") 2018-07 Compensation – Stock Compensation: Improvements to Nonemployee Share-Based Payment Accounting, the Company accounts for stock options issued to non-employees for their services in accordance with ASC Topic 718. The Company uses valuation methods and assumptions to value the stock options granted to nonemployees that are in line with the process for valuing employee stock options described above.

Variable Interest Entities

The Company follows ASC Topic 810-10-15 guidance with respect to accounting for variable interest entities ("VIEs"). VIEs do not have sufficient equity at risk to finance their activities without additional subordinated financial support from other parties or whose equity investors lack any of the characteristics of a controlling financial interest. A variable interest is an investment or other interest that will absorb portions of a VIE's expected losses or receive portions of its expected residual returns and are contractual, ownership, or pecuniary in nature and change with changes in the fair value of the entity's net assets. A reporting entity is the primary beneficiary of a VIE and must consolidate it when that party has a variable interest, or combination of variable interests, that provide it with a controlling financial interest. A party is deemed to have a controlling financial interest if it meets both of the power and losses/benefits criteria. The power criterion is the ability to direct the activities of the VIE that most significantly impact its economic performance. The losses/benefits criterion is the obligation to absorb losses from, or right to receive benefits from, the VIE that could potentially be significant to the VIE. The VIE model requires an ongoing reconsideration of whether a reporting entity is the primary beneficiary of the VIE due to changes in facts and circumstances.

The Company currently consolidates one VIE, Iota Partners, as of November 30, 2019. The Company is the primary beneficiary due to its ability to direct the activities of Iota Partners through its wholly owned subsidiary, Iota Holdings.

New and Recently Adopted Accounting Pronouncements

Any new and recently adopted accounting pronouncements are more fully described in Note 2 to our unaudited condensed consolidated financial statements included herein for the quarter ended November 30, 2019.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a smaller reporting company, we are not required to provide the information required by this Item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that are designed to ensure that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosures. In designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Any controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives.

Our management, with the participation of our principal executive officer and principal financial officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based upon that evaluation and subject to the foregoing, our principal executive officer and principal financial officer concluded that, our disclosure controls and procedures were not effective due to the material weaknesses in internal control over financial reporting described below. These material weaknesses have resulted in a restatement of the Company's condensed consolidated financial statements as of and for the three and six month periods ended November 30, 2019 as described in this Amendment.

Material Weakness in Internal Control over Financial Reporting

Management assessed the effectiveness of the Company's internal control over financial reporting as of November 30, 2019 based on the framework established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management has determined that the Company's internal control over financial reporting as of November 30, 2019 was not effective.

A material weakness, as defined in the standards established by the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

The ineffectiveness of the Company's internal control over financial reporting was due to the following material weaknesses:

- Inadequate segregation of duties consistent with control objectives;
- Lack of formal policies and procedures;
- Lack of a functioning audit committee and independent directors on the Company's Board of Directors to oversee financial reporting responsibilities;
- Lack of dedicated resources and experienced personnel to design and implement internal control procedures to support financial reporting objectives;
- Lack of qualified accounting personnel to prepare and report financial information in accordance with U.S. GAAP; and
- Lack of risk assessment procedures on internal controls to detect financial reporting risks in a timely manner.

Management's Plan to Remediate the Material Weaknesses

Management has been implementing and continues to implement measures designed to ensure that control deficiencies contributing to the material weaknesses are remediated, such that these controls are designed, implemented, and operating effectively.

During the fiscal year ended May 31, 2019, and as a result of the merger with our wholly owned subsidiary Iota Networks LLC, all recordkeeping has been migrated into the same accounting software system.

During the three and six months ended November 30, 2019, we conducted a search for a new Chief Financial Officer. On December 9, 2019, we hired James F. Dullinger as Chief Financial Officer.

The remediation actions planned include:

- Identifying and hiring experienced accounting personnel to support financial reporting and ensure adequate segregation of duties;
- Developing policies and procedures on internal control over financial reporting and monitoring the effectiveness of operations on existing controls and procedures;
- Continuing to search for and evaluate qualified independent outside directors; and
- Identifying and remediating gaps in our skills base and the expertise of our staff required to meet the financial reporting requirements of a public company.

We are committed to maintaining a strong internal control environment and believe that these planned remediation efforts will represent significant improvements in our control environment. Our management will continue to monitor and evaluate the relevance of our risk-based approach and the effectiveness of our internal controls and procedures over financial reporting on an ongoing basis and is committed to taking further action and implementing additional enhancements or improvements, as necessary and as funds allow.

Changes in Internal Control over Financial Reporting

Except as described above, there have been no changes in our internal control over financial reporting that occurred during the three and six months ended November 30, 2019 that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Except as described below, there are no material pending legal proceedings in which the Company or any of its subsidiaries is a party or in which any director, officer or affiliate of the Company, any owner of record or beneficially of more than 5% of any class of its voting securities, or security holder is a party adverse to us or has a material interest adverse to the Company.

David Alcorn Professional Corporation, et al. v. M2M Spectrum Networks, LLC, et al.

On September 7, 2018, David Alcorn Professional Corporation and its principal, David Alcorn (“Alcorn”) filed a complaint in Superior Court of Arizona, Maricopa County, CV2108-011966, against the Company for fraudulent transfer and successor liability as to Iota Networks, based on claims that the Company is really just a continuation of Smartcomm, LLC’s business, a related party of the Company, and that money was improperly transferred from Smartcomm, LLC to the Company to avoid Smartcomm, LLC’s creditors. The Company believes the true nature of this dispute is between Alcorn and Smartcomm, LLC. Alcorn is owed approximately \$900,000 by Smartcomm, LLC, for which the parties have been negotiating settlement options before suit was filed. The Company has tried to facilitate settlement between those parties by offering to prepay its note payable to Smartcomm, LLC, allowing the proceeds to be used by Smartcomm, LLC to pay Smartcomm, LLC’s judgment creditors. On March 25, 2019, Smartcomm, LLC filed for Chapter 7 bankruptcy and the claims against the Company now reside with the Chapter 7 trustee. The Company believes it is more likely than not that the Chapter 7 trustee will not relinquish these claims to Alcorn and the case will be dismissed. On November 1, 2019, the Alcorn parties filed a motion for summary judgment claiming they are entitled to collect their judgments from the Company and defendant Carole Downs, among others, on the theories of fraudulent transfer, alter ego/corporate veil, and successor liability. The Company hired new counsel in the case to respond to the motion and file a motion to dismiss the case on the basis that the court lacks subject matter jurisdiction, due to the fact that Bankruptcy Court has not relinquished its jurisdiction over the allegedly fraudulently transferred funds. The Company has appropriately accrued for all potential liabilities at November 30, 2019.

Vertical Ventures II, LLC et al v. Smartcomm, LLC et al

On July 21, 2015, Vertical Ventures II, LLC, along with Carla Marshall, its principal, and her investors (“Vertical”) filed a complaint in Superior Court of Arizona, Maricopa County, CV2015-009078, against Smartcomm, LLC, a related party, including Iota Networks. The complaint alleges breach of contract on the part of Smartcomm, LLC and Iota Networks, among other allegations, related to FCC licenses and construction permits. Vertical seeks unspecified damages, believed to be approximately \$107,000 against Iota Networks and \$1,400,000 against Smartcomm. Management intends to defend the counts via summary judgment. To date, Smartcomm, LLC has been paying the cost to defend against this complaint. Smartcomm, LLC and Iota Networks are seeking indemnity from certain of the plaintiffs for all legal expenses and intend to do the same as to the other plaintiffs for issues relating to the first public notice licenses because they each signed indemnity agreements. On March 25, 2019, Smartcomm, LLC filed for Chapter 7 bankruptcy. As a result of the bankruptcy, the case has been temporarily delayed and is expected to resume at a date determined at a hearing to be held on November 2, 2020. The Company has appropriately accrued for all potential liabilities at November 30, 2019.

Ladenburg Thalmann & Co. Inc. v. Iota Communications, Inc.

On April 17, 2019, Ladenburg Thalmann & Co. Inc. (“Ladenburg”) filed a complaint in The Circuit Court of the 11th Judicial Circuit in and for Miami-Dade County, Florida, Case No. 2019-011385-CA-01, against the Company claiming fees that are owed under an investment banking agreement with M2M Spectrum Networks, LLC. Ladenburg seeks \$758,891 based upon a transaction fee of \$737,000, out-of-pocket expenses of \$1,391, and four monthly retainers of \$5,000 each totaling \$20,000. Ladenburg claims an amendment to the contract with M2M Spectrum Networks, LLC was a valid and binding amendment. The Company believes the claim has no merit and that the amendment is void as it is without authority as to the Company, that it violates FINRA rules charging excessive fees, and will either be dismissed or Ladenburg will need to substitute the proper party, Iota Networks, LLC. Iota Networks’ motion to dismiss was denied on July 25, 2019, so an answer was filed on August 23, 2019. The case is now in the discovery phase. The Company has appropriately accrued for all potential liabilities at November 30, 2019.

Other Proceedings

The Company is currently the defendant in various smaller cases with total claimed damages of approximately \$300,000 which have been fully accrued for at November 30, 2019. The Company has responded to these lawsuits and is prepared to vigorously contest these matters.

ITEM 1A. RISK FACTORS

As a smaller reporting company, as defined by Rule 12b-2 of the Exchange Act, we are not required to provide the information required by this Item. We note, however, that an investment in our common stock involves very significant risks. Investors should carefully consider the risk factors included in the "Risk Factors" section of our Annual Report on Form 10-K for our fiscal year ended May 31, 2019 (the "Annual Report"), as filed with the SEC on September 13, 2019, in addition to other information contained in those documents and reports that we have filed with the SEC pursuant to the Securities Act and the Exchange Act since the date of the filing of the Annual Report, including, without limitation, this Quarterly Report on Form 10-Q, in evaluating the Company and our business before purchasing shares of our common stock. The Company's business, operating results, and financial condition could be adversely affected due to any of those risks.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Other than as reported in our Current Reports on Form 8-K, or prior periodic reports, we have not sold any of our equity securities during the period covered by this Quarterly Report, or subsequent period through the date hereof, except as set forth below:

Private Placement Offering

On September 23, 2019, the Company commenced a private placement offering (the "September 2019 Offering") of up to \$15,000,000 of Units at a purchase price of \$0.32 per Unit. Each Unit consists of (i) one share of common stock of the Company (the "Purchase Shares") and (ii) a five year warrant to purchase the number of shares of common stock that is equal to 20% of the Purchase Shares purchased by such subscriber in the September 2019 Offering. The warrants have a five year term (See Note 17). As of November 30, 2019, the Company has issued 6,919,782 shares of common stock and 1,383,957 warrants and has received \$2,052,482 in cash proceeds, net of \$161,638 in equity issuance fees, in connection with the September 2019 Offering. In addition, the Company issued warrants to purchase 366,748 shares of the Company's common stock as additional equity issuance fees in connection with the September 2019 Offering (See Note 17). The warrants issued were valued at \$118,435 (As restated) using the Black-Scholes Method.

From December 1, 2019 and through January 22, 2020 (the date of filing of the Original Form 10-Q/A), the Company issued 5,565,139 shares of the Company's common stock and 1,113,028 warrants, and received cash proceeds of \$1,652,767, net of \$128,077 in equity issuance fees, and \$222,544 related to issued warrants.

The Company also entered into a registration rights agreement with the subscribers of the September 2019 Offering, pursuant to which the Company will be obligated to file with the SEC as soon as practicable, but in any event no later than 60 days after the final closing, a registration statement on Form S-1 (the "Registration Statement") to register the Purchase Shares and the warrant shares for resale under the Securities Act of 1933, as amended (the "Securities Act"). The Company is obligated to use its commercially reasonable best efforts to cause the Registration Statement to be declared effective by the SEC within 60 days after the filing of the Registration Statement, or within 90 days in the event the Commission reviews and has written comments to the Registration Statement. As of the date of this report, the Company has not filed the Registration Statement required under the terms of the September 2019 Offering.

Equity Transactions

Issuance of Common Stock

During the three months ended August 31, 2019, the Company issued 445,000 shares of common stock with a range of fair values of \$0.42 - \$0.44 per share to various employees in lieu of cash for compensation.

During the three months ended August 31, 2019, the Company issued 300,000 shares of common stock with a fair value of \$0.63 per share to vendors for satisfaction of outstanding payables.

During the three months ended August 31, 2019, the Company issued 408,736 shares of common stock to investors as a result of the exercise of warrants, of which, 324,000 shares of common stock were issued as a cashless exercise with a fair value of \$0.67 per share and 84,736 shares of common stock were issued with a fair value of \$0.01 per share (See Note 17).

During the three months ended August 31, 2019, the Company issued 2,100,000 shares of common stock with a range of fair values of \$0.42 - \$0.55 per share to investors in connection with convertible notes payable (See Note 10).

During the three months ended August 31, 2019, the Company issued 1,133,334 shares of common stock with a range of fair values of \$0.58 - \$0.74 per share to consultants for services rendered.

During the three months ended November 30, 2019, the Company issued 6,919,782 shares of common stock with a fair value of \$0.32 per share pursuant to the September 23, 2019, private placement offering.

During the three months ended November 30, 2019, the Company issued 2,500,000 shares of common stock with a fair value of \$0.34 per share to vendors for satisfaction of outstanding payables.

During the three months ended November 30, 2019, the Company issued 1,000,000 shares of common stock with a fair value of \$0.37 per share to investors in connection with the extinguishment of existing convertibles notes payable (See Note 10).

During the three months ended November 30, 2019, the Company issued 18,543,405 shares of common stock with a range of fair values of \$0.28 - \$0.41 per share to investors in connection with the settlement of the Solutions Pool Program (See Note 11).

During the three months ended November 30, 2019, the Company issued 12,146,241 shares of common stock to Link Labs, Inc. pursuant to the Purchase Agreement dated November 15, 2019 (See Note 4), with a total value of \$3,100,000.

During the three months ended November 30, 2019, the Company issued 1,816,364 shares of common stock with a range of fair values of \$0.31 - \$0.40 per share to investors in connection with convertible notes payable (See Note 10).

During the three months ended November 30, 2019, the Company issued 947,499 shares of common stock with a range of fair values of \$0.27 - \$0.42 per share to consultants for services rendered.

From December 1, 2019 and through January 22, 2020, the Company issued 1,500,000 shares of common stock, with a range of fair values of \$0.29 - \$0.30 per share in connection with notes payable.

From December 1, 2019 and through January 22, 2020, the Company issued 5,565,139 shares of common stock, with a fair value of \$0.32 per share to investors pursuant to the September 23, 2019 private placement offering.

From December 1, 2019 and through January 22, 2020, the Company issued 210,425 shares of common stock, with a fair value of \$0.26 per share in connection with convertible notes payable.

From December 1, 2019 and through January 22, 2020, the Company issued 200,000 shares of common stock, with a fair value of \$0.30 per share to consultants for services rendered.

From December 1, 2019 and through January 22, 2020, the Company issued 447,455 shares of common stock, with a range of fair values of \$0.01 - \$0.44 per share as a result of the exercise of warrants.

Issuance of Options

On November 15, 2019, the Company granted 1,000,000 options to Brian Ray, Chief Technology Officer, in connection with his employment agreement dated November 15, 2019, with an exercise price of \$0.41 per share.

On December 9, 2019, the Company granted 2,000,000 options to James F. Dullinger, Chief Financial Officer, in connection with his employment agreement dated December 9, 2019, with exercise prices as follows: (i) 1,000,000 options have an exercise price of \$0.40 per share, (ii) 500,000 options have an exercise price of \$0.80 per share, and (iii) 500,000 options have an exercise price of \$1.20 per share.

Issuance of Warrants

During the three months ended August 31, 2019, the Company issued warrants to purchase 905,000 shares of the Company's common stock with an exercise price of \$0.40 per share to several investors who provided financing to the Company.

During the three months ended November 30, 2019, the Company issued warrants to purchase 15,000 shares of the Company's common stock with an exercise price of \$0.40 per share to an investor who provided financing to the Company.

During the three months ended November 30, 2019, the Company issued warrants to purchase 4,988,679 shares of the Company's common stock with a range of exercise prices of \$0.31 - \$0.48 per share to investors in connection with convertible notes payable (See Note 10).

During the three months ended November 30, 2019, the Company issued warrants to purchase 1,383,957 shares of the Company's common stock with an exercise price of \$0.48 per share in connection with the September 23, 2019, private placement.

During the three months ended November 30, 2019, the Company issued warrants to purchase 320,000 shares of the Company's common stock with an exercise price of \$0.48 per share in connection with a consulting agreement.

During the three months ended November 30, 2019, the Company issued warrants to purchase 366,748 shares of the Company's common stock with an exercise price of \$0.01 per share for equity issuance fees in connection with the September 23, 2019, private placement (See Note 15).

During the three months ended November 30, 2019, the Company issued warrants to purchase 4,350,000 shares of the Company's common stock with an exercise price of \$0.32 per share to investors in connection with the extinguishment of existing convertibles notes payable (See Note 10).

From December 1, 2019 and through January 22, 2020, the Company issued warrants to purchase 851,254 shares of the Company's common stock with an exercise price of \$0.308 per share in connection with a convertible note issued.

From December 1, 2019 and through January 22, 2020, the Company issued warrants to purchase 1,113,028 shares of the Company's common stock with an exercise price of \$0.48 per share in connection with the September 23, 2019 private placement offering.

From December 1, 2019 and through January 22, 2020, the Company issued warrants to purchase 289,652 shares of the Company's common stock with an exercise price of \$0.01 per share in connection with administration of the September 23, 2019 private placement offering.

From December 1, 2019 and through January 22, 2020, the Company issued warrants to purchase 4,350,000 shares of the Company's common stock with an exercise price of \$0.30 per share in connection with the December 18, 2019 AIP Agreement and Waiver (See Note 22).

Issuance of Convertible Debt

On May 21, 2019, the Company issued a Convertible Promissory Note in the principal amount of \$330,000, which was originally due and payable on November 30, 2019. The Company has entered into successive amendments to the original note, such that the maturity date for this note was extended to March 31, 2020, and \$70,000 was added to the principal amount due under this note.

On September 16, 2019, the Company entered into a Securities Purchase Agreement with an “accredited investor”, pursuant to which, for a purchase price of \$300,000, the investor purchased (a) a Convertible Promissory Note in the principal amount of \$330,000, (b) 150,000 restricted shares of the Company’s common stock and (c) a three year warrant for 600,000 shares at an exercise price of \$0.35, subject to standard adjustments. The note has a one-time interest charge of 8% that was applied at issuance, is convertible at the option of the investor at a conversion price of \$0.35 and is due March 31, 2020. The investor was also granted piggyback registration rights.

On October 3, 2019, the Company entered into a Securities Purchase Agreement with an “accredited investor”, pursuant to which, for a purchase price of \$225,000, the investor purchased (a) a Convertible Promissory Note in the principal amount of \$250,000 and (b) 100,000 restricted shares of the Company’s common stock. The note has a one-time interest charge of 8% that was applied at issuance, is convertible at the option of the investor at a conversion price of \$0.35 and is due November 30, 2019. The investor was also granted piggyback registration rights. On October 13, 2019, the Company repaid the October Convertible Note in full.

On October 29, 2019, the Company entered into a Securities Purchase Agreement with an “accredited investor” pursuant to which, for a purchase price of \$1,088,830, the investor purchased (a) a Convertible Promissory Note in the principal amount of \$1,000,000, (b) warrants to purchase 3,888,679 shares of the Company’s common stock, exercisable for a period of five years from the date of issuance, at an exercise price of \$0.308 per share, and (c) 969,697 restricted shares of the Company’s common stock. The investor was also granted piggyback registration rights.

All the securities set forth above were issued by the Company pursuant to exemptions from registration under Section 4(a)(2) of the Securities Act of 1933, as amended, and/or Rule 506 promulgated thereunder.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

On September 12, 2019, the Company and Barclay Knapp mutually agreed to terminate Mr. Knapp’s employment agreement. Pursuant to the letter agreement on September 12, 2019, Mr. Knapp continues to serve as Chairman of the Company’s Board of Directors. On November 22, 2019, the Company entered into an amendment, pursuant to which, the parties agreed to the following amended repayment plan for the promissory note owed to Mr. Knapp: (i) \$30,000 to be paid in November 2019 and (ii) \$120,000 to be paid in December 2019. As of January 22, 2020, the Company is currently in default on this promissory note.

On October 4, 2019, the Company entered into a Secured Non-Convertible Note (the “AIP Replacement Note”) with AIP Global Macro Fund, L.P. for a principal amount of \$4,600,000 with a maturity date of April 4, 2021. The principal on the note bears interest at a rate of U.S. Libor + 10% per annum. The AIP Replacement Note replaces Tranches #1, #2, #3 and #4 drawn under the Note Purchase Agreement (See Note 10).

On December 18, 2019, the Company entered into an Agreement and Waiver with AIP to satisfy certain covenant compliance violations relative to the AIP Note (See Note 9). Pursuant to the Agreement and Waiver, all Events of Default relative to the AIP Note are waived through December 31, 2020. The waiver is conditioned upon (i) the Company agreeing to issue 500,000 shares of its common stock to AIP, (ii) the Company agreeing to issue warrants to purchase 4,350,000 shares of the Company’s common stock at an exercise price of \$0.32 per share, (iii) the Company agreeing to issue additional notes in the aggregate principal amount of \$1,400,000 with a maturity date 6 months from the date of issuance, (iv) the Company agreeing to issue an additional 500,000 shares of the Company’s common stock to AIP, and (v) the Company agreeing to issue additional warrants to purchase 4,350,000 shares of the Company’s common stock at an exercise price of \$0.30 to AIP.

On December 19, 2019, the Company entered into a Securities Purchase Agreement with an “accredited investor” pursuant to which it issued a promissory note to the investor in the principal amount of \$238,352, due and payable June 19, 2020, and warrants to purchase 851,425 shares of common stock at an exercise price of \$0.308, for a total purchase price of \$238,352.

On December 20, 2019, the Company issued a 12-month LIBOR + 10% Secured Non-Convertible Note in the principal amount of \$1,400,000 to AIP Convertible Private Debt Fund L.P., due June 20, 2020, pursuant to an Agreement and Waiver, dated December 18, 2019, by and between the Company and AIP Asset Management, Inc. in settlement of the Company's default under certain outstanding promissory notes. Pursuant to the Agreement and Waiver, the Company issued warrants to purchase 4,350,000 shares of the Company's common stock with an exercise price of \$0.30 per share.

On December 31, 2019, and pursuant to the Purchase Agreement, the Company entered into a promissory note with Link Labs for a principal amount of \$1,000,000 with a maturity date of March 31, 2020. The principal on the note bears an interest rate of 1.61% per annum (See Note 4).

On December 31, 2019, and pursuant to the Purchase Agreement, the Company entered into a promissory note with Link Labs for a principal amount of \$1,000,000 with a maturity date of June 30, 2020. The principal on the note bears an interest rate of 1.61% per annum (See Note 4).

On January 3, 2020, and pursuant to the Purchase Agreement, the Company paid Link Labs \$1,000,000 (See Note 4).

On January 16, 2020, the Company entered into a Securities Purchase Agreement with an "accredited investor" pursuant to which it issued a promissory note to the investor in the principal amount of \$320,000, due and payable February 29, 2020, and issued 1,000,000 shares of common stock, for a total purchase price of \$320,000. Pursuant to the Securities Purchase Agreement, and upon the occurrence of an event of default which is not cured within 7 business days, the Company will issue 1,000,000 shares of its common stock per month, pro rata based on the number of calendar days that have elapsed following the event of default, until such time as the event of default has occurred.

ITEM 6. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

In reviewing the agreements included as exhibits to this Quarterly Report, please remember that they are included to provide you with information regarding their terms and are not intended to provide any other factual or disclosure information about the Company or the other parties to the agreements. The agreements may contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the parties to the applicable agreement and:

- should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;
- have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;
- may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and
- were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time. Additional information about the Company may be found elsewhere in this Quarterly Report and the Company's other public filings, which are available without charge through the SEC's website at <http://www.sec.gov>.

The following exhibits are included as part of this Quarterly Report:

Exhibit Number	Description
(2)	Plan of acquisition, reorganization, arrangement, liquidation, or succession
2.1	Asset Purchase Agreement, dated December 23, 2010, by and between Arkados, Inc., Arkados Group, Inc., Arkados Wireless Technologies, Inc., and STMicroelectronics, Inc., dated December 23, 2010 (incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K filed on December 29, 2010)
2.2	Asset Purchase Agreement, dated May 1, 2017, by and between Arkados Group, Inc. and SolBright Renewable Energy, LLC (incorporated by reference to Exhibit No. 2.1 to our Current Report on Form 8-K filed on May 5, 2017)
2.3	Agreement and Plan of Merger and Reorganization, dated July 30, 2018, between the Company, Iota Networks, LLC, M2M Spectrum Networks, LLC and Spectrum Networks Group, LLC (incorporated by reference to Exhibit No. 2.1 to our Current Report on Form 8-K filed on August 2, 2018)
2.4	Amendment No. 1 to Agreement and Plan of Merger and Reorganization, dated July 30, 2018, between the Company, Iota Networks, LLC, M2M Spectrum Networks, LLC and Spectrum Networks Group, LLC (incorporated by reference to Exhibit No. 2.2 to our Current Report on Form 8-K filed on September 7, 2018)
(3)	(i) Articles of Incorporation; and (ii) Bylaws
3.1	Certificate of Incorporation filed May 7, 1998 (incorporated by reference to Exhibit 3.1 to our Registration Statement on Form 10-SB filed on October 7, 1999).
3.2	Certificate of Amendment to Certificate of Incorporation filed December 16, 1998 (incorporated by reference to Exhibit 3.2 to our Registration Statement on Form 10-SB filed on October 7, 1999).
3.3	Certificate of Amendment to Certificate of Incorporation filed September 10, 1999 (incorporated by reference to Exhibit 3.5 to our Registration Statement on Form 10-SB filed on October 7, 1999).
3.4	Certificate of Amendment to Certificate of Incorporation (reverse split) filed on November 21, 2003 (incorporated by reference to Exhibit 3.1 to our Quarterly Report on Form 10-QSB filed on February 17, 2004).
3.5	Certificate of Amendment to Certificate of Incorporation (share increase) filed November 21, 2003 (incorporated by reference to our Quarterly Report on Form 10-QSB filed on February 17, 2004).
3.6	Certificate of Ownership and Merger (name change) dated August 30, 2006 (incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K filed on September 1, 2006).
3.7	Certificate of Amendment to Certificate of Incorporation dated March 17, 2014 (incorporated by reference to Exhibit 3i.7a to our Annual Report on Form 10-K filed on August 27, 2014).
3.8	Amended and Restated By-Laws (incorporated by reference to Exhibit C to our Information Statement of Schedule 14C filed on February 24, 2015).
3.9	Certificate of Amendment to Certificate of Incorporation filed March 17, 2015 (incorporated by reference to Exhibit 3.8 to our Annual Report on Form 10-K filed on September 14, 2017)
3.10	Certificate of Designation of Series A Convertible Preferred Stock (incorporated by reference to Exhibit 3.9 to our Current Report on Form 8-K filed on October 4, 2017)
3.11	Certificate of Amendment to Certificate of Incorporation, dated October 30, 2017 (incorporated by reference to Exhibit 3.11 to our Current Report on Form 8-K filed on October 30, 2017)
3.12	Certificate of Designation of 10% Series A-1 Cumulative Convertible Redeemable Preferred Stock (incorporated by reference to Exhibit 3.12 to our Registration Statement on Form S-1/A on April 30, 2018)
3.13	Certificate of Amendment to Certificate of Incorporation (name change) filed November 28, 2018 (incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K filed on November 28, 2018)
(4)	Instruments Defining the Rights of Security Holders, Including Indentures
4.1	Note Purchase Agreement dated October 31, 2018, between the Company and AIP (incorporated by reference to our Current Report on Form 8-K filed on November 7, 2018)
4.2	Securities Purchase Agreement dated September 16, 2019 between the Company and LGH Investments, LLC (incorporated by reference to Exhibit 10.42 to our Quarterly Report on Form 10-Q dated October 15, 2019)
4.3	Convertible Promissory Note dated September 16, 2019 issued by the Company to LGH Investments, LLC (incorporated by reference to Exhibit 10.43 to our Quarterly Report on Form 10-Q dated October 15, 2019)
4.4	Warrant dated September 16, 2019 issued by the Company to LGH Investments, LLC (incorporated by reference to Exhibit 10.44 to our Quarterly Report on Form 10-Q dated October 15, 2019)
4.5	Form of Subscription Agreement, Private Placement Offering, dated September 23, 2019 (incorporated by reference to Exhibit 4.5 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
4.6	Form of Common Stock Purchase Warrant, Private Placement Offering, dated September 23, 2019 (incorporated by reference to Exhibit 4.6 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
4.7	Securities Purchase Agreement by and between the Company and LGH Investments, LLC dated October 3, 2019 (incorporated by reference to Exhibit 4.7 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
4.8	Convertible Promissory Note dated October 3, 2019 issued by the Company to LGH Investments, LLC (incorporated by reference to Exhibit 4.8 to our original Quarterly Report on Form 10-Q dated January 22, 2020)

4.9	Secured Non-Convertible Promissory Note dated October 4, 2019 issued by the Company to AIP (incorporated by reference to Exhibit 4.9 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
4.10	Securities Purchase Agreement by and between the Company and Oasis Capital, LLC, dated October 29, 2019 (incorporated by reference to Exhibit 4.10 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
4.11	Warrant dated October 29, 2019 issued by the Company to Oasis Capital, LLC (incorporated by reference to Exhibit 4.11 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
4.12	Promissory Note dated October 29, 2019 issued by the Company to Oasis Capital, LLC (incorporated by reference to Exhibit 4.12 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
4.13	Secured Promissory Note dated December 20, 2019 issued by the Company to AIP (incorporated by reference to Exhibit 4.13 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
4.14	Promissory Note dated December 31, 2019 issued by the Company to Link Labs, Inc. (incorporated by reference to Exhibit 4.14 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
4.15	Promissory Note dated December 31, 2019 issued by the Company to Link Labs, Inc (incorporated by reference to Exhibit 4.15 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
4.16*	Amended and Restated Promissory Note issued by the Company to Link Labs, Inc., dated January 3, 2020
4.17*	Promissory Note issued by the Company to Barclay Knapp, dated February 29, 2020
4.18*	Secured Non-Convertible Promissory Note issued by the Company to AIP, dated March 30, 2020
4.19	Paycheck Protection Plan Loan to Iota Networks, LLC, dated May 4, 2020 (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on May 8, 2020)
4.20*	Promissory Note issued by the Company to Dana Amato (July), dated June 1, 2020
4.21*	Promissory Note issued by the Company to Dana Amato (December), dated June 1, 2020
4.22*	Secured Non-Convertible Promissory Note issued by the Company to AIP, dated June 2, 2020
4.23*	Secured Non-Convertible Promissory Note issued by the Company to AIP, dated July 30, 2020
4.24	Secured Convertible Promissory Note Issued by the Company to AIP, dated August 31, 2020 (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on September 23, 2020)
4.25	Secured Convertible Royalty Note Issued by the Company to AIP, dated August 31, 2020 incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K filed on September 23, 2020)
4.26*	Securities Purchase Agreement by and between the Company and Lucas Hoppel, dated September 18, 2018
4.27*	Secured Convertible Promissory Note issued by the Company to Lucas Hoppel, dated September 18, 2018
4.28*	Secured Convertible Promissory Note issued by the Company to AIP dated November 5, 2020
(10)	Material Agreements
10.1‡	Employment Agreement, dated September 5, 2018, between the Company and Barclay Knapp (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on September 7, 2018)
10.2‡	Employment Agreement, dated September 5, 2018, between the Company and Terrence DeFranco (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on September 7, 2018)
10.3‡	Amendment No. 1 to Employment Agreement dated May 20, 2019 between the Company and Barclay Knapp (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on May 20, 2019)
10.4‡	Amendment No. 1 to Employment Agreement dated May 20, 2019 between the Company and Terrence DeFranco (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on May 20, 2019)
10.5	Agreement and Waiver effective March 29, 2019 between the Company and AIP (incorporated by reference to Exhibit 10.39 to our Quarterly Report on Form 10-Q dated October 15, 2019)
10.6*	License Application and Construction Services Agreement between Iota Networks, LLC and Iota Spectrum Partners, LP, dated July 25, 2019
10.7*	Master Long-Term De Facto Lease Agreement between Iota Networks, LLC and Iota Spectrum Partners, LP, dated July 25, 2019
10.8*	Administrative Expenses Agreement between Iota Spectrum Holdings, LLC and Iota Spectrum Partners, LP, dated August 7, 2019
10.9	Agreement and Waiver effective July 31, 2019 between the Company and AIP (incorporated by reference to Exhibit 10.40 to our Quarterly Report on Form 10-Q dated October 15, 2019)
10.10	Lease dated September 6, 2019 between the Company and Tower Six Op, LP (incorporated by reference to Exhibit 10.41 to our Quarterly Report on Form 10-Q dated October 15, 2019)
10.11	Letter Agreement dated September 12, 2019 between Barclay Knapp and the Company (incorporated by reference to Exhibit 10.45 to our Quarterly Report on Form 10-Q dated October 15, 2019)
10.12	Form of Registration Rights Agreement, dated September 23, 2019 (incorporated by reference to Exhibit 10.9 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
10.13	Form of Placement Agent Agreement, dated September 23, 2019 (incorporated by reference to Exhibit 10.10 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
10.14	Agreement and Extension effective October 4, 2019 between the Company and AIP (incorporated by reference to Exhibit 10.11 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
10.15	Exchange Agreement between the Company and Avalton, Inc., dated October 16, 2019 (incorporated by reference to Exhibit 10.12 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
10.16	Collocation and Settlement of Past Due Balance Agreement between the Company and Crown Castle, dated October 30, 2019 (incorporated by reference to Exhibit 10.13 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
10.17	Contribution and Exchange Agreement between Iota Spectrum Partners, LP, Iota Spectrum Holdings, LLC, Iota Networks, LLC, Iota Communications, Inc and Exchange Investors dated November 5, 2019 (incorporated by reference to Exhibit 10.14 to our original Quarterly Report on Form 10-Q dated January 22, 2020)

10.18*	Amended and Restated Limited Partnership Agreement of Iota Spectrum Partners, LP, dated November 5, 2019
10.19	Asset Purchase Agreement between the Company and Link Labs, Inc, dated November 15, 2019 (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on November 21, 2019)
10.20‡	Employment Agreement between the Company and Brian Ray, dated November 15, 2019 (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on November 21, 2019)
10.21	License Agreement between the Company and Link Labs, Inc, dated November 15, 2019 (incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K filed on November 21, 2019)
10.22*	Blanket License Agreement by and between the Company and Crown Castle, dated December 4, 2019
10.23‡	Employment Agreement dated December 9, 2019 between the Company and James F. Dullinger (incorporated by reference to Exhibit 10.4 to our Current Report on Form 8-K filed on December 12, 2019)
10.24	Agreement and Waiver effective December 18, 2019 between the Company and AIP (incorporated by reference to Exhibit 10.19 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
10.25	Side Letter Agreement by and between the Company and Link Labs, Inc, dated December 31, 2019 (incorporated by reference to Exhibit 10.20 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
10.26	Second Side Letter Agreement by and between the Company and Link Labs, Inc, dated January 17, 2020 (incorporated by reference to Exhibit 10.21 to our original Quarterly Report on Form 10-Q dated January 22, 2020)
10.27*	Third Side Letter Agreement by and between the Company and Link Labs, Inc, dated January 21, 2020
10.28*	Agreement and Waiver between the Company and AIP, dated March 25, 2020
10.29*	Amendment and Settlement Agreement between the Company and Lucas Hoppel, dated May 5, 2020
10.30‡	Amendment to Employment Agreement between the Company and Brian Ray, dated May 22, 2020
10.31*	Agreement and Waiver between the Company and AIP, dated June 2, 2020
10.32	Carole Downs Resignation Letter from Board of Directors, dated June 30, 2020 (incorporated by reference to Exhibit 17.1 to our Current Report on Form 8-K filed on July 2, 2020)
10.33*	Side Agreement Letter between the Company and AIP, dated July 30, 2020
10.34	Debt Restructuring Agreement with Forced Conversion Rights between the Company and AIP, dated August 31, 2020 (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on September 23, 2020)
10.35*	Iota Common Stock Subscription Agreement, dated September 2020
10.36*	Amendment Agreement between the Company and AIP dated November 5, 2020
(31)	Rule 13a-14(a)/15d-14(a) Certifications
31.1*	Section 302 Certification under the Sarbanes-Oxley Act of 2002 of the Principal Executive Officer
31.2*	Section 302 Certification under the Sarbanes-Oxley Act of 2002 of the Principal Financial Officer and Principal Accounting Officer
(32)	Section 1350 Certifications
32.1*	Section 906 Certification under the Sarbanes-Oxley Act of 2002 of the Principal Executive Officer
32.2*	Section 906 Certification under the Sarbanes-Oxley Act of 2002 of the Principal Financial and Accounting Officer
(101)*	Interactive Data Files
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
*	<i>Filed herewith</i>
‡	Employment Agreement

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

IOTA COMMUNICATIONS, INC.

By: /s/ Terrence DeFranco

Terrence DeFranco

Chief Executive Officer, President, Treasurer and Secretary (Principal Executive Officer)

Date: November 6, 2020

By: /s/ James F. Dullinger

James F. Dullinger

Chief Financial Officer (Principal Financial and Accounting Officer)

Date: November 6, 2020

**AMENDED AND RESTATED PROMISSORY NOTE
EXECUTED AND DELIVERED BY THE PARTIES AS OF JANUARY 17, 2020
BUT DEEMED TO BE EFFECTIVE AS OF JANUARY 3, 2020**

\$1,000,000.00

Issuance Date: January 3, 2020

RECITALS

a. The Borrower, as defined below, and the Lender, as defined below, entered into that certain Promissory Note dated January 3, 2020 (the "Original Note"); and

b. The Lender and the Borrower desire to amend and restate the Original Note on the terms as set forth below.

Therefore, in consideration of the value received, the Lender and Borrower agree to amend and restate the Original Note in its entirety as set forth below.

IOTA Communications, Inc., a Delaware corporation (the "Borrower"), hereby promises to pay to Link Labs, Inc., a Delaware corporation (the "Lender"), the aggregate principal amount of \$1,000,000.00 (the "Principal"), or such lesser amount as may then be outstanding hereunder, and all interest due thereon, on the terms and conditions set forth in this Promissory Note (this "Note").

1. **Interest.** Interest on the Principal, or such lesser amount as may be outstanding hereunder from time to time, shall accrue from the date hereof until payment in full, at a fixed rate equal to the Applicable Federal Rate if paid in full when due, provided that the interest rate shall be eighteen percent (18%) per annum on any overdue amounts for all periods following the overdue date until paid. Interest shall be calculated on the basis of a 365 day year for the actual number of days elapsed, and shall be compounded quarterly.

2. **Maturity.** Except as otherwise provided pursuant to this Note, all outstanding principal and interest owing hereunder (the "Outstanding Amount") shall be paid on March 2, 2020 (the "Maturity Date").

3. **Prepayment.** This Note shall be prepayable, without penalty, at any time by the Borrower.

4. **Termination.** The obligations of the Borrower pursuant to this Note shall remain in full force and effect until the Outstanding Amount shall have been indefeasibly paid in full in immediately available funds in accordance with the terms hereof, at which time this Note shall automatically terminate without any further action required.

5. **Event of Default.** Each of the following shall constitute an "Event of Default" hereunder:

(a) the Borrower fails to pay timely the Outstanding Amount within ten days of such amount becoming due and payable pursuant to this Note;

(b) the Borrower shall: (i) discontinue its business; (ii) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of it or a substantial part of its property; (iii) admit in writing its inability to pay its debts as they mature; (iv) make a general assignment for the benefit of creditors; or (v) file a voluntary petition in bankruptcy, or a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any bankruptcy, reorganization, insolvency,

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readjustment of debt, dissolution or liquidation laws or statutes, or an answer admitting the material allegations of a petition filed against it in any proceeding pursuant to any such law; or

(c) there shall be filed against the Borrower an involuntary petition seeking reorganization of the Borrower or the appointment of a receiver, trustee, custodian or liquidator of the Borrower or a substantial part of its assets, or an involuntary petition pursuant to any bankruptcy, reorganization or insolvency law of any jurisdiction, whether now or hereafter in effect (any of the foregoing petitions being hereinafter referred to as an "Involuntary Petition"), and such Involuntary Petition shall not have been dismissed within thirty days after it was filed.

Remedies. Upon the occurrence of any Event of Default, the Lender may declare the Outstanding Amount immediately due and payable, whereupon said principal and interest shall be immediately due and payable without presentment, demand, protest or other notice of any kind, each of which is expressly waived by the Borrower. Further, the Lender shall have all rights and remedies not inconsistent herewith as provided by law or in equity. No exercise by the Lender of one right or remedy shall be deemed an election, and no waiver by the Lender of any Event of Default shall be deemed a continuing waiver of such Event of Default or the waiver of any other Event of Default.

6. **Usury.** In no event shall the interest rate payable pursuant to this Note exceed the highest rate permissible pursuant to any law that a court of competent jurisdiction shall, in a final determination, deem applicable. The Borrower and the Lender, in executing and delivering this Note, intend legally to agree upon the rate of interest and manner of payment stated within it; provided, however, that, anything contained herein to the contrary notwithstanding, if such rate of interest or manner of payment exceeds the maximum allowable pursuant to applicable law, then, as of the date of this Note, the Borrower is and shall be liable only for the payment of such maximum as allowed by law, and payment received from the Borrower in excess of such legal maximum, whenever received, shall be applied to reduce the principal balance of any remaining obligations to the extent of such excess.

7. **Miscellaneous.**

(a) **Transfers.** The Borrower shall maintain a register indicating the holder of this Note and all payments made hereunder shall be to the registered holder. This Note may be transferred only upon its surrender to the Borrower for registration of transfer, duly endorsed, or accompanied by a duly executed written instrument of transfer in form satisfactory to the Borrower. Thereupon, this Note shall be reissued to, and registered in the name of, the transferee, or a new note for like principal amount and interest shall be issued to, and registered in the name of, the transferee. Interest and principal shall be paid solely to the registered holder of this Note.

(b) **Successors and Assigns.** This agreement is binding upon, and inures to the benefit of, the Borrower and the Lender and their respective successors and assigns.

(c) **Amendment and Waiver.** No amendment, modification or waiver of the terms of this Note shall be binding unless placed in writing and fully executed by the Borrower and the Lender. Failure to enforce any provisions of this Agreement shall not constitute a waiver of any of the terms and conditions hereof.

(d) **Severability.** If any provision of this Note is declared void, such provision shall be deemed severed from this Note, which shall otherwise remain in full force and effect.

(e) Counterparts. This Note may be executed in counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, but all of which together shall constitute one and the same instrument.

(f) Governing Law. This Note shall in all respects be governed by, and construed and interpreted in accordance with, the laws of the State of Delaware, without regard to its conflicts of laws principles.

(g) Waiver of Jury Trial. EACH OF THE BORROWER AND THE LENDER HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING PURSUANT TO OR RELATING TO THIS NOTE AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned have executed this Promissory Note, as of the date first set forth above.

BORROWER:

IOTA COMMUNICATIONS INC.

By: DocuSigned by:
Terrence DeFranco _____
560AD27EF53A497

Name: Terrence DeFranco

Title: Chief Executive Officer

LENDER:

LINK LABS, INC.

By: DocuSigned by:
Jennifer Halstead _____
572802A5604E4D1

Name: Jennifer Halstead

Title: Chief Financial Officer



PROMISSORY NOTE

February 29, 2020
\$743,445.16

Maker: Iota Networks, LLC

THIS NOTE is made as of the date stated above by Iota Networks, LLC ("Maker") to the order of J. Barclay Knapp ("Payee").

1. **Principal and Interest.** FOR VALUE RECEIVED, Maker promises to pay to the order of Payee the sum of Seven Hundred Forty-Three Thousand Four Hundred Forty-Five and 16/100 Dollars (\$743,445.16), plus any sums advanced from time to time hereafter, together with interest thereon at the published Annual, Long-term, Applicable Federal Rate for March 2020 (1.93% per Rev. Rul. 2020-6 Table 1), compounding annually.

2. **Payment.** This Note is payable upon the presentation and demand by Payee. All payments of less than the full amount, including accrued interest, shall be applied to reduce accrued interest first, then principal.

3. **Attorneys' Fees.** Maker agrees to pay all costs and expenses, including all reasonable attorneys' fees, for the collection of this Note upon default.

4. **Location of Payment.** All payments shall be made at the offices of Iota Networks, LLC, 600 Hamilton Street, Allentown, PA 18101, or at such other place as Payee may from time to time designate in writing.

5. **Waiver.** Maker waives diligence, presentment, notice of non-payment, notice of default, and protest, as well as all suretyship defenses, and agrees to all extensions, renewals, or releases, discharge or exchange of any other party or collateral without notice. No right or remedy of Payee hereunder or under any other agreement may be waived, except by a written agreement signed by Payee.

6. **Jurisdiction and Venue.** The construction, validity and effect of this Note shall be governed and construed pursuant to the laws of the State of Pennsylvania. The parties agree that any litigation or arbitration arising from the interpretation or enforcement of this Note shall be only in either Lehigh County Court of Common Pleas or in the United States Federal District Court for the Eastern District of Pennsylvania, and for this purpose each party to this Note (and each person who shall become a party) hereby expressly and irrevocably consents to the jurisdiction and venue of such courts.

7. **Severability.** If any provision of this Note or any application of such provision shall be declared by a court of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other application of such provision nor the balance of the

provisions hereof which shall, to the fullest extent possible, remain in full force and effect, and such court shall reform such unenforceable provision so as to give maximum permissible effect to the intentions of the parties as expressed therein.

8. **Miscellaneous.** The provisions of this Note shall be binding upon Maker and Maker's personal representatives, successors and assigns, and shall inure to the benefit of Payee and Payee's successors and assigns. This Note is assignable only with the written consent of the other party. This Note shall be construed according to its fair meaning and neither for nor against the drafting party. Time is of the essence of this Note and each and every term and provision hereof. This Note supersedes and replaces any earlier dated agreement relating to payment of money from Maker to Payee.

Executed on the date hereinabove written.

Maker:

Approval by Payee:

By: _____
Terrence M. DeFranco,
President and CEO



J. Barclay Knapp



UNLESS PERMITTED UNDER CANADIAN SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THIS SECURITY IN OR TO A PERSON IN CANADA BEFORE JULY 31, 2020.

THIS NOTE AND THE SECURITIES ISSUABLE UPON CONVERSION OF THIS NOTE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE. THIS NOTE AND THE SECURITIES ISSUABLE UPON CONVERSION OF THIS NOTE MAY BE OFFERED OR SOLD ONLY IF REGISTERED UNDER APPLICABLE SECURITIES LAWS OR IF AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. THIS NOTE IS SUBJECT TO CERTAIN ADDITIONAL RESTRICTIONS ON TRANSFER SET FORTH IN THE NOTE PURCHASE AGREEMENT.

IOTA COMMUNICATIONS, INC
U.S. 12-MONTH LIBOR + 10% SECURED NON-CONVERTIBLE NOTE
NOTE NUMBER 2020-001

Issue Date: March 30, 2020

Principal Amount: U.S. \$1,000,000.00

For value received, **IOTA Communications, Inc.** (the "**Issuer**"), having its principal executive office at One Gateway Center, 26th Floor, Newark, New Jersey 07102, United States, promises to pay on or before April 4, 2021, to AIP Convertible Private Debt Fund L.P. f/k/a **AIP Global Macro Fund L.P.**, having its principal executive office at 200 Bay Street, Suite 3240, Toronto, ON M5J 2J1, Canada (together with its successors and assigns, the "**Holder**"), or any other bona fide holder of this Note, the Principal Amount specified above plus the amount of interest specified in Section 1 below, payable in advance on each Interest Payment Date (as defined below).

This Note is issued under a Note Purchase Agreement dated as of October 31, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "**Note Purchase Agreement**"), between the Issuer, AIP Asset Management Inc., in its capacity as Security Agent (as defined therein), and AIP Convertible Private Debt Fund L.P. f/k/a AIP Global Macro Fund L.P., and any other parties that become Holders from time to time, as holders (together with their successors and assigns, collectively, the "**Holders**"). Unless otherwise defined, all capitalized terms used herein have the meanings specified in the Note Purchase Agreement. The Issuer's obligations under this Note are secured pursuant to that certain Security Agreement dated as of October 31, 2018, made by and among Issuer, Arkados, Inc., SolBright Energy Solutions, LLC, M2M

IOTA Communications, Inc.
Note 2020-001

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March 30, 2020

Spectrum Networks, LLC, and AIP Asset Management Inc., in its capacity as security agent for the Holders and by that certain Security Agreement dated as of August 1, 2019, made among Iota Spectrum Holdings, LLC. and AIP Asset Management Inc., in its capacity as security agent for the Holders.

The total consideration payable by Holder to Issuer for this Note pursuant to the Note Purchase Agreement is U.S. \$1,000,000.00, payable by wire transfer of immediately available funds.

1. Interest. Interest shall accrue on the Principal Amount of this Note from the date hereof until repayment in full. The interest shall accrue from day to day at the applicable Interest Rate, both before and after default, demand, maturity and judgment, and shall be calculated on the basis of the actual number of days elapsed and on the basis of a year of 365 or 366 days, as applicable.

This Note shall bear interest on its outstanding Principal Amount at a rate equal to the 12-month U.S. dollar LIBOR interest rate plus ten percent per annum and, if an Event of Default has occurred, an additional interest of ten percent per annum shall accrue while such Event of Default continues (the "**Interest Rate**"). Interest shall be calculated and payable monthly, in advance on the first day of each month (each, an "**Interest Payment Date**") until the entire Principal Amount of this Note has been repaid in full, provided that interest for the first month this Note is outstanding shall be payable by the Issuer to the Holder, in advance, on the date of issuance of this Note out of the proceeds of the purchase price of this Note.

2. Payments. All payments made pursuant to this Note (in respect of principal, interest or otherwise) shall be made in full without set-off or counterclaim, and free of and without deduction or withholding for any present or future Taxes, other than Excluded Taxes.

3. Assignments and Transfers. This Note may not be assigned or transferred by the Issuer except in accordance with the Note Purchase Agreement.

4. Note Register. The Holder, acting as the agent of the Issuer, shall maintain a register on which it enters the name and address of any transferee of an interest in this Note (each, a "**Transferee**"), and the commitment, principal amount and stated interest of each such Transferee's interest in the Note (the "**Note Register**"). The entries in the Note Register shall be conclusive, and both the Holder and the Issuer shall treat each Person whose name is recorded in the Note Register as the owner of the interest transferred to a Transferee for all purposes, notwithstanding any notice to the contrary. This Note is intended to be treated as a registered obligation for United States federal income tax purposes. Any right or title in or to the Note (including with respect to the principal amount and any interest thereon) may only be assigned or otherwise transferred through the Note Register. This provision shall be construed so that the Note is at all times maintained in "registered form" within the meaning of Sections 163(f), 165(g), 871(h)(2), and

881(c)(2) of the U.S. Internal Revenue Code and Section 5f.103-1(c) of the U.S. Treasury Regulations.

5. Severability. In the event that one or more of the provisions of this Note is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Note, but this Note shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

6. Governing Law. This Note shall be governed by and construed in accordance with the laws of the State of New York without the application of any choice of laws provisions thereof.

IOTA COMMUNICATIONS, INC.

By: 
Name: Terrence DeFranco
Title: Chief Executive Officer

Sworn to before me this 30th day
of March, 2020

Notary Public

PROMISSORY NOTE**Date:** June 1, 2020**Phoenix, Arizona****Maker:** Iota Communications, Inc., a Delaware corporation
600 Hamilton Street, 10th Floor
Allentown, PA 18101**Holder:** Dana Wayne Amato
3132 E. Highland Avenue
Phoenix, AZ 85016**Amount** \$500,000.00 (Five Hundred Thousand and 00/100 Dollars)

FOR VALUE RECEIVED, Iota Communications, Inc., a Delaware corporation ("Maker") promises to pay without offset or deduction to the order of Dana Wayne Amato, an individual, his successors, heirs, and assigns ("Holder"), the principal sum of Five Hundred Thousand and 00/100 Dollars, (U.S. \$500,000.00), with interest on the unpaid principal balance from June 1, 2020, until the date the entire outstanding principal balance has been paid in full at the rate of Eight Percent (8.00%) per annum ("Annual Rate"). Interest on the outstanding principal balance shall be calculated on a daily basis (based on a three hundred sixty (360) day year). The entire principal balance together with all accrued interest shall be payable for the benefit of Holder at 3132 E. Highland Ave., Phoenix, AZ 85016 or such other place as Holder may, from time to time, designate in writing, on or before July 12, 2020 ("Maturity Date"). All payments under this Note and under the Loan Documents (as below defined) shall be in lawful money of the United States of America.

Maker shall be deemed to be in default hereunder if: a) all principal and interest due hereunder are not fully paid on or before the Maturity Date; b) Maker declares bankruptcy, becomes subject to receivership, or is otherwise declared insolvent; or c) prior to the Maturity Date Maker receives funds in excess of \$4,500,000.00 by any means, including but not limited to a loan or loans, or the sale of stock, goods, services, products, or licenses and does not within 72 hours of receiving said funds pay to Holder the entire principal amount due under this Note and any other note by Maker to Holder, plus any commission, compensation, or bonus due to Holder (a "Default"). In the event of a Default, the entire principal amount outstanding hereunder and all accrued interest thereon shall, at the option of Holder, be accelerated, and shall at once become due and payable. Holder may exercise this option to accelerate, without notice, during any Default by Maker regardless of any prior forbearance. No failure to exercise or delay in exercising such option shall constitute a waiver of such option in the event of any subsequent Default hereunder. In the event of any Default in the payment of this Note, and if the same is referred to an attorney for collection or any action at law or in equity is brought with respect hereto, Maker shall pay Holder all expenses and costs, including, but not limited to, attorneys' fees, whether suit is instituted or not. In the event suit is instituted all court costs and attorneys' fees shall be set by the court and not by jury and the amount of such award shall be included in any judgment obtained by the Holder.

In the event of Default due to nonpayment, then in addition to any and all other provisions hereof, the entire principal balance and accrued interest, shall bear interest to the extent permitted by law at the rate which is equal to twenty-one percent (21%) per annum (the "Default Rate of Interest") from the date on which the payment was due and payable until the delinquent payment is received by Holder. If such

Default Rate of Interest may not be collected from Maker under applicable law, then the Note shall bear interest at the maximum increased rate of interest, if any, which may be collected from Maker under applicable law.

Maker agrees with Holder that Holder may, from time to time, extend the time for payment of said outstanding balance or any part thereof, reduce the payments thereon, accept a renewal of this Note, modify the terms and time of payment of said outstanding balance, join in any extension or subordination agreement, without notice in such manner as Holder may see fit, all without in any way affecting or releasing the liability of Maker.

No delay or omission on the part of Holder in exercising any remedy, right or option under this Note shall operate as a waiver of such remedy, right or option. In any event, a waiver on any one occasion shall not be construed as a waiver or bar to any such remedy, right or option on a future occasion. Maker hereby waives presentment, demand for payment, notice of dishonor, notice of protest, and protest, notice of intent to accelerate, notice of acceleration and all other notices or demands in connection with delivery, acceptance, performance, default or endorsement of this Note.

As used in this Note, the term Loan Documents means the following: a) this Promissory Note; and b) the Unanimous Consent of the Board of Directors of Iota Communications, Inc. authorizing Maker's execution of this Note and Exhibit B thereto.

Time is of the essence of this Note and of each and every term and provision hereof. This Note shall be interpreted in accordance with the laws of the State of Arizona. Any dispute arising out of this Note, including any action to enforce this Note or collect any amount due under this Note, shall be brought exclusively in the Superior Court of Arizona, Maricopa County, and Maker expressly consents to the jurisdiction of the State of Arizona. This Note may not be amended or modified except by a written agreement duly signed by the party against whom enforcement of this Note is sought.

All notices, consents, approvals or other instruments required or permitted to be given by either party pursuant to this Note shall be in writing and given by (i) hand delivery, (ii) express overnight delivery service or (iii) certified or registered mail, return receipt requested, and shall be deemed to have been delivered upon (a) receipt, if hand delivered, (b) the next business day, if delivered by express overnight delivery service, or (c) the third business day following the day of deposit of the notice with the United States Postal Service, if sent by certified or registered mail, return receipt requested. Notices shall be provided to the parties and addresses specified on the first page of this Note.

MAKER

**Iota Communications, Inc.,
a Delaware corporation**

By:  _____

Its: President and CEO _____

PROMISSORY NOTE**Date:** June 1, 2020**Phoenix, Arizona****Maker:** Iota Communications, Inc., a Delaware corporation
600 Hamilton Street, 10th Floor
Allentown, PA 18101**Holder:** Dana Wayne Amato
3132 E. Highland Avenue
Phoenix, AZ 85016**Amount** \$350,000.00 (Three Hundred Fifty Thousand and 00/100 Dollars)

FOR VALUE RECEIVED, Iota Communications, Inc., a Delaware corporation ("Maker") promises to pay without offset or deduction to the order of Dana Wayne Amato, an individual, his successors, heirs, and assigns ("Holder"), the principal sum of Three Hundred Fifty Thousand and 00/100 Dollars, (U.S. \$350,000.00), with interest on the unpaid principal balance from June 1, 2020, until the date the entire outstanding principal balance has been paid in full at the rate of Eight Percent (8.00%) per annum ("Annual Rate"). Interest on the outstanding principal balance shall be calculated on a daily basis (based on a three hundred sixty (360) day year). The entire principal balance together with all accrued interest shall be payable for the benefit of Holder at 3132 E. Highland Ave., Phoenix, AZ 85016 or such other place as Holder may, from time to time, designate in writing, on or before December 31, 2020 ("Maturity Date"). All payments under this Note and under the Loan Documents (as below defined) shall be in lawful money of the United States of America.

Maker shall be deemed to be in default hereunder if: a) all principal and interest due hereunder are not fully paid on or before the Maturity Date; b) Maker declares bankruptcy, becomes subject to receivership, or is otherwise declared insolvent; or c) prior to the Maturity Date Maker receives funds in excess of \$4,500,000.00 by any means, including but not limited to a loan or loans, or the sale of stock, goods, services, products, or licenses and does not within 72 hours of receiving said funds pay to Holder the entire principal amount due under this Note and any other note by Maker to Holder, plus any commission, compensation, or bonus due to Holder (a "Default"). In the event of a Default, the entire principal amount outstanding hereunder and all accrued interest thereon shall, at the option of Holder, be accelerated, and shall at once become due and payable. Holder may exercise this option to accelerate, without notice, during any Default by Maker regardless of any prior forbearance. No failure to exercise or delay in exercising such option shall constitute a waiver of such option in the event of any subsequent Default hereunder. In the event of any Default in the payment of this Note, and if the same is referred to an attorney for collection or any action at law or in equity is brought with respect hereto, Maker shall pay Holder all expenses and costs, including, but not limited to, attorneys' fees, whether suit is instituted or not. In the event suit is instituted all court costs and attorneys' fees shall be set by the court and not by jury and the amount of such award shall be included in any judgment obtained by the Holder.

In the event of Default due to nonpayment, then in addition to any and all other provisions hereof, the entire principal balance and accrued interest, shall bear interest to the extent permitted by law at the rate which is equal to twenty-one percent (21%) per annum (the "Default Rate of Interest") from the date on which the payment was due and payable until the delinquent payment is received by Holder. If such

Default Rate of Interest may not be collected from Maker under applicable law, then the Note shall bear interest at the maximum increased rate of interest, if any, which may be collected from Maker under applicable law.

Maker agrees with Holder that Holder may, from time to time, extend the time for payment of said outstanding balance or any part thereof, reduce the payments thereon, accept a renewal of this Note, modify the terms and time of payment of said outstanding balance, join in any extension or subordination agreement, without notice in such manner as Holder may see fit, all without in any way affecting or releasing the liability of Maker.

No delay or omission on the part of Holder in exercising any remedy, right or option under this Note shall operate as a waiver of such remedy, right or option. In any event, a waiver on any one occasion shall not be construed as a waiver or bar to any such remedy, right or option on a future occasion. Maker hereby waives presentment, demand for payment, notice of dishonor, notice of protest, and protest, notice of intent to accelerate, notice of acceleration and all other notices or demands in connection with delivery, acceptance, performance, default or endorsement of this Note.

As used in this Note, the term Loan Documents means the following: a) this Promissory Note; and b) the Unanimous Consent of the Board of Directors of Iota Communications, Inc. authorizing Maker's execution of this Note and Exhibit B thereto.

Time is of the essence of this Note and of each and every term and provision hereof. This Note shall be interpreted in accordance with the laws of the State of Arizona. Any dispute arising out of this Note, including any action to enforce this Note or collect any amount due under this Note, shall be brought exclusively in the Superior Court of Arizona, Maricopa County, and Maker expressly consents to the jurisdiction of the State of Arizona. This Note may not be amended or modified except by a written agreement duly signed by the party against whom enforcement of this Note is sought.

All notices, consents, approvals or other instruments required or permitted to be given by either party pursuant to this Note shall be in writing and given by (i) hand delivery, (ii) express overnight delivery service or (iii) certified or registered mail, return receipt requested, and shall be deemed to have been delivered upon (a) receipt, if hand delivered, (b) the next business day, if delivered by express overnight delivery service, or (c) the third business day following the day of deposit of the notice with the United States Postal Service, if sent by certified or registered mail, return receipt requested. Notices shall be provided to the parties and addresses specified on the first page of this Note.

MAKER

**Iota Communications, Inc.,
a Delaware corporation**

By:  _____

Its: President and CEO _____



UNLESS PERMITTED UNDER CANADIAN SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THIS SECURITY IN OR TO A PERSON IN CANADA BEFORE October 3, 2020.

THIS NOTE AND THE SECURITIES ISSUABLE UPON CONVERSION OF THIS NOTE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE. THIS NOTE AND THE SECURITIES ISSUABLE UPON CONVERSION OF THIS NOTE MAY BE OFFERED OR SOLD ONLY IF REGISTERED UNDER APPLICABLE SECURITIES LAWS OR IF AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. THIS NOTE IS SUBJECT TO CERTAIN ADDITIONAL RESTRICTIONS ON TRANSFER SET FORTH IN THE NOTE PURCHASE AGREEMENT.

IOTA COMMUNICATIONS, INC
U.S. 12-MONTH LIBOR + 10% SECURED NON-CONVERTIBLE NOTE
NOTE NUMBER 2020-002

Issue Date: June 2, 2020

Principal Amount: U.S. \$500,000.00

For value received, **IOTA Communications, Inc.** (the "**Issuer**"), having its principal executive office at One Gateway Center, 26th Floor, Newark, New Jersey 07102, United States, promises to pay on or before April 4, 2021, to **AIP Convertible Private Debt Fund L.P. f/k/a AIP Global Macro Fund L.P.**, having its principal executive office at 200 Bay Street, Suite 3240, Toronto, ON M5J 2J1, Canada (together with its successors and assigns, the "**Holder**"), or any other bona fide holder of this Note, the Principal Amount specified above plus the amount of interest specified in Section 1 below, payable in advance on each Interest Payment Date (as defined below).

This Note is issued under a Note Purchase Agreement dated as of October 31, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "**Note Purchase Agreement**"), between the Issuer, AIP Asset Management Inc., in its capacity as Security Agent (as defined therein), and AIP Convertible Private Debt Fund L.P. f/k/a AIP Global Macro Fund L.P, and any other parties that become Holders from time to time, as holders (together with their successors and assigns, collectively, the "**Holders**"). Unless otherwise defined, all capitalized terms used herein have the meanings specified in the Note Purchase Agreement. The Issuer's obligations under this Note are secured pursuant to that certain Security Agreement dated as of October 31, 2018, made by and among Issuer, Arkados, Inc., SolBright Energy Solutions, LLC, M2M Spectrum Networks, LLC, and AIP Asset Management Inc., in its capacity as security agent for the Holders and by that

IOTA Communications, Inc.
 Note 2020-002

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June 2, 2020

certain Security Agreement dated as of August 1, 2019, made among Iota Spectrum Holdings, LLC and AIP Asset Management Inc., in its capacity as security agent for the Holders.

The total consideration payable by Holder to Issuer for this Note pursuant to the Note Purchase Agreement is U.S. \$500,000.00, payable by wire transfer of immediately available funds.

1. Interest. Interest shall accrue on the Principal Amount of this Note from the date hereof until repayment in full. The interest shall accrue from day to day at the applicable Interest Rate, both before and after default, demand, maturity and judgment, and shall be calculated on the basis of the actual number of days elapsed and on the basis of a year of 365 or 366 days, as applicable.

This Note shall bear interest on its outstanding Principal Amount at a rate equal to the 12-month U.S. dollar LIBOR interest rate plus ten percent per annum and, if an Event of Default has occurred, an additional interest of ten percent per annum shall accrue while such Event of Default continues (the "**Interest Rate**"). Interest shall be calculated and payable monthly, in advance on the first day of each month (each, an "**Interest Payment Date**") until the entire Principal Amount of this Note has been repaid in full, provided that interest for the first 3 months this Note is outstanding shall be payable by the Issuer to the Holder, in advance, on the date of issuance of this Note out of the proceeds of the purchase price of this Note.

2. Payments. All payments made pursuant to this Note (in respect of principal, interest or otherwise) shall be made in full without set-off or counterclaim, and free of and without deduction or withholding for any present or future Taxes, other than Excluded Taxes.

3. Assignments and Transfers. This Note may not be assigned or transferred by the Issuer except in accordance with the Note Purchase Agreement.

4. Note Register. The Holder, acting as the agent of the Issuer, shall maintain a register on which it enters the name and address of any transferee of an interest in this Note (each, a "**Transferee**"), and the commitment, principal amount and stated interest of each such Transferee's interest in the Note (the "**Note Register**"). The entries in the Note Register shall be conclusive, and both the Holder and the Issuer shall treat each Person whose name is recorded in the Note Register as the owner of the interest transferred to a Transferee for all purposes, notwithstanding any notice to the contrary. This Note is intended to be treated as a registered obligation for United States federal income tax purposes. Any right or title in or to the Note (including with respect to the principal amount and any interest thereon) may only be assigned or otherwise transferred through the Note Register. This provision shall be construed so that the Note is at all times

maintained in "registered form" within the meaning of Sections 163(f), 165(g), 871(h)(2), and 881(c)(2) of the U.S. Internal Revenue Code and Section 5f.103-1(c) of the U.S. Treasury Regulations.

5. Severability. In the event that one or more of the provisions of this Note is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Note, but this Note shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

6. Governing Law. This Note shall be governed by and construed in accordance with the laws of the State of New York without the application of any choice of laws provisions thereof.

IOTA COMMUNICATIONS, INC.

By: 
Name: Terrence DeFranco
Title: Chief Executive Officer

Sworn to before me

Notary Public

UNLESS PERMITTED UNDER CANADIAN SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THIS SECURITY IN OR TO A PERSON IN CANADA BEFORE DECEMBER 1, 2020.

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE. THIS NOTE MAY BE OFFERED OR SOLD ONLY IF REGISTERED UNDER APPLICABLE SECURITIES LAWS OR IF AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. THIS NOTE IS SUBJECT TO CERTAIN ADDITIONAL RESTRICTIONS ON TRANSFER SET FORTH IN THE NOTE PURCHASE AGREEMENT.

IOTA COMMUNICATIONS, INC
U.S. 12-MONTH LIBOR + 10% SECURED NON-CONVERTIBLE NOTE
NOTE NUMBER 2020-003

Issue Date: July 30, 2020

Principal Amount: U.S. \$1,000,000.00

For value received, **IOTA Communications, Inc.** (the "**Issuer**"), having its principal executive office at One Gateway Center, 26th Floor, Newark, New Jersey 07102, United States, promises to pay on or before April 4, 2021, to **AIP Convertible Private Debt Fund L.P. f/k/a AIP Global Macro Fund L.P.**, having its principal executive office at 200 Bay Street, Suite 3240, Toronto, ON M5J 2J1, Canada (together with its successors and assigns, the "**Holder**"), or any other bona fide holder of this Note, the Principal Amount specified above plus the amount of interest specified in Section 1 below, payable in advance on each Interest Payment Date (as defined below).

This Note is issued under a Note Purchase Agreement dated as of October 31, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "**Note Purchase Agreement**"), between the Issuer, AIP Asset Management Inc., in its capacity as Security Agent (as defined therein), and AIP Convertible Private Debt Fund L.P. f/k/a AIP Global Macro Fund L.P, and any other parties that become Holders from time to time, as holders (together with their successors and assigns, collectively, the "**Holders**"). Unless otherwise defined, all capitalized terms used herein have the meanings specified in the Note Purchase Agreement. The Issuer's obligations under this Note are secured pursuant to that certain Security Agreement dated as of October 31, 2018, made by and among Issuer, Arkados, Inc., SolBright Energy Solutions, LLC, M2M Spectrum Networks, LLC, and AIP Asset Management Inc., in its capacity as security agent for the Holders and by that certain Security Agreement dated as of August 1, 2019, made among Iota Spectrum

IOTA Communications, Inc.
Note 2020-003

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July 30, 2020

Holdings, LLC. and AIP Asset Management Inc., in its capacity as security agent for the Holders.

The total consideration payable by Holder to Issuer for this Note pursuant to the Note Purchase Agreement is U.S. \$1,000,000.00, payable by wire transfer of immediately available funds.

1. Interest. Interest shall accrue on the Principal Amount of this Note from the date hereof until repayment in full. The interest shall accrue from day to day at the applicable Interest Rate, both before and after default, demand, maturity and judgment, and shall be calculated on the basis of the actual number of days elapsed and on the basis of a year of 365 or 366 days, as applicable.

This Note shall bear interest on its outstanding Principal Amount at a rate equal to the 12-month U.S. dollar LIBOR interest rate plus ten percent per annum and, if an Event of Default has occurred, an additional interest of ten percent per annum shall accrue while such Event of Default continues (the "Interest Rate"). Interest shall be calculated and payable monthly, in advance on the first day of each month (each, an "Interest Payment Date") until the entire Principal Amount of this Note has been repaid in full, provided that interest from the time this Note is issued to December 31, 2020 shall be payable by the Issuer to the Holder, in advance, on the date of issuance of this Note out of the proceeds of the purchase price of this Note.

2. Payments. All payments made pursuant to this Note (in respect of principal, interest or otherwise) shall be made in full without set-off or counterclaim, and free of and without deduction or withholding for any present or future Taxes, other than Excluded Taxes.

3. Assignments and Transfers. This Note may not be assigned or transferred by the Issuer except in accordance with the Note Purchase Agreement.

4. Note Register. The Holder, acting as the agent of the Issuer, shall maintain a register on which it enters the name and address of any transferee of an interest in this Note (each, a "Transferee"), and the commitment, principal amount and stated interest of each such Transferee's interest in the Note (the "Note Register"). The entries in the Note Register shall be conclusive, and both the Holder and the Issuer shall treat each Person whose name is recorded in the Note Register as the owner of the interest transferred to a Transferee for all purposes, notwithstanding any notice to the contrary. This Note is intended to be treated as a registered obligation for United States federal income tax purposes. Any right or title in or to the Note (including with respect to the principal amount and any interest thereon) may only be assigned or otherwise transferred through the Note Register. This provision shall be construed so that the Note is at all times maintained in "registered form" within the meaning of Sections 163(f), 165(g), 871(h)(2),

and 881(c)(2) of the U.S. Internal Revenue Code and Section 5f.103-1(c) of the U.S. Treasury Regulations.

5. Severability. In the event that one or more of the provisions of this Note is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Note, but this Note shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

6. Governing Law. This Note shall be governed by and construed in accordance with the laws of the State of New York without the application of any choice of laws provisions thereof.

IOTA COMMUNICATIONS, INC.

By: 
Name: Terrence DeFranco
Title: Chief Executive Officer

Sworn to before me

Notary Public

SECURITIES PURCHASE AGREEMENT

This **SECURITIES PURCHASE AGREEMENT** (this "**Agreement**"), dated as of September 18, 2018, is entered into by and between SOLBRIGHT GROUP, INC., a Delaware corporation, (the "**Company**"), and LUCAS HOPPEL (the "**Buyer**").

A. The Company and the Buyer are executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by the rules and regulations as promulgated by the United States Securities and Exchange Commission (the "**SEC**") under the Securities Act of 1933, as amended (the "**1933 Act**").

B. Upon the terms and conditions stated in this Agreement, the Buyer desires to purchase and the Company desires to issue and sell, upon the terms and conditions set forth in this Agreement (i) a Convertible Promissory Note of the Company, in the form attached hereto as **Exhibit A**, in the original principal amount of \$440,000.00 (together with any note(s) issued in replacement thereof or as a dividend thereon or otherwise with respect thereto in accordance with the terms thereof, the "**Note**") (ii) One Hundred Thousand (100,000) restricted common shares in the Company ("**Inducement Shares**") to be delivered to Holder, via overnight courier, within 7 calendar days following the Closing Date, and (iii) a Warrant to purchase 600,000 shares of the Issuer's common stock for a period of three (3) years from the date hereof, issued by the Issuer to the Investor, in the form of Exhibit B attached hereto (the "**Warrant**").

NOW THEREFORE, the Company and the Buyer hereby agree as follows:

1. **Purchase and Sale.** Upon the terms and subject to the conditions set forth herein, the Issuer agrees to sell, and the Investor agrees to purchase (i) the Note, in an aggregate principal amount of \$440,000, (ii) the Warrant to purchase 600,000 shares of Issuer common stock and (iii) 100,000 Origination Shares. The Investor shall deliver to the Issuer, via wire transfer, immediately available funds in the amount of US \$400,000 (the "**Purchase Price**") and the Issuer shall deliver to the Investor the Note, the Warrant, and the Origination Shares, and the Issuer and the Investor shall deliver any other documents or agreements related to this transaction.

1.1. **Form of Payment.** On the Closing Date, (i) the Buyer shall pay the purchase price of \$400,000 (the "**Purchase Price**") for the Securities to be issued and sold to it at the Closing (as defined below) by wire transfer of immediately available funds to a company account designated by the Company, in accordance with the Company's written wiring instructions, against delivery of the Securities, and (ii) the Company shall deliver such duly executed Securities on behalf of the Company, to the Buyer, against delivery of such Purchase Price.

1.2. **Closing Date.** The date and time of the issuance and sale of the Securities pursuant to this Agreement (the "**Closing Date**") shall be on or about September 18, 2018, or such other mutually agreed upon time. The closing of the transactions contemplated by this Agreement (the "**Closing**") shall occur on the Closing Date at such location as may be agreed to by the parties.

2. **Governing Law, Miscellaneous.**

2.1. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflicts of laws. Any action brought by either party against the other concerning the transactions contemplated by this Agreement shall be brought only in the state courts of New York, New York or in the federal courts located in New York, New York. The parties to this Agreement hereby irrevocably waive any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon *forum non conveniens*. In the event that any provision of this Agreement or any other agreement delivered in connection herewith is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any such provision which may prove

invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision of any agreement. Each party hereby irrevocably waives personal service of process and consents to process being served in any suit, action or proceeding in connection with this Agreement or any other Transaction Document by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law. THE COMPANY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

2.2. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party.

2.3. Headings. The headings of this Agreement are for convenience of reference only and shall not form part of, or affect the interpretation of, this Agreement.

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

2.5. Entire Agreement; Amendments. This Agreement and the instruments referenced herein contain the entire understanding of the parties with respect to the matters covered herein and therein and, except as specifically set forth herein or therein, neither the Company nor the Buyer makes any representation, warranty, covenant or undertaking with respect to such matters. No provision of this Agreement may be waived or amended other than by an instrument in writing signed by the Buyer.

2.6. Notices. Any notice required or permitted hereunder shall be given in writing (unless otherwise specified herein) and shall be deemed effectively given on the earliest of:

(a) the date delivered, if delivered by personal delivery as against written receipt therefor or by e-mail to an executive officer, or by confirmed facsimile,

(b) the fifth Trading Day after deposit, postage prepaid, in the United States Postal Service by registered or certified mail, or

(c) the third Trading Day after mailing by domestic or international express courier, with delivery costs and fees prepaid, in each case, addressed to each of the other parties thereunto entitled at the following addresses (or at such other addresses as such party may designate by ten (10) calendar days' advance written notice similarly given to each of the other parties hereto):

If to the Company, to:

If to the Buyer:

LUCAS HOPPEL
295 Palmas Inn Way
Ste 104 PMB 346
Humacao, PR 00791
Email: Luke@LukeHoppel.com

2.7. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns. Notwithstanding anything to the contrary herein, the rights, interests or obligations of the Company hereunder may not be assigned, by operation of law or otherwise, in whole or in part, by the Company without the prior written consent of the Buyer, which consent may be withheld at the sole discretion of the Buyer; *provided, however*, that in the case of a merger, sale of substantially all of the Company's assets or other corporate reorganization, the Buyer shall not unreasonably withhold, condition or delay such consent. This Agreement or any of the severable rights and obligations inuring to the benefit of or to be performed by Buyer hereunder may be assigned by Buyer to a third party, including its financing sources, in whole or in part, without the need to obtain the Company's consent thereto.

2.8. Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person.

2.9. Survival. The representations and warranties of the Company and the agreements and covenants set forth in this Agreement shall survive the Closing hereunder notwithstanding any due diligence investigation conducted by or on behalf of the Buyer. The Company agrees to indemnify and hold harmless the Buyer and all its officers, directors, employees, attorneys, and agents for loss or damage arising as a result of or related to any breach or alleged breach by the Company of any of its representations, warranties and covenants set forth in this Agreement or any of its covenants and obligations under this Agreement, including advancement of expenses as they are incurred.

2.10. No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.

2.11. Remedies. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Buyer by vitiating the intent and purpose of the transaction contemplated hereby. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Agreement will be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Agreement, that the Buyer shall be entitled, in addition to all other available remedies at law or in equity, and in addition to the penalties assessable herein, to an injunction or injunctions restraining, preventing or curing any breach of this Agreement and to enforce

specifically the terms and provisions hereof, without the necessity of showing economic loss and without any bond or other security being required.

2.12. Buyer's Rights and Remedies Cumulative. All rights, remedies, and powers conferred in this Agreement and the Transaction Documents on the Buyer are cumulative and not exclusive of any other rights or remedies, and shall be in addition to every other right, power, and remedy that the Buyer may have, whether specifically granted in this Agreement or any other Transaction Document, or existing at law, in equity, or by statute, and any and all such rights and remedies may be exercised from time to time and as often and in such order as the Buyer may deem expedient.

2.13. Ownership Limitation. If at any time after the Closing, the Buyer shall or would receive shares of Common Stock in payment of interest or principal under Note, upon conversion of Note, under the Warrant, or upon exercise of the Warrant, so that the Buyer would, together with other shares of Common Stock held by it or its Affiliates, own or beneficially own by virtue of such action or receipt of additional shares of Common Stock a number of shares exceeding 9.99% of the number of shares of Common Stock outstanding on such date (the "**Maximum Percentage**"), the Company shall not be obligated and shall not issue to the Buyer shares of Common Stock which would exceed the Maximum Percentage, but only until such time as the Maximum Percentage would no longer be exceeded by any such receipt of shares of Common Stock by the Buyer. The foregoing limitations are enforceable, unconditional and non-waivable and shall apply to all Affiliates and assigns of the Buyer. Additionally, for so long as the Buyer or any of its Affiliate own Securities, upon written request from the Buyer, the Company shall post (or cause to be posted), the then-current number of issued and outstanding shares of its capital stock to the Company's web page located at OTCmarkets.com (or such other web page approved by the Buyer).

2.14. Attorneys' Fees and Cost of Collection. In the event of any action at law or in equity to enforce or interpret the terms of this Agreement or any of the other Transaction Documents, the parties agree that the party who is awarded the most money shall be deemed the prevailing party for all purposes and shall therefore be entitled to an additional award of the full amount of the attorneys' fees and expenses paid by such prevailing party in connection with the litigation and/or dispute without reduction or apportionment based upon the individual claims or defenses giving rise to the fees and expenses. Nothing herein shall restrict or impair a court's power to award fees and expenses for frivolous or bad faith pleading.

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SUBSCRIPTION AMOUNT:

Original Principal Amount of Note:	\$440,000.00
Purchase Price:	\$400,000.00

IN WITNESS WHEREOF, the undersigned Buyer and the Company have caused this Agreement to be duly executed as of the date first above written.

THE COMPANY:

SOLBRIGHT GROUP, INC.

By: 

Terrence DeFranco
Chief Financial Officer

THE BUYER:

LUCAS HOPPEL

By: _____

EXHIBIT A

NOTE



NEITHER THIS NOTE NOR THE SECURITIES INTO WHICH THIS NOTE IS PROMISSORY HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE. THESE SECURITIES HAVE BEEN SOLD IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS.

SOLBRIGHT GROUP, INC.

CONVERTIBLE PROMISSORY NOTE

Issuance Date: **September 18, 2018**
Note No. SBRT-2

Original Principal Amount: **\$440,000**
Consideration Paid at Close: **\$400,000**

FOR VALUE RECEIVED, Solbright Group, Inc., a Delaware corporation (the "Company"), hereby promises to pay to the order of Lucas Hoppel or registered assigns (the "Holder") the amount set out above as the Original Principal Amount (as reduced pursuant to the terms hereof pursuant to redemption, conversion or otherwise, the "Principal") when due, whether upon the Maturity Date (as defined below), acceleration, redemption or otherwise (in each case in accordance with the terms hereof) and to pay interest ("Interest") on any outstanding Principal at the applicable Interest Rate from the date set out above as the Issuance Date (the "Issuance Date") until the same becomes due and payable, upon the Maturity Date or acceleration, conversion, redemption or otherwise (in each case in accordance with the terms hereof).

The Original Principal Amount is \$440,000 (four hundred forty thousand) plus accrued and unpaid interest and any other fees. The Consideration is \$400,000 (four hundred thousand) payable by wire transfer (there exists a \$40,000 original issue discount (the "OID")). The Holder shall pay \$400,000 of Consideration upon closing of this Note.

(1) GENERAL TERMS

(a) Payment of Principal. The "Maturity Date" shall be March 31st, 2019, and may be extended at the option of the Holder in the event that, and for so long as, an Event of Default (as defined below) shall not have occurred and be continuing on the Maturity Date (as may be extended pursuant to this Section 1) or any event shall not have occurred and be continuing on the Maturity Date (as may be extended pursuant to this Section 1) that with the passage of time and the failure to cure would result in an Event of Default.

(b) Interest. A one-time interest charge of eight percent (8%) ("Interest Rate") shall be applied on the Issuance Date to the Original Principal Amount. Interest hereunder shall be paid on the Maturity Date (or sooner as provided herein) to the Holder or its assignee in whose name this Note is registered on the records of the Company regarding registration and transfers of Notes in cash or converted into Common Stock at the Conversion Price provided the Equity Conditions are satisfied.

(c) Security. This Note shall not be secured by any collateral or any assets pledged to the Holder

(2) EVENTS OF DEFAULT.

(a) An "Event of Default", wherever used herein, means any one of the following events (whatever the reason and whether it shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court, or any order, rule or regulation of any administrative or governmental body):

(i) The Company's failure to pay to the Holder any amount of Principal, Interest, or other amounts when and as due under this Note (including, without limitation, the Company's failure to pay any redemption payments or amounts hereunder) or any other Transaction Document;

(ii) A Conversion Failure as defined in section 3(b)(ii)

(iii) The Company or any subsidiary of the Company shall commence, or there shall be commenced against the Company or any subsidiary of the Company under any applicable bankruptcy or insolvency laws as now or hereafter in effect or any successor thereto, or the Company or any subsidiary of the Company commences any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to the Company or any subsidiary of the Company or there is commenced against the Company or any subsidiary of the Company any such bankruptcy, insolvency or other proceeding which remains undismissed for a period of 61 days; or the Company or any subsidiary of the Company is adjudicated insolvent or bankrupt; or any order of relief or other order approving any such case or proceeding is entered; or the Company or any subsidiary of the Company suffers any appointment of any custodian, private or court appointed receiver or the like for it or any substantial part of its property which continues undischarged or unstayed for a period of sixty one (61) days; or the Company or any subsidiary of the Company makes a general assignment for the benefit of creditors; or the Company or any subsidiary of the Company shall fail to pay, or shall state that it is unable to pay, or shall be unable to pay, its debts generally as they become due; or the Company or any subsidiary of the Company shall call a meeting of its creditors with a view to arranging a composition, adjustment or restructuring of its debts; or the Company or any subsidiary of the Company shall by any act or failure to act expressly indicate its consent to, approval of or acquiescence in any of the foregoing; or any corporate or other action is taken by the Company or any subsidiary of the Company for the purpose of effecting any of the foregoing.

(iv) The Company loses its ability to deliver shares via "DWAC/FAST" electronic transfer.

(v) The Company loses its status as "DTC Eligible."

(vi) The Company shall become delinquent in its filing requirements as a fully-reporting issuer registered with the Securities & Exchange Commission.

(vii) The Company fails to deliver any shares owed to the Holder.

(viii) The Company shall fail to meet all requirements to satisfy the availability of Rule 144 to the Investor or its assigns including but not limited to timely fulfillment of its filing requirements as a fully-reporting issuer registered with the SEC, requirements for XBRL filings, and requirements for disclosure of financial statements on its website.

(ix) The Company shall fail to reserve and keep available out of its authorized Common Stock a number of shares equal to at least 2 (two) times the full number of shares of Common Stock issuable upon conversion of all outstanding amounts under this Note.

(b) Upon the occurrence of any Event of Default not cured within 7 business days, the Outstanding Balance shall immediately increase to 140% of the Outstanding Balance immediately

prior to the occurrence of the Event of Default (the "Default Effect"). The Default Effect shall automatically apply upon the occurrence of an Event of Default without the need for any party to give any notice or take any other action. Upon the occurrence of any Event of Default, the Note shall become immediately due and payable and the Borrower shall pay to the Holder, in full satisfaction of its obligations hereunder, an amount equal to the Outstanding Balance, all without demand, presentment or notice, all of which hereby are expressly waived, together with all costs, including, without limitation, legal fees and expenses, of collection, and the Holder shall be entitled to exercise all other rights and remedies available at law or in equity.

(3) CONVERSION OF NOTE. This Note shall be convertible into shares of the Company's Common Stock, on the terms and conditions set forth in this Section 3.

(a) Conversion Right. Subject to the provisions of Section 3(c), at any time after the Issuance Date, the Holder shall be entitled to convert any portion of the outstanding and unpaid Conversion Amount (as defined below) into fully paid and nonassessable shares of Common Stock in accordance with Section 3(b), at the Conversion Price (as defined below). The number of shares of Common Stock issuable upon conversion of any Conversion Amount pursuant to this Section 3(a) shall be equal to the quotient of dividing the Conversion Amount by the Conversion Price. The Company shall not issue any fraction of a share of Common Stock upon any conversion. If the issuance would result in the issuance of a fraction of a share of Common Stock, the Company shall round such fraction of a share of Common Stock up to the nearest whole share. The Company shall pay any and all transfer agent fees, legal fees, costs and any other fees or costs that may be incurred or charged in connection with the issuance of shares of the Company's Common Stock to the Holder arising out of or relating to the conversion of this Note.

(i) "Conversion Amount" means the portion of the Original Principal Amount and Interest to be converted, plus any penalties, redeemed or otherwise with respect to which this determination is being made.

(ii) "Conversion Price" shall equal \$0.60 (sixty) cents.

(b) Mechanics of Conversion.

(i) Optional Conversion. To convert any Conversion Amount into shares of Common Stock on any date (a "Conversion Date"), the Holder shall (A) transmit by email, facsimile (or otherwise deliver), for receipt on or prior to 11:59 p.m., New York, NY Time, on such date, a copy of an executed notice of conversion in the form attached hereto as Exhibit A (the "Conversion Notice") to the Company. On or before the third Business Day following the date of receipt of a Conversion Notice (the "Share Delivery Date"), the Company shall (A) if legends are not required to be placed on certificates of Common Stock pursuant to the then existing provisions of Rule 144 of the Securities Act of 1933 ("Rule 144") and provided that the Transfer Agent is participating in the Depository Trust Company's ("DTC") Fast Automated Securities Transfer Program, credit such aggregate number of shares of Common Stock to which the Holder shall be entitled to the Holder's or its designee's balance account with DTC through its Deposit Withdrawal Agent Commission system or (B) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and deliver to the address as specified in the Conversion Notice, a certificate, registered in the name of the Holder or its designee, for the number of shares of Common Stock to which the Holder shall be entitled which certificates shall not bear any restrictive legends unless required pursuant the Rule 144. If this Note is physically surrendered for conversion and the outstanding Principal of this Note is greater than the Principal portion of the Conversion Amount being converted, then the Company shall, upon request of the Holder, as soon as practicable and in no event later than three (3) Business Days after receipt of this Note and at its own expense, issue and deliver to the holder a new Note representing the outstanding Principal not converted. The Person or Persons entitled to receive the shares of Common Stock issuable upon a conversion of this Note shall be treated for all purposes as the record holder or holders of such shares of Common Stock upon the transmission of a Conversion Notice.

(ii) Company's Failure to Timely Convert. If within two (2) Trading Days after the Company's receipt of the facsimile or email copy of a Conversion Notice the Company shall

fail to issue and deliver to Holder via "DWAC/FAST" electronic transfer the number of shares of Common Stock to which the Holder is entitled upon such holder's conversion of any Conversion Amount (a "Conversion Failure"), the Original Principal Amount of the Note shall increase by \$2,000 per day until the Company issues and delivers a certificate to the Holder or credit the Holder's balance account with DTC for the number of shares of Common Stock to which the Holder is entitled upon such holder's conversion of any Conversion Amount (under Holder's and Company's expectation that any damages will tack back to the Issuance Date). *Company will not be subject to any penalties once its transfer agent processes the shares to the DWAC system.* If the Company fails to deliver shares in accordance with the timeframe stated in this Section, resulting in a Conversion Failure, the Holder, at any time prior to selling all of those shares, may rescind any portion, in whole or in part, of that particular conversion attributable to the unsold shares and have the rescinded conversion amount returned to the Outstanding Balance with the rescinded conversion shares returned to the Company (under Holder's and Company's expectations that any returned conversion amounts will tack back to the original date of the Note).

(iii) DWAC/FAST Eligibility. If the Company fails for any reason to deliver to the Holder the Shares by DWAC/FAST electronic transfer (such as by delivering a physical stock certificate), or if there is a Conversion Failure as defined in Section 3(b)(ii), and if the Holder incurs a Market Price Loss, then at any time subsequent to incurring the loss the Holder may provide the Company written notice indicating the amounts payable to the Holder in respect of the Market Price Loss and the Company must make the Holder whole by either of the following options at Holder's election:

Market Price Loss = [(High trade price for the period between the day of conversion and the day the shares clear in the Holder's brokerage account) x (Number of shares receivable from the conversion)] - [(Net Sales price realized by Holder) x (Number of shares receivable from the conversion)].

Option A – Pay Market Price Loss in Cash. The Company must pay the Market Price Loss by cash payment, and any such cash payment must be made by the third business day from the time of the Holder's written notice to the Company.

Option B – Add Market Price Loss to Outstanding Balance. The Company must pay the Market Price Loss by adding the Market Price Loss to the Outstanding Balance (under Holder's and the Company's expectation that any Market Price Loss amounts will tack back to the Issuance Date).

In the case that conversion shares are not deliverable by DWAC/FAST electronic transfer an additional 10% discount to the Conversion Price will apply.

(c) Limitations on Conversions or Trading.

(i) Beneficial Ownership. The Company shall not effect any conversions of this Note and the Holder shall not have the right to convert any portion of this Note or receive shares of Common Stock as payment of interest hereunder to the extent that after giving effect to such conversion or receipt of such interest payment, the Holder, together with any affiliate thereof, would beneficially own (as determined in accordance with Section 13(d) of the Exchange Act and the rules promulgated thereunder) in excess of 4.99% of the number of shares of Common Stock outstanding immediately after giving effect to such conversion or receipt of shares as payment of interest. Since the Holder will not be obligated to report to the Company the number of shares of Common Stock it may hold at the time of a conversion hereunder, unless the conversion at issue would result in the issuance of shares of Common Stock in excess of 4.99% of the then outstanding shares of Common Stock without regard to any other shares which may be beneficially owned by the Holder or an affiliate thereof, the Holder shall have the authority and obligation to determine whether the restriction contained in this Section will limit any particular conversion hereunder and to the extent that the Holder determines that the limitation contained in this Section applies, the determination of which portion of the principal amount of this Note

is convertible shall be the responsibility and obligation of the Holder. If the Holder has delivered a Conversion Notice for a principal amount of this Note that, without regard to any other shares that the Holder or its affiliates may beneficially own, would result in the issuance in excess of the permitted amount hereunder, the Company shall notify the Holder of this fact and shall honor the conversion for the maximum principal amount permitted to be converted on such Conversion Date in accordance with Section 3(a) and, any principal amount tendered for conversion in excess of the permitted amount hereunder shall remain outstanding under this Note. In the event that the Market Capitalization of the Company falls below \$2,500,000, the term "4.99%" above shall be permanently replaced with "9.99%". "Market Capitalization" shall be defined as the product of (a) the closing price of the Common Stock of the Company's most recently filed Form 10-K or Form 10-Q. The provisions of this Section may be waived by Holder upon not less than 65 days prior written notification to the Company.

(ii) Capitalization. So long as this Note is outstanding, upon written request of the Holder, the Company shall furnish to the Holder the then-current number of common shares issued and outstanding, the then-current number of common shares authorized, and the then-current number of shares reserved for third parties.

(d) Other Provisions.

(i) Share Reservation. The Company shall at all times reserve and keep available out of its authorized Common Stock a number of shares equal to at least 2 (two) times the full number of shares of Common Stock issuable upon conversion of all outstanding amounts under this Note, and within 4 (four) Business Days following the receipt by the Company of a Holder's notice that such minimum number of shares of Common Stock is not so reserved, the Company shall promptly reserve a sufficient number of shares of Common Stock to comply with such requirement. The Company will at all times reserve at least 2,500,000 shares of Common Stock for conversion.

(ii) Redemption Premium. While this Note is in effect, upon 10 business days' notice to Holder ("Notice Period"), the Company may redeem this Note by paying to the Holder an amount as follows ("Redemption Amount"): (i) if the redemption is within the first 90 days this Note is in effect, then for an amount equal to 100% of the Outstanding Balance of this Note along with any interest that has accrued during that period, (ii) if the redemption is on or after the 91st day this Note is in effect, then for an amount equal to 120% of the Outstanding Balance of this Note along with any accrued interest. The redemption must be closed and paid for within 3 business days following the Notice Period or the redemption will be invalid and the Company may not redeem this Note. The Holder may convert this Note pursuant to the terms hereof at all times, including during the Notice Period, until the Redemption Amount has been received in full.

(iii) Terms of Future Financings. So long as this Note is outstanding, upon any issuance by the Company or any of its subsidiaries of any security with any term more favorable to the holder of such security or with a term in favor of the holder of such security that was not similarly provided to the Holder in this Note, then the Company shall notify the Holder of such additional or more favorable term and such term, at Holder's option, shall become a part of the Note. The types of terms contained in another security that may be more favorable to the holder of such security include, but are not limited to, terms addressing conversion discounts, conversion lookback periods, interest rates, original issue discounts, stock sale price, private placement price per share, and warrant coverage.

(iv) All calculations under this Section 3 shall be rounded up to the nearest \$0.00001 or whole share.

(v) Nothing herein shall limit a Holder's right to pursue actual damages or declare an Event of Default pursuant to Section 2 herein for the Company's failure to deliver certificates representing shares of Common Stock upon conversion within the period specified herein and such Holder shall have the right to pursue all remedies available to it at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief, in each case without the need to post a

bond or provide other security. The exercise of any such rights shall not prohibit the Holder from seeking to enforce damages pursuant to any other Section hereof or under applicable law.

(4) PIGGYBACK REGISTRATION RIGHTS. The Company shall include on the next registration statement the Company files with SEC (or on the subsequent registration statement if such registration statement is withdrawn) all shares issuable upon conversion of this Note. Failure to do so will result in liquidated damages of 25% of the outstanding principal balance of this Note, but not less than \$25,000, being immediately due and payable to the Holder at its election in the form of cash payment or addition to the balance of this Note.

(5) SECTION 3(A)(9) OR 3(A)(10) TRANSACTION. So long as this Note is outstanding, the Company shall not enter into any transaction or arrangement structured in accordance with, based upon, or related or pursuant to, in whole or in part, either Section 3(a)(9) of the Securities Act (a "3(a)(9) Transaction") or Section 3(a)(10) of the Securities Act (a "3(a)(10) Transaction"). In the event that the Company does enter into, or makes any issuance of Common Stock related to a 3(a)(9) Transaction or a 3(a)(10) Transaction while this note is outstanding, a liquidated damages charge of 25% of the outstanding principal balance of this Note, but not less than \$25,000, will be assessed and will become immediately due and payable to the Holder at its election in the form of cash payment or addition to the balance of this Note.

(6) REISSUANCE OF THIS NOTE.

(a) Assignability. The Company may not assign this Note. This Note will be binding upon the Company and its successors and will inure to the benefit of the Holder and its successors and assigns and may be assigned by the Holder to anyone of its choosing without Company's approval.

(b) Lost, Stolen or Mutilated Note. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Note, and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary form and, in the case of mutilation, upon surrender and cancellation of this Note, the Company shall execute and deliver to the Holder a new Note representing the outstanding Principal.

(7) NOTICES. Any notices, consents, waivers or other communications required or permitted to be given under the terms hereof must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party) (iii) upon receipt, when sent by email; or (iv) one (1) Business Day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications shall be those set forth in the communications and documents that each party has provided the other immediately preceding the issuance of this Note or at such other address and/or facsimile number and/or to the attention of such other person as the recipient party has specified by written notice given to each other party three (3) Business Days prior to the effectiveness of such change. Written confirmation of receipt (i) given by the recipient of such notice, consent, waiver or other communication, (ii) mechanically or electronically generated by the sender's facsimile machine containing the time, date, recipient facsimile number and an image of the first page of such transmission or (iii) provided by a nationally recognized overnight delivery service, shall be rebuttable evidence of personal service, receipt by facsimile or receipt from a nationally recognized overnight delivery service in accordance with clause (i), (ii) or (iii) above, respectively.

The addresses for such communications shall be:

If to the Company, to:



Attn:
Email:

If to the Holder:

LUCAS HOPPEL
295 Palmas Inn Way
Ste 104 PMB 346
Humacao, PR 00791
Email: Luke@LukeHoppel.com

(8) APPLICABLE LAW AND VENUE. This Note shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to conflicts of laws thereof. Any action brought by either party against the other concerning the transactions contemplated by this Agreement shall be brought only in the state courts of New York or in the federal courts located in the city and county of New York, in the State of New York. Both parties and the individuals signing this Agreement agree to submit to the jurisdiction of such courts.

(a) WAIVER. Any waiver by the Holder of a breach of any provision of this Note shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Note. The failure of the Holder to insist upon strict adherence to any term of this Note on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Note. Any waiver must be in writing.

IN WITNESS WHEREOF, the Company has caused this Promissory Note to be duly executed by a duly authorized officer as of the date set forth above.

COMPANY:

Solbright Group, Inc.

By:  _____

Name: Terrence DeFranco

Title: Chief Financial Officer

HOLDER:

Lucas Hoppel

By: _____

[Signature Page to Promissory Note No. SBRT-2

UNLESS PERMITTED UNDER CANADIAN SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THIS SECURITY IN OR TO A PERSON IN CANADA BEFORE MARCH 6, 2021.

THIS NOTE AND THE SECURITIES ISSUABLE UPON CONVERSION OF THIS NOTE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE. THIS NOTE AND THE SECURITIES ISSUABLE UPON CONVERSION OF THIS NOTE MAY BE OFFERED OR SOLD ONLY IF REGISTERED UNDER APPLICABLE SECURITIES LAWS OR IF AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. THIS NOTE IS SUBJECT TO CERTAIN ADDITIONAL RESTRICTIONS ON TRANSFER SET FORTH IN THE NOTE PURCHASE AGREEMENT.

IOTA COMMUNICATIONS, INC
10% SECURED CONVERTIBLE NOTE
NOTE NUMBER 2020-005

Issue Date: November 5, 2020

Principal Amount: U.S. \$500,000.00

For value received, **IOTA Communications, Inc.** (the "**Issuer**"), having its principal executive office at One Gateway Center, 26th Floor, Newark, New Jersey 07102, United States, promises to pay on or before November 30, 2021 (the "**Maturity Date**"), to **AIP Convertible Private Debt Fund L.P. f/k/a/ AIP Global Macro Fund L.P.**, having its principal executive office at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 3240, Toronto, Ontario M5J 2J1, Canada (together with its successors and assigns, the "**Holder**"), or any other bona fide holder of this Note, the Principal Amount specified above together with all other amounts due hereunder and the amount of interest specified in Section 1 below payable in advance on each Interest Payment Date (as defined below).

This Note is issued under (i) a Note Purchase Agreement dated as of October 31, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "**Note Purchase Agreement**"), between the Issuer, AIP Asset Management Inc., in its capacity as Security Agent (as defined therein), and AIP Convertible Private Debt Fund L.P. f/k/a/ AIP Global Macro Fund L.P, and any other parties that become Holders from time to time, as holders (together with their successors and assigns, collectively, the "**Holders**"), and (ii) a Debt Restructuring Agreement with Forced Conversion Rights dated as of August 31, 2020 (as amended, restated, supplemented or otherwise modified from time to time, the "**Restructuring Agreement**"), between the Issuer and AIP Asset Management Inc., in its capacity as Security Agent, as defined in the Note Purchase Agreement. Unless otherwise

IOTA Communications, Inc.
Convertible Note 2020-005

1

November 5, 2020

defined, all capitalized terms used herein have the meanings specified in the Note Purchase Agreement. The Issuer's obligations under this Note are secured pursuant to that certain Security Agreement dated as of October 31, 2018, made by and among Issuer, Arkados, Inc., SolBright Energy Solutions, LLC, M2M Spectrum Networks, LLC, and AIP Asset Management Inc., in its capacity as security agent for the Holders and by that certain Security Agreement dated as of August 31, 2019 by and among Iota Spectrum Holdings, LLC and AIP Asset Management Inc., in its capacity as security agent for the Holders.

1. **Interest.** Interest shall accrue on the Principal Amount of this Note from the date hereof until repayment in full. The interest shall accrue from day to day at the applicable Interest Rate, both before and after default, demand, maturity and judgment, and shall be calculated on the basis of the actual number of days elapsed and on the basis of a year of 365 or 366 days, as applicable.

This Note shall bear interest on its outstanding Principal Amount at a rate equal to 10 percent per annum and, if an Event of Default has occurred, an additional interest of ten percent per annum shall accrue while such Event of Default continues (the "**Interest Rate**"). Interest shall be calculated monthly with four percent payable monthly, in advance on the first day of each month (each, an "**Interest Payment Date**"), and six percent added monthly, in advance on the first day of each month, to the Principal Amount of the Note until the entire Principal Amount of this Note has been repaid in full, provided, however, that Interest through December 31, 2020, shall be prepaid in cash upon issuance of the Note.

2. **Payments.** All payments made pursuant to this Note (in respect of principal, interest or otherwise) shall be made in full without set-off or counterclaim, and free of and without deduction or withholding for any present or future Taxes, other than Excluded Taxes.

3. **Conversion.** The Company or the Issuer may elect to convert all or part of the Principal Amount of this Note into the Units (as defined in the Restructuring Agreement) of the Issuer, in each case in accordance with the terms of the Restructuring Agreement.

4. **Debt Restructuring Agreement with Forced Conversion Rights to Apply.** The Issuer has the right, at the Issuer's option at any time all of the conditions of Section 3(e) of the Debt Restructuring Agreement With Forced Conversion Rights are satisfied, to convert all or part of the Principal Amount of this Note, together with accrued and unpaid interest and any other amount then payable under this Note, into Units (as defined in the Debt Restructuring Agreement With Forced Conversion Rights). The Holder has the right, at the Holder's option at any time, to convert all or part of the Principal Amount of this Note, together with accrued and unpaid interest and any other amount then payable under such note, into Units (as defined in the Debt Restructuring Agreement With Forced

Conversion Rights).

5. Assignments and Transfers. This Note may not be assigned or transferred by the Issuer except in accordance with the Note Purchase Agreement.

6. Note Register. The Holder, acting as the agent of the Issuer, shall maintain a register on which it enters the name and address of any transferee of an interest in this Note (each, a "Transferee"), and the commitment, principal amount and stated interest of each such Transferee's interest in the Note (the "Note Register"). The entries in the Note Register shall be conclusive, and both the Holder and the Issuer shall treat each Person whose name is recorded in the Note Register as the owner of the interest transferred to a Transferee for all purposes, notwithstanding any notice to the contrary. This Note is intended to be treated as a registered obligation for United States federal income tax purposes. Any right or title in or to the Note (including with respect to the principal amount and any interest thereon) may only be assigned or otherwise transferred through the Note Register. This provision shall be construed so that the Note is at all times maintained in "registered form" within the meaning of Sections 163(f), 165(g), 871(h)(2), and 881(c)(2) of the U.S. Internal Revenue Code and Section 5f.103-1(c) of the U.S. Treasury Regulations.

7. Severability. In the event that one or more of the provisions of this Note is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Note, but this Note shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

8. Governing Law. This Note shall be governed by and construed in accordance with the laws of the State of New York without the application of any choice of laws provisions thereof.

IOTA COMMUNICATIONS, INC.

By: 
Name: Terrence DeFranco
Title: Chief Executive Officer

License Application and Construction Services Agreement

This License Application and Construction Services Agreement ("Agreement") is entered into by and between Iota Communications, Inc. ("Iota") and Iota Spectrum Partners, LP ("Licensee"), effective this 25th day of July, 2019 (the "Effective Date").

RECITALS

WHEREAS, Licensee plans to apply for Federal Communications Commission ("FCC") license(s) from time to time, which licenses shall be listed on the attached Schedule "A" (as may be amended, supplemented or modified from time to time) (the "Licenses"), and wishes to retain Iota to assist with the preparation and submission of such license applications and any associated filings, including application amendments, modifications, waivers, and *de facto* transfer leases; and

WHEREAS, Licensee desires to engage Iota as a service provider to construct the network for the Licenses; operate the network as part of a broader network; manage the regulatory affairs associated with the Licenses; and

WHEREAS, Iota desires to serve as Licensee's service provider and to act as Licensee's exclusive agent with respect to the Licenses for the purposes stated in the preceding paragraph; and

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement, the parties mutually agree as follows:

TERMS AND CONDITIONS

1. Term and Termination

a. Initial Term. This Agreement shall commence on the Effective Date and shall remain in full force and effect for a period of ten (10) years.

b. Optional Extended Terms. Either party may extend the Initial Term of this Agreement for one (1) additional 5-year term by providing written notice of such intent to the other party at least six (6) months prior to the expiration of the Initial Term.

c. Termination. Either party may terminate this Agreement only upon a breach by the other party which remains uncured for a period of thirty (30) days after the non-breaching party provides written notice of such breach to the breaching party. If any breach is not reasonably capable of being cured within thirty (30) days of such notice, then the breaching party shall have a reasonable time to cure such breach, but not more than ninety (90) days in any event unless the non-breaching party expressly consents to such longer period in writing. Upon termination of this Agreement, Iota shall notify the FCC that the lease is no longer in effect.

LICENSE APPLICATION SERVICES

2. Services. Iota will assist Licensee with the preparation and submission of applications for the appropriate authorizations for the FCC Licenses for each of the Economic Area ("EA") markets

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and channels described on Schedule "A" (the "Applications"). Schedule "A" may be amended from time to time to add or delete EA markets and/or channels with the mutual agreement of the parties. Iota will assist Licensee with the submission of the completed Applications to a frequency coordinator ("Frequency Coordinator") certified by the FCC. Iota will assist such Frequency Coordinator and perform any actions on behalf of the Licensee that are necessary for the completion of the frequency coordination process, except for those actions that Licensee is required to perform personally. Upon approval from the Frequency Coordinator of each Application, the Frequency Coordinator then will submit that Application to the FCC's Wireless Telecommunications Bureau. Iota will assist with corresponding with the FCC or FCC Coordinator, as applicable, as necessary throughout the application process to obtain the Licenses related to such Application. The services described in this Section 2 are collectively referred to as the "Services".

3. **No Guaranty.** The parties understand that there is no assurance that the Frequency Coordinator will be able to successfully coordinate and approve any Application. Furthermore, the parties understand that there is no assurance that the FCC will approve any Application for any of the Licenses or Leases or any amendment, modification application, or waiver request related thereto. The failure of the FCC to grant any Application to Licensee shall not constitute an event of default for either Licensee or Iota under this Agreement.

4. **Alternative Channels; Refunds.** If the Frequency Coordinator or the FCC denies an Application included in the Services for any reason other than the negligence, gross negligence, willful misconduct, breach of this Agreement, misrepresentation, or personal disqualification of Licensee, then Iota will, at its option: (a) assist the Licensee in re-filing the Application in (1) the same EA market for different frequencies, or (2) another EA market or markets with approximately the same or greater total MHz/Pops, for the same or different frequencies, at no additional cost to Licensee; or (b) refund one hundred percent (100%) of the total Contract Price (as listed on Schedule "A", attached hereto) attributable to such denied Application.

Upon the completion of construction of the networks for the applicable License(s), which shall be established as the date on which the FCC accepts Iota's notification that it has met the construction benchmark for such License(s), one hundred percent (100%) of the Contract Price attributable to those Licenses shall be deemed earned and not refundable.

5. **Licensee Cooperation.** Licensee agrees to from time to time and as requested by Iota timely provide to Iota or the Frequency Coordinator, as requested, complete and accurate information to ensure that the Applications are prepared and processed accurately and as expeditiously as possible. Licensee shall immediately notify Iota of any requests for information issued by the FCC with regard to the License(s) and Lease(s), and shall comply with any such requests if required to personally do so. Iota shall not be liable to Licensee for any inaccuracies or incomplete information on any Application that results from the Licensee's failure to provide Iota with complete and accurate information.

CONSTRUCTION AND MANAGEMENT

6. **Construction and Network Hosting Services.** Licensee acknowledges that for any Licenses granted by the FCC, FCC rules and regulations generally require construction of applicable facilities within twelve (12) months after grant of the applicable License unless a waiver

or other extension of the construction deadline is obtained. If this or other conditions of the Licenses are unfulfilled, the FCC may revoke any granted License(s). In order to meet the FCC's construction requirements, Iota shall provide the following services to construct the networks for the Licenses:

a. Iota will acquire equipment to be used to send and receive signals over the frequencies covered by the Licenses ("Base Stations"). The Base Stations may be existing equipment that is shared by other Iota clients or may belong to third parties. In the case of third-party equipment, Iota will secure rights to use the equipment during the term of this Agreement or acquire replacement Base Stations if third-party equipment becomes unavailable.

b. Iota will secure locations for the Base Stations under the Licenses to serve the licensed coverage areas. Iota will construct facilities or lease space on existing facilities suitable for installing the Base Stations ("Towers").

c. Iota will install the Base Stations on the Towers within the time frame required to test the Base Stations and certify construction of the Licenses with the FCC. If waivers are necessary to complete construction, Iota shall be responsible for applying for such waivers on behalf of Licensee.

d. Iota will connect the Base Stations to sufficient numbers of eligible transceivers ("Remote Stations") to meet construction requirements.

e. Iota will maintain a network of Towers that allows the Base Stations to communicate with Remote Stations and other transmitters and receivers on an ongoing basis using the frequencies assigned to the Licenses ("Network"). At a minimum, the Network shall operate at sufficient intervals to maintain the Licenses in good standing with the FCC.

7. **Independent Contractor; Power of Attorney.**

a. Licensee hereby acknowledges that Iota is acting as an independent contractor and not an employee of Licensee. Nothing in this Agreement shall be construed to create a partnership, joint venture or employer-employee relationship. Iota is not authorized to make any contract or commitment on behalf of Licensee. The parties agree: (i) Iota will not be obliged to perform work solely for Licensee; (ii) Licensee will not pay Iota or its employees a salary or hourly wage; (iii) Licensee will not dictate the hours during which Iota will perform under this Agreement or in any way dictate the manner in which Iota performs its services; and (iv) the parties will maintain separate business operations.

b. In order to enable Iota to make minor or major modifications to the Licenses during the term of this Agreement, Iota will be required to have power of attorney with respect to the Licenses. Licensee hereby appoints Iota to act in the name and place of Licensee, and as the true and lawful agent for Licensee, with respect to any matters before the FCC related to the Licenses. The authority granted herein specifically permits Iota to add sites to or remove sites from the Licenses, including granting waivers to other Iota clients requiring such waivers to modify their licenses.

8. **Fees.** Iota shall be paid for its performance under this Agreement the amounts shown as the Contract Price for each License on Schedule "A". No services will be performed by Iota until it receives the Contract Price for each particular License.

9. **Representations and Warranties of Licensee.** In the event that Iota has not been retained to acquire the Licenses for Licensee, Licensee represents and warrants that Licensee is either: (a) the legal and rightful owner of the Licenses; or (b) the legal and rightful party to an agreement with a service provider to apply for the Licenses. Licensee represents and warrants that Licensee is legally eligible to be a licensee for the Licenses per applicable FCC rules and regulations, and that Licensee will maintain such eligibility throughout the term of this Agreement.

10. **Representations and Warranties of Iota.** Iota is a valid legal entity and is not prohibited in any way from entering into this Agreement and performing services hereunder.

11. **Compliance with FCC Rules.** The parties agree to abide by all applicable FCC rules and regulations governing the Licenses and Leases and any transactions contemplated by this Agreement. To the extent the performance of any terms of this Agreement would result in a violation of any FCC rules or regulations, such terms shall be deemed to be modified or restricted to the extent necessary to make such provision valid, legal and enforceable. In the event such term or any portion thereof cannot be so modified or restricted, such term or portion thereof shall be deemed to have been excised from this Agreement and the validity, legality and enforceability of the remainder of this Agreement shall not be affected or impaired in any manner. The parties understand that the grant of the Applications may require the waiver of certain FCC rules.

12. **Iota's Duties.** Iota shall use commercially reasonable efforts to obtain value for the Licenses through operating its network and pursuing appropriate partnerships. **Licensee acknowledges that Iota is not a fiduciary of Licensee and owes Licensee no fiduciary duties.**

Initial: _____

13. **Licensee's Duties.** Licensee shall promptly respond to any Iota or FCC request for information relating to the Licenses or Leases.

14. **Default; Remedies.** Subject to the provisions of Section 15.i hereof, if a party breaches any term of this Agreement, the non-breaching party may provide a written notice of default in accordance with the notice provisions in Section 15.d. of this Agreement. A party may bring an action for breach of this Agreement only after the breach remains uncured for a period of thirty (30) days after the non-breaching party provides written notice of such breach. If any breach is not reasonably capable of being cured within thirty (30) days of such notice but is capable of being cured over a longer period, then the breaching party shall have a reasonable time to cure such breach, but no more than ninety (90) days in any event unless the non-breaching party expressly consents to such longer period in writing. Licensee agrees that any breach of this Agreement by Licensee may result in irreparable and continuing damage to Iota for which there may be no adequate remedy at law. Iota will therefore be entitled to obtain injunctive relief in addition to such other and further relief as may be available to Iota.

15. **General Terms and Conditions.**

a. Confidentiality. Licensee agrees that, without Iota's prior written consent, Licensee shall not disclose, use or make available any confidential information provided by Iota to Licensee, except (i) as required by any governmental authority, (ii) as required by Licensee in connection with any capital raise, or (iii) as required by Licensee in connection with a sale of the Licenses. The foregoing provision shall survive any expiration or termination of this Agreement. The term "confidential information" shall include customer lists or identification, trade secrets, processes, product formulations, developments and designs, business and trade practices, sales or distribution methods and techniques, marketing plans and research, regulatory agreements and business strategies, and other confidential information pertaining to Iota's business or financial affairs which may or may not be patentable, which are developed by Iota at considerable time and expense, and which could be unfairly utilized in competition with Iota. Iota may mark any such confidential information as "Confidential" or "Proprietary", but need not do so to have this provision apply to such information. Upon termination of this Agreement, Licensee shall deliver to Iota all materials that include confidential information, such as customer lists, marketing materials, business plans, product formulations, instruction sheets, drawings, manuals, letters, notes, notebooks, books, reports, and copies thereof, and all other materials of a confidential nature which belong to or relate to the business of Iota whether provided to, or created by, Licensee.

b. Indemnification Licensee agrees to indemnify, defend and hold harmless Iota, its members, officers, directors, employees, contractors, and their respective successors and assigns (each, an "Indemnitee"), from and against any and all losses, claims, actions, expenses, damages or liabilities, including reasonable attorneys' fees and expenses ("Losses"), arising out of or in connection with the performance of this Agreement, except to the extent such Losses are due to the gross negligence or willful misconduct of Indemnitee.

c. Entire Agreement. This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and contains all of the covenants and agreements between the parties with respect thereto. This Agreement supersedes any and all prior or contemporaneous agreements, either oral or written, between the parties hereto with respect to the subject matter hereof.

d. Notices. Any notices, consents, demands, requests, approvals and other communications to be given under this Agreement by either party to the other shall be deemed to have been duly given if given in writing and personally delivered, sent by facsimile, or sent by mail, registered or certified, postage prepaid with return receipt requested, or by recognized next day delivery service, addressed to the relevant party at the address set forth below (or at such other address as a party may designate by written notice in accordance with this Section 15):

To Iota:

Iota Communications, Inc.
Attn: Terrence DeFranco
2111 E. Highland Ave., Suite 305
Phoenix, Arizona 85016
(602) 224-1099 (Fax)
TMDeFranco@iotacommunications.com

To Licensee:

Iota Spectrum Partners, LP
Attn: Rob Somers
2111 E. Highland Ave., Suite 305
Phoenix, Arizona 85016
(602) 224-1099 (Fax)
RSomers@iotacommunications.com

Notices delivered personally and sent by facsimile shall be deemed communicated as of actual receipt, and mailed notices shall be deemed communicated as of three (3) days after mailing. Notices may be sent via e-mail provided that the recipient confirms receipt via a personally drafted reply e-mail or written notice. Such e-mailed notices shall be deemed communicated as of the date of the e-mail or written notice confirming receipt.

e. Amendments. No change, amendment or modification of this Agreement shall be valid or binding upon the parties hereto, nor shall any waiver of any term or condition in the future be so binding, unless such change, amendment, modification or waiver shall be in writing and signed by each party hereto.

f. Severability. It is intended that all provisions of this Agreement be interpreted and construed in a manner making such provisions valid, legal and enforceable. In the event any provision of this Agreement or portion thereof is found to be wholly or partially invalid, illegal or unenforceable in any judicial proceeding, such provision shall be deemed to be modified or restricted to the extent necessary to make such provision valid, legal and enforceable. In the event such provision or any portion thereof cannot be so modified or restricted, such provision or portion thereof shall be deemed to have been excised from this Agreement and the validity, legality and enforceability of the remainder of this Agreement shall not be affected or impaired in any manner. If the modification, restriction or excising of any term of this Agreement pursuant to this subsection materially alters the intent of the parties or the relative economic benefits of the parties, the materially affected party shall have the right to terminate this Agreement.

g. Survival. All indemnities and reimbursement obligations made hereunder shall survive the termination or expiration of this Agreement until expiration of the longest applicable statute of limitations (including extensions and waivers) with respect to the matter for which a party would be entitled to be indemnified or reimbursed, as the case may be. All obligations for payments of money shall survive the termination or expiration of this Agreement.

h. Choice of Law and Venue. This Agreement shall be governed by, and construed in accordance with, the substantive laws of the State of Arizona without regard to the conflict of law provisions thereof. The state and federal courts located in Maricopa County, Arizona will have sole and exclusive jurisdiction over any disputes arising hereunder, and Licensee hereby expressly consents to the personal jurisdiction of and venue in such courts.

i. Alternative Dispute Resolution. In the event any dispute arises over the interpretation of this Agreement or any party's performance hereunder, the parties agree to first attempt to resolve such dispute in good faith through the use of a private mediator. The parties shall jointly select such mediator and shall be equally liable to share the costs of such mediator. The mediation shall take place as soon as reasonably practical, at such time and place as mutually

agreed upon by the parties. Absent mutual agreement as to location, the place for the mediation shall be determined by the mediator and shall be within ten (10) miles of Iota's main offices at the time of the mediation.

j. No Third-Party Beneficiaries. Nothing contained in this Agreement is intended to, or shall, confer upon any person other than the parties hereto any rights or remedies hereunder, except for Indemnitees, which shall be express third party beneficiaries of this Agreement.

k. Waiver. No waiver by either party of any breach of this Agreement will be a waiver of any other breach, whether preceding or succeeding the waived breach. No waiver by either party of any right under this Agreement will be construed as a waiver of any other right. Neither party will be required to give notice to enforce strict adherence to all terms of this Agreement.

l. Assignment. This Agreement may not be assigned, in whole or in part, by Licensee without Iota's prior written consent, which consent shall not be unreasonably withheld. Any purported assignment made without Iota's prior written consent will, at Iota's option, be void and of no effect. Iota shall have the right to assign this Agreement to its successors or assigns or to any of its subsidiaries or affiliated companies. The terms "successors" and "assigns" shall include but not be limited to any person, corporation, partnership or other entity that buys all or substantially all of Iota's assets or all of its capital stock, or with which Iota merges or consolidates.

m. Attorneys' Fees and Costs. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, and if Iota is the prevailing party in such action, then Iota shall be entitled to recover its reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which it may be entitled.

n. Force Majeure. Neither party shall be liable or deemed to be in default for a delay in or failure of performance of its obligations that results from any of the following causes beyond the reasonable control of such party: strikes, work stoppages, shortages of equipment, supplies or energy, war, terrorism, insurrection, acts of God or the public enemy, or governmental action (whether in its sovereign or contractual capacity). Any delay resulting from any such cause shall extend performance accordingly or excuse performance, in whole or in part, for such time as may be reasonable; provided, however, that (i) such causes shall not excuse payment of any amounts due or owed at the time of such occurrence or thereafter, and (ii) the party asserting any such cause shall promptly commence and diligently pursue action to remedy its inability or failure to perform hereunder. Any party asserting this subsection shall promptly notify the other party of the occurrence and nature of any such cause and thereafter regularly shall inform the other party of the progress of actions to remedy its inability or failure to perform hereunder.

o. Limitation of Liability. THE PARTIES AGREE THAT IT IS IMPOSSIBLE TO DETERMINE WITH ANY REASONABLE ACCURACY THE AMOUNT OF DAMAGES TO LICENSEE UPON THE BREACH OF IOTA'S OBLIGATIONS UNDER THIS AGREEMENT. THEREFORE, THE PARTIES AGREE THAT LICENSEE'S SOLE REMEDY FOR MATERIAL BREACH OF IOTA'S OBLIGATIONS UNDER THIS AGREEMENT WILL BE LIQUIDATED DAMAGES IN THE AMOUNT OF THE CONTRACT PRICE PAID BY LICENSEE TO IOTA PLUS TEN DOLLARS (\$10.00). LICENSEE HEREBY WAIVES ALL OTHER CLAIMS FOR DAMAGES OF ANY KIND AGAINST IOTA, ITS MEMBERS, MANAGERS, SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES,

CONTRACTORS, AGENTS, REPRESENTATIVES OR AFFILIATES, INCLUDING, WITHOUT LIMITATION, ANY CLAIMS FOR ANY LOSS OF USE, INTERRUPTION OF BUSINESS OR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING, WITHOUT LIMITATION LOST PROFITS), INCLUDING ATTORNEYS' FEES, REGARDLESS OF THE FORM OF ACTION WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT PRODUCT LIABILITY OR OTHERWISE. LICENSEE AND IOTA AGREE THAT THE LIQUIDATED DAMAGES SET FORTH ABOVE ARE REASONABLE AND NOT A PENALTY BASED ON THE FACTS AND CIRCUMSTANCES OF THE PARTIES AT THE TIME OF ENTERING INTO THIS AGREEMENT WITH DUE REGARD TO FUTURE EXPECTATIONS.

Initial: _____

p. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which shall constitute one and the same instrument. This Agreement, once executed by a party, may be delivered to the other party by facsimile or electronic PDF transmission of a copy of this Agreement bearing the signature of the party.

[Signature Page Follows]

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

IOTA:

IOTA COMMUNICATIONS, INC.

By: 

Name: Terrence M. DeFranco
Its: CEO

LICENSEE:

IOTA SPECTRUM PARTNERS, LP

By: IOTA SPECTRUM HOLDINGS,
LLC, its General Partner

By: 

Name: Rob Somers
Its: General Manager

[Signature Page to License Application and Construction Services Agreement]

Schedule "A"

Licenses Covered By This Agreement

As of July 25, 2019

No.	Licensee	Call Sign	BEA	MHz/POPs	Grant Date	Exp Date	Contract Price
1	Iota Spectrum Partners, LP	WQSF853	172 - Honolulu HI	136,030	9/16/2013	9/16/2023	\$0.00
2	Iota Spectrum Partners, LP	WQSH250	115 - Rapid City SD-MT-NE-ND	46,017	9/19/2013	9/19/2023	\$0.00
3	Iota Spectrum Partners, LP	WQTI690	172 - Honolulu HI	272,060	2/11/2014	2/11/2024	\$0.00
4	Iota Spectrum Partners, LP	WQTI691	103 - Cedar Rapids IA	85,376	2/11/2014	2/11/2024	\$0.00
5	Iota Spectrum Partners, LP	WQTI692	103 - Cedar Rapids IA	42,688	2/11/2014	2/11/2024	\$0.00
6	Iota Spectrum Partners, LP	WQTI693	117 - Sioux City IA-NE-SD	63,002	2/11/2014	2/11/2024	\$0.00
7	Iota Spectrum Partners, LP	WQTI695	106 - Rochester MN-IA-WI	51,257	2/11/2014	2/11/2024	\$0.00
8	Iota Spectrum Partners, LP	WQTI696	106 - Rochester MN-IA-WI	85,428	2/11/2014	2/11/2024	\$0.00
9	Iota Spectrum Partners, LP	WQTI697	105 - La Crosse WI-MN	38,606	2/11/2014	2/11/2024	\$0.00
10	Iota Spectrum Partners, LP	WQTI699	105 - La Crosse WI-MN	64,344	2/11/2014	2/11/2024	\$0.00
11	Iota Spectrum Partners, LP	WQTI700	110 - Grand Forks ND-MN	44,514	2/11/2014	2/11/2024	\$0.00
12	Iota Spectrum Partners, LP	WQTI702	110 - Grand Forks ND-MN	55,643	2/11/2014	2/11/2024	\$0.00
13	Iota Spectrum Partners, LP	WQTI704	120 - Grand Island NE	57,585	2/11/2014	2/11/2024	\$0.00
14	Iota Spectrum Partners, LP	WQTI705	121 - North Platte NE-CO	12,318	2/11/2014	2/11/2024	\$0.00
15	Iota Spectrum Partners, LP	WQTI706	121 - North Platte NE-CO	15,398	2/11/2014	2/11/2024	\$0.00
16	Iota Spectrum Partners, LP	WQTI707	142 - Scottsbluff NE-WY	36,628	2/11/2014	2/11/2024	\$0.00
17	Iota Spectrum Partners, LP	WQTI708	142 - Scottsbluff NE-WY	22,893	2/11/2014	2/11/2024	\$0.00
18	Iota Spectrum Partners, LP	WQTI710	112 - Bismarck ND-MT-SD	37,392	2/11/2014	2/11/2024	\$0.00
19	Iota Spectrum Partners, LP	WQTI711	113 - Fargo-Moorhead ND-MN	80,055	2/11/2014	2/11/2024	\$0.00
20	Iota Spectrum Partners, LP	WQTI712	113 - Fargo-Moorhead ND-MN	100,069	2/11/2014	2/11/2024	\$0.00
21	Iota Spectrum Partners, LP	WQTI713	114 - Aberdeen SD	15,908	2/11/2014	2/11/2024	\$0.00
22	Iota Spectrum Partners, LP	WQTI716	115 - Rapid City SD-MT-NE-ND	46,017	2/11/2014	2/11/2024	\$0.00
23	Iota Spectrum Partners, LP	WQTI717	115 - Rapid City SD-MT-NE-ND	46,017	2/11/2014	2/11/2024	\$0.00

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24	Iota Spectrum Partners, LP	WQTI718	115 - Rapid City SD-MT-NE-ND	57,522	2/11/2014	2/11/2024	\$0.00
25	Iota Spectrum Partners, LP	WQTI719	116 - Sioux Falls SD-IA-MN-NE	139,662	2/11/2014	2/11/2024	\$0.00
26	Iota Spectrum Partners, LP	WQTI721	116 - Sioux Falls SD-IA-MN-NE	391,053	2/11/2014	2/11/2024	\$0.00
27	Iota Spectrum Partners, LP	WQTI722	171 - Anchorage AK	177,559	2/11/2014	2/11/2024	\$0.00
28	Iota Spectrum Partners, LP	WQTI723	171 - Anchorage AK	177,559	2/11/2014	2/11/2024	\$0.00
29	Iota Spectrum Partners, LP	WQTI724	171 - Anchorage AK	248,582	2/11/2014	2/11/2024	\$0.00
30	Iota Spectrum Partners, LP	WQTI726	143 - Casper WY-ID-UT	163,729	2/11/2014	2/11/2024	\$0.00
31	Iota Spectrum Partners, LP	WQTI727	172 - Honolulu HI	204,045	2/11/2014	2/11/2024	\$0.00
32	Iota Spectrum Partners, LP	WQTI728	100 - Des Moines IA-IL-MO	263,253	2/11/2014	2/11/2024	\$0.00
33	Iota Spectrum Partners, LP	WQTI733	107 - Minneapolis- St Paul MN-WI-IA	1,468,617	2/11/2014	2/11/2024	\$0.00
34	Iota Spectrum Partners, LP	WQTI734	141 - Denver-Boulder CO-KS-NE	1,405,561	2/11/2014	2/11/2024	\$0.00
35	Iota Spectrum Partners, LP	WQTI735	141 - Denver-Boulder CO-KS-NE	468,520	2/11/2014	2/11/2024	\$0.00
36	Iota Spectrum Partners, LP	WQTI736	152 - Salt Lake City-Ogden UT-ID	255,813	2/11/2014	2/11/2024	\$0.00
37	Iota Spectrum Partners, LP	WQTI737	117 - Sioux City IA-NE-SD	25,201	2/11/2014	2/11/2024	\$0.00
38	Iota Spectrum Partners, LP	WQTI738	120 - Grand Island NE	71,982	2/11/2014	2/11/2024	\$0.00
39	Iota Spectrum Partners, LP	WQTI741	121 - North Platte NE-CO	24,637	2/11/2014	2/11/2024	\$0.00
40	Iota Spectrum Partners, LP	WQTI742	112 - Bismarck ND-MT-SD	46,741	2/11/2014	2/11/2024	\$0.00
41	Iota Spectrum Partners, LP	WQTI743	107 - Minneapolis- St Paul MN-WI-IA	1,223,848	2/11/2014	2/11/2024	\$0.00
42	Iota Spectrum Partners, LP	WQTL806	114 - Aberdeen SD	15,908	2/28/2014	2/28/2024	\$0.00
43	Iota Spectrum Partners, LP	WQTL806	115 - Rapid City SD-MT-NE-ND	138,052	2/28/2014	2/28/2024	\$0.00
44	Iota Spectrum Partners, LP	WQTL806	116 - Sioux Falls SD-IA-MN-NE	55,865	2/28/2014	2/28/2024	\$0.00
45	Iota Spectrum Partners, LP	WQTL808	118 - Omaha NE-IA-MO	226,154	2/28/2014	2/28/2024	\$0.00
46	Iota Spectrum Partners, LP	WQTL808	119 - Lincoln NE	82,068	2/28/2014	2/28/2024	\$0.00
47	Iota Spectrum Partners, LP	WQTL808	120 - Grand Island NE	172,756	2/28/2014	2/28/2024	\$0.00
48	Iota Spectrum Partners, LP	WQTL808	121 - North Platte NE-CO	36,955	2/28/2014	2/28/2024	\$0.00
49	Iota Spectrum Partners, LP	WQTL808	142 - Scottsbluff NE-WY	54,943	2/28/2014	2/28/2024	\$0.00
50	Iota Spectrum Partners, LP	WQTN282	105 - La Crosse WI-MN	77,213	3/10/2014	3/10/2024	\$0.00
51	Iota Spectrum Partners, LP	WQTN282	106 - Rochester MN-IA-WI	136,684	3/10/2014	3/10/2024	\$0.00
52	Iota Spectrum Partners, LP	WQTP273	143 - Casper WY-ID-UT	280,678	3/17/2014	3/17/2024	\$0.00
53	Iota Spectrum Partners, LP	WQTV655	110 - Grand Forks ND-MN	66,771	4/22/2014	4/22/2024	\$0.00

54	Iota Spectrum Partners, LP	WQTV655	112 - Bismarck ND-MT-SD	93,481	4/22/2014	4/22/2024	\$0.00
55	Iota Spectrum Partners, LP	WQTV655	113 - Fargo-Moorhead ND-MN	240,164	4/22/2014	4/22/2024	\$0.00
56	Iota Spectrum Partners, LP	WQUA517	119 - Lincoln NE	102,585	5/20/2014	5/20/2024	\$0.00
57	Iota Spectrum Partners, LP	WQUA518	119 - Lincoln NE	287,237	5/20/2014	5/20/2024	\$0.00
58	Iota Spectrum Partners, LP	WQUW386	107 - Minneapolis- St Paul MN-WI-IA	244,770	10/30/2014	10/30/2024	\$0.00
59	Iota Spectrum Partners, LP	WQVN572	102 - Davenport-Moline-Rock Island IA-IL	167,981	4/7/2015	4/7/2025	\$0.00
60	Iota Spectrum Partners, LP	WQVN577	102 - Davenport-Moline-Rock Island IA-IL	55,994	4/7/2015	4/7/2025	\$0.00
61	Iota Spectrum Partners, LP	WQVP593	150 - Boise City ID-OR	145,799	4/8/2015	4/8/2025	\$0.00
62	Iota Spectrum Partners, LP	WQVP603	150 - Boise City ID-OR	145,799	4/8/2015	4/8/2025	\$0.00
63	Iota Spectrum Partners, LP	WQVP810	96 - St. Louis MO-IL	738,053	4/10/2015	4/10/2025	\$0.00
64	Iota Spectrum Partners, LP	WQVP820	98 - Columbia MO	162,540	4/10/2015	4/10/2025	\$0.00
65	Iota Spectrum Partners, LP	WQVP831	122 - Wichita KS-OK	302,505	4/10/2015	4/10/2025	\$0.00
66	Iota Spectrum Partners, LP	WQVP836	122 - Wichita KS-OK	484,007	4/10/2015	4/10/2025	\$0.00
67	Iota Spectrum Partners, LP	WQVP840	5 - Albany-Schenectady-Troy NY	244,508	4/10/2015	4/10/2025	\$0.00
68	Iota Spectrum Partners, LP	WQVP847	5 - Albany-Schenectady-Troy NY	550,144	4/10/2015	4/10/2025	\$0.00
69	Iota Spectrum Partners, LP	WQVP943	48 - Charleston WV-KY-OH	297,956	4/13/2015	4/13/2025	\$0.00
70	Iota Spectrum Partners, LP	WQVP969	48 - Charleston WV-KY-OH	595,911	4/13/2015	4/13/2025	\$0.00
71	Iota Spectrum Partners, LP	WQVP987	52 - Wheeling WV-OH	62,567	4/13/2015	4/13/2025	\$0.00
72	Iota Spectrum Partners, LP	WQVQ203	52 - Wheeling WV-OH	62,567	4/13/2015	4/13/2025	\$0.00
73	Iota Spectrum Partners, LP	WQVQ223	70 - Louisville KY-IN	623,111	4/13/2015	4/13/2025	\$0.00
74	Iota Spectrum Partners, LP	WQVQ240	49 - Cincinnati-Hamilton OH-KY-IN	347,268	4/13/2015	4/13/2025	\$0.00
75	Iota Spectrum Partners, LP	WQVQ243	49 - Cincinnati-Hamilton OH-KY-IN	347,268	4/13/2015	4/13/2025	\$0.00
76	Iota Spectrum Partners, LP	WQVQ411	47 - Lexington KY-TN-VA-WV	96,824	4/14/2015	4/14/2025	\$0.00
77	Iota Spectrum Partners, LP	WQVQ582	94 - Springfield MO	197,486	4/15/2015	4/15/2025	\$0.00
78	Iota Spectrum Partners, LP	WQVQ591	94 - Springfield MO	493,716	4/15/2015	4/15/2025	\$0.00
79	Iota Spectrum Partners, LP	WQVQ999	99 - Kansas City MO-KS	1,750,622	4/20/2015	4/20/2025	\$0.00
80	Iota Spectrum Partners, LP	WQVR230	123 - Topeka KS	47,632	4/20/2015	4/20/2025	\$0.00
81	Iota Spectrum Partners, LP	WQVR234	123 - Topeka KS	214,345	4/20/2015	4/20/2025	\$0.00

82	Iota Spectrum Partners, LP	WQVR411	144 - Billings MT-WY	180,816	4/21/2015	4/21/2025	\$0.00
83	Iota Spectrum Partners, LP	WQVR416	144 - Billings MT-WY	135,612	4/21/2015	4/21/2025	\$0.00
84	Iota Spectrum Partners, LP	WQVR418	144 - Billings MT-WY	113,010	4/21/2015	4/21/2025	\$0.00
85	Iota Spectrum Partners, LP	WQVR442	145 - Great Falls MT	32,997	4/21/2015	4/21/2025	\$0.00
86	Iota Spectrum Partners, LP	WQVR445	145 - Great Falls MT	41,246	4/21/2015	4/21/2025	\$0.00
87	Iota Spectrum Partners, LP	WQVR454	146 - Missoula MT	179,108	4/21/2015	4/21/2025	\$0.00
88	Iota Spectrum Partners, LP	WQVR463	146 - Missoula MT	111,943	4/21/2015	4/21/2025	\$0.00
89	Iota Spectrum Partners, LP	WQVR472	148 - Idaho Falls ID-WY	73,011	4/21/2015	4/21/2025	\$0.00
90	Iota Spectrum Partners, LP	WQVR481	148 - Idaho Falls ID-WY	91,264	4/21/2015	4/21/2025	\$0.00
91	Iota Spectrum Partners, LP	WQVR572	149 - Twin Falls ID	46,448	4/22/2015	4/22/2025	\$0.00
92	Iota Spectrum Partners, LP	WQVR598	149 - Twin Falls ID	46,448	4/22/2015	4/22/2025	\$0.00
93	Iota Spectrum Partners, LP	WQVS945	35 - Tallahassee FL-GA	200,411	5/4/2015	5/4/2025	\$0.00
94	Iota Spectrum Partners, LP	WQVT458	172 - Honolulu HI	340,075	5/6/2015	5/6/2025	\$0.00
95	Iota Spectrum Partners, LP	WQVU265	109 - Duluth-Superior MN-WI	70,836	5/8/2015	5/8/2025	\$0.00
96	Iota Spectrum Partners, LP	WQVU272	109 - Duluth-Superior MN-WI	88,546	5/8/2015	5/8/2025	\$0.00
97	Iota Spectrum Partners, LP	WQVV235	25 - Wilmington NC-SC	896,729	5/18/2015	5/18/2025	\$0.00
98	Iota Spectrum Partners, LP	WQVV236	20 - Norfolk-Virginia Beach-Newport News VA-NC	1,009,729	5/18/2015	5/18/2025	\$0.00
99	Iota Spectrum Partners, LP	WQVV421	93 - Joplin MO-KS-OK	56,101	5/19/2015	5/19/2025	\$0.00
100	Iota Spectrum Partners, LP	WQVV440	71 - Nashville TN-KY	428,444	5/19/2015	5/19/2025	\$0.00
101	Iota Spectrum Partners, LP	WQVV482	202 - Palm Beach FL	1,351,153	5/19/2015	5/19/2025	\$0.00
102	Iota Spectrum Partners, LP	WQVV655	77 - Jackson MS-AL-LA	148,481	5/20/2015	5/20/2025	\$0.00
103	Iota Spectrum Partners, LP	WQVW368	47 - Lexington KY-TN-VA-WV	871,419	5/27/2015	5/27/2025	\$0.00
104	Iota Spectrum Partners, LP	WQVW541	94 - Springfield MO	246,858	5/29/2015	5/29/2025	\$0.00
105	Iota Spectrum Partners, LP	WQVW729	93 - Joplin MO-KS-OK	56,101	6/1/2015	6/1/2025	\$0.00
106	Iota Spectrum Partners, LP	WQVW746	72 - Paducah KY-IL	57,731	6/1/2015	6/1/2025	\$0.00
107	Iota Spectrum Partners, LP	WQVW754	72 - Paducah KY-IL	46,185	6/1/2015	6/1/2025	\$0.00
108	Iota Spectrum Partners, LP	WQVX801	96 - St. Louis MO-IL	2,398,671	6/10/2015	6/10/2025	\$0.00
109	Iota Spectrum Partners, LP	WQVY406	29 - Jacksonville FL-GA	110,851	6/15/2015	6/15/2025	\$0.00
110	Iota Spectrum Partners, LP	WQVZ237	44 - Knoxville TN	55,306	6/19/2015	6/19/2025	\$0.00

111	Iota Spectrum Partners, LP	WQWE308	228 - Mason City IA	351,004	7/29/2015	7/29/2025	\$0.00
112	Iota Spectrum Partners, LP	WQWG907	6 - Syracuse NY-PA (249 - Utica, NY)	768,920	8/19/2015	8/19/2025	\$0.00
113	Iota Spectrum Partners, LP	WQXQ539	52 - Wheeling WV-OH	109,493	5/10/2016	5/10/2026	\$0.00
114	Iota Spectrum Partners, LP	WQXQ588	114 - Aberdeen SD	31,816	5/10/2016	5/10/2026	\$0.00
115	Iota Spectrum Partners, LP	WQXQ589	117 - Sioux City IA-NE-SD	37,801	5/10/2016	5/10/2026	\$0.00
116	Iota Spectrum Partners, LP	WQXQ590	120 - Grand Island NE	71,982	5/10/2016	5/10/2026	\$0.00
117	Iota Spectrum Partners, LP	WQXQ591	142 - Scottsbluff NE-WY	18,314	5/10/2016	5/10/2026	\$0.00
118	Iota Spectrum Partners, LP	WQXQ838	149 - Twin Falls ID	37,158	5/17/2016	5/17/2026	\$0.00
119	Iota Spectrum Partners, LP	WQXU859	75 - Tupelo	285,197	6/15/2016	6/15/2026	\$0.00
120	Iota Spectrum Partners, LP	WQXW568	40 - Atlanta	334,530	6/28/2016	6/28/2026	\$0.00
121	Iota Spectrum Partners, LP	WQYC286	208 - Myrtle Beach SC	18,126	8/15/2016	8/15/2026	\$0.00
122	Iota Spectrum Partners, LP	WQYJ378	107 - Minneapolis- St Paul MN-WI-IA	4,895,391	10/17/2016	10/17/2026	\$0.00
123	Iota Spectrum Partners, LP	WRAS326	125 - Oklahoma City OK	376,417	2/13/2018	2/13/2028	\$0.00
124	Iota Spectrum Partners, LP	WRAS343	164 - Sacramento-Yolo CA	2,722,415	2/13/2018	2/13/2028	\$0.00
125	Iota Spectrum Partners, LP	WRAS362	32 - Fort Myers-Cape Coral FL	470,137	2/13/2018	2/13/2028	\$0.00
126	Iota Spectrum Partners, LP	WRAS368	30 - Orlando FL	228,127	2/13/2018	2/13/2028	\$0.00
127	Iota Spectrum Partners, LP	WRAS376	163 - San Fran.-Oakland-San Jose CA	1,877,420	2/13/2018	2/13/2028	\$0.00
128	Iota Spectrum Partners, LP	WRAS380	41 - Greenville-Spartanburg SC-NC	208,922	2/13/2018	2/13/2028	\$0.00
129	Iota Spectrum Partners, LP	WRAS433	122 - Wichita KS-OK	605,009	2/14/2018	2/14/2028	\$0.00
130	Iota Spectrum Partners, LP	WRAS435	124 - Tulsa OK-KS	443,450	2/14/2018	2/14/2028	\$0.00
131	Iota Spectrum Partners, LP	WRAS436	80 - Mobile	72,496	2/14/2018	2/14/2028	\$0.00
132	Iota Spectrum Partners, LP	WRAS437	21 - Greenville	465,403	2/14/2018	2/14/2028	\$0.00
133	Iota Spectrum Partners, LP	WRAS466	81 - Pensacola	34,243	2/14/2018	2/14/2028	\$0.00
134	Iota Spectrum Partners, LP	WRAT503	151 - Reno, NV	275,275	2/26/2018	2/26/2028	\$0.00
135	Iota Spectrum Partners, LP	WRAT920	86 - Lake Charles, LA	250,127	3/1/2018	3/1/2028	\$0.00
136	Iota Spectrum Partners, LP	WRAT921	22 - Fayetteville	285,949	3/1/2018	3/1/2028	\$0.00
137	Iota Spectrum Partners, LP	WRAX240	33 - Sarasota-Bradenton FL	224,280	3/30/2018	3/30/2028	\$0.00
138	Iota Spectrum Partners, LP	WRAX309	36 - Dothan	71,679	4/2/2018	4/2/2028	\$0.00
139	Iota Spectrum Partners, LP	WRAX384	74 - Huntsville AL-TN	110,541	4/3/2018	4/3/2028	\$0.00
140	Iota Spectrum Partners, LP	WRRC756	124 - Tulsa OK-KS	812,991	12/17/2018	12/17/2028	\$0.00

141	Iota Spectrum Partners, LP	WRCR757	70 - Louisville KY-IN	155,778	12/17/2018	12/17/2028	\$0.00
142	Iota Spectrum Partners, LP	WRCR760	20 - Norfolk-Virginia Beach-Newport News VA-NC	183,587	12/17/2018	12/17/2028	\$0.00
143	Iota Spectrum Partners, LP	WRCR762	125 - Oklahoma City OK	282,313	12/17/2018	12/17/2028	\$0.00
144	Iota Spectrum Partners, LP	WRCR765	47 - Lexington KY-TN-VA-WV	290,473	12/17/2018	12/17/2028	\$0.00
145	Iota Spectrum Partners, LP	WRCR768	73 - Memphis TN-AR-MS-KY	200,122	12/17/2018	12/17/2028	\$0.00
146	Iota Spectrum Partners, LP	WRCR774	29 - Jacksonville FL-GA	997,656	12/17/2018	12/17/2028	\$0.00
147	Iota Spectrum Partners, LP	WRCR777	19 - Raleigh	923,019	12/17/2018	12/17/2028	\$0.00
148	Iota Spectrum Partners, LP	WRCR780	202 - Palm Beach FL	122,832	12/17/2018	12/17/2028	\$0.00
149	Iota Spectrum Partners, LP	WRCR788	107 - Minneapolis- St Paul MN-WI-IA	244,770	12/17/2018	12/17/2028	\$0.00
150	Iota Spectrum Partners, LP	WRCR802	127 - Dallas-Fort Worth TX-AR-OK	5,884,703	12/17/2018	12/17/2028	\$0.00
151	Iota Spectrum Partners, LP	WRCR806	10 - NYC	1,333,167	12/17/2018	12/17/2028	\$0.00
152	Iota Spectrum Partners, LP	WRCR810	203 - Tyler TX	355,868	12/17/2018	12/17/2028	\$0.00
153	Iota Spectrum Partners, LP	WRCR811	165 - Redding	180,826	12/17/2018	12/17/2028	\$0.00
154	Iota Spectrum Partners, LP	WRCR812	95 - Jonesboro	77,828	12/17/2018	12/17/2028	\$0.00
155	Iota Spectrum Partners, LP	WRCR813	92 - Fayetteville	263,687	12/17/2018	12/17/2028	\$0.00
156	Iota Spectrum Partners, LP	WRCR815	91 - Fort Smith	178,051	12/17/2018	12/17/2028	\$0.00
157	Iota Spectrum Partners, LP	WRCR818	89 - Monroe LA	84,604	12/17/2018	12/17/2028	\$0.00
158	Iota Spectrum Partners, LP	WRCR819	88 - Shreveport	295,880	12/17/2018	12/17/2028	\$0.00
159	Iota Spectrum Partners, LP	WRCR821	76 - Greenville	53,718	12/17/2018	12/17/2028	\$0.00
160	Iota Spectrum Partners, LP	WRCR825	45 - Johnson City	91,395	12/17/2018	12/17/2028	\$0.00
161	Iota Spectrum Partners, LP	WRCR830	32 - Fort Myers	47,014	12/17/2018	12/17/2028	\$0.00
162	Iota Spectrum Partners, LP	WRCR971	25 - Wilmington	210,995	12/17/2018	12/17/2028	\$0.00
163	Iota Spectrum Partners, LP	WRCR972	71 - Nashville	856,889	12/17/2018	12/17/2028	\$0.00
164	Iota Spectrum Partners, LP	WRCR973	22 - Fayetteville	28,595	12/17/2018	12/17/2028	\$0.00
165	Iota Spectrum Partners, LP	WRCR974	14 - Salisbury	104,839	12/17/2018	12/17/2028	\$0.00
166	Iota Spectrum Partners, LP	WRCS400	94 - Springfield MO	789,945	12/20/2018	12/20/2028	\$0.00
167	Iota Spectrum Partners, LP	WRCS401	69 - Evansville	878,433	12/20/2018	12/20/2028	\$0.00
168	Iota Spectrum Partners, LP	WRCS405	26 - Charleston	597,974	12/20/2018	12/20/2028	\$0.00
169	Iota Spectrum Partners, LP	WRCS411	17 - Roanoke	882,328	12/20/2018	12/20/2028	\$0.00

170	Iota Spectrum Partners, LP	WRCS415	44 - Knoxville	387,142	12/20/2018	12/20/2028	\$0.00
171	Iota Spectrum Partners, LP	WRCT920	15 - Richmond-Petersburg VA	1,301,238	1/30/2019	1/30/2029	\$0.00
172	Iota Spectrum Partners, LP	WRCU482	166 - Eugene	644,489	2/1/2019	2/1/2029	\$0.00
173	Iota Spectrum Partners, LP	WRCU993	38 - Macon, GA	168,886	2/5/2019	2/5/2029	\$0.00
174	Iota Spectrum Partners, LP	WRCU997	37 - Albany, GA	99,241	2/5/2019	2/5/2029	\$0.00
175	Iota Spectrum Partners, LP	WRCV206	36 - Dothan	71,679	2/5/2019	2/5/2029	\$0.00
176	Iota Spectrum Partners, LP	WRCV210	35 - Tallahassee FL-GA	320,657	2/5/2019	2/5/2029	\$0.00
177	Iota Spectrum Partners, LP	WRCV212	28 - Savannah GA-SC	79,606	2/5/2019	2/5/2029	\$0.00
178	Iota Spectrum Partners, LP	WRCV601	27 - Augusta-Aiken, GA-SC	131,736	2/7/2019	2/7/2029	\$0.00
179	Iota Spectrum Partners, LP	WRCV625	74 - Huntsville AL-TN	165,811	2/7/2019	2/7/2029	\$0.00
180	Iota Spectrum Partners, LP	WRCV636	43 - Chattanooga, TN-GA	159,431	2/7/2019	2/7/2029	\$0.00
181	Iota Spectrum Partners, LP	WRCV638	39 - Columbus, GA-AL	106,502	2/7/2019	2/7/2029	\$0.00
182	Iota Spectrum Partners, LP	WRCV641	82 - Biloxi MS	61,660	2/7/2019	2/7/2029	\$0.00
183	Iota Spectrum Partners, LP	WRCY538	151 - Reno	747,176	2/26/2019	2/26/2029	\$0.00
184	Iota Spectrum Partners, LP	WRDG220	1 - Bangor, ME	135,942	4/22/2019	4/22/2029	\$0.00

Master Long-Term *De Facto* Lease Agreement

This Master Long-Term De Facto Lease Agreement ("Agreement") is entered into by and between Iota Networks, LLC ("Iota") and Iota Spectrum Partners, LP ("Licensee"), effective this 25th day of July, 2019 (the "Effective Date").

RECITALS

WHEREAS, Licensee owns a portfolio of Federal Communications Commission ("FCC") license(s) listed on the attached Schedule "A" (as may be amended, supplemented or modified from time to time) (the "Licenses"), and plans to apply for additional licenses in the future and give Iota the right to use such licenses (also referred to herein as the "Licenses") and

WHEREAS, Iota desires to use the Licenses for use in a nationwide machine-to-machine wireless network;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement, the parties mutually agree as follows:

TERMS AND CONDITIONS

1. Term and Termination.

a. Initial Term. This Agreement shall commence on the Effective Date and shall remain in full force and effect for a period of ten (10) years, and for each particular License from the date each License is added to Schedule A until the expiration of the License term. The licensing term of this Agreement shall be as set forth herein, including any automatic extended terms.

b. Automatic Extended Terms. If neither party has exercised its termination rights, the term of this Agreement shall automatically be renewed for an additional 5-year term for the Agreement as a whole or, for the Licenses individually, upon the renewal of that License for the renewal period of such License. Further renewals shall occur in the same manner. If this Agreement is not extended, Iota shall notify the FCC that this Agreement is no longer in effect as to the affected Licenses.

c. Termination. Either party may terminate this Agreement only upon a breach by the other party which remains uncured for a period of thirty (30) days after the non-breaching party provides written notice of such breach to the breaching party. If any breach is not reasonably capable of being cured within thirty (30) days of such notice but is capable of being cured over a longer period, then the breaching party shall have a reasonable time to cure such breach, but not more than ninety (90) days in any event unless the non-breaching party expressly consents to such longer period in writing. In the event of a sale of the Licenses in whole or in part, such Licenses shall remain subject to this Agreement unless otherwise terminated by the parties. Upon termination of this Agreement, Iota shall notify the FCC that this Agreement is no longer in effect with respect to the affected Licenses.

d. Effect of Termination. Upon termination of this Agreement, Licensee's Licenses will be removed from use on the Iota Network (as defined in Section 8(a) below). Licensee shall

have no right to purchase or use the equipment Iota (or its affiliates) used to construct the Licenses or operate on the Licenses' frequencies (e.g., towers, base stations and remote stations).

2. **Licensee Cooperation.** Licensee agrees to, from time to time and as requested by Iota, timely provide to Iota complete and accurate information to ensure that any applications to modify, amend, update, or otherwise administer the Licenses are prepared and processed accurately and as expeditiously as possible. Licensee shall immediately notify Iota of any requests or information issued by the FCC with regard to the License(s), and shall comply with any such requests if required to personally do so. Iota shall not be liable to Licensee for any inaccuracies or incomplete information on any application that results from the Licensee's failure to provide Iota with complete and accurate information.

3. **Iota's Duties.** Iota shall use commercially reasonable efforts to obtain value for the Licenses through operating its network and pursuing appropriate partnerships. **Licensee acknowledges that Iota is not a fiduciary of Licensee and owes Licensee no fiduciary duties.**

Initial: _____

4. **Licensee's Duties.** Licensee shall promptly respond to any Iota or FCC request for information relating to the Licenses or this Agreement. Subject to Section 9 (Right of First Refusal), Licensee shall not attempt to sell, lease or otherwise transfer any interest in any License without giving at least sixty (60) days' written notice to Iota of Licensee's intent to enter into such a transaction.

5. **Default; Remedies.** Subject to the provisions of Section 10.i hereof, if a party breaches any term of this Agreement, the non-breaching party may provide a written notice of default in accordance with the notice provisions in Section 10.d. of this Agreement. A party may bring an action for breach of this Agreement only after the breach remains uncured for a period of thirty (30) days after the non-breaching party provides written notice of such breach. If any breach is not reasonably capable of being cured within thirty (30) days of such notice but is capable of being cured over a longer period, then the breaching party shall have a reasonable time to cure such breach, but no more than ninety (90) days in any event unless the non-breaching party expressly consents to such longer period in writing. Licensee agrees that any breach of this Agreement by Licensee may result in irreparable and continuing damage to Iota for which there may be no adequate remedy at law. Iota will therefore be entitled to obtain injunctive relief in addition to such other and further relief as may be available to Iota.

IOTA RIGHT TO USE LICENSES

6. **Licensed Licenses.** Iota will have the right to use the Licenses listed on Schedule "A", subject to FCC approval. Iota will assist Licensee in filing, and will participate in, any necessary applications for the appropriate authorizations for the Licenses (the "Applications") with the FCC to notify it of this Agreement and seek any and all required FCC approvals. The parties understand that there is no assurance that the FCC will approve any Application for any amendment, modification application, or waiver request related thereto. Licensing payments shall be made in accordance with Section 8 below. Responsibilities under the Licensing arrangement shall be as follows:

- a. Licensee Responsibilities.
- i. **Ownership and Control.** Notwithstanding anything to the contrary contained herein, this Agreement is not an assignment, sale, or transfer of any License or the licensed spectrum, and Licensee shall at all times retain ownership and *de jure* control over the License. Subject to the obligations of Iota under Subsection (b) of this section, Licensee shall, with respect to this Agreement, use commercially reasonable efforts to comply with the obligations imposed under Section 1.9030 of the FCC's Rules, 47 C.F.R. §1.9030, on lessors that enter into long-term *de facto* spectrum lease agreements, and Licensee shall use commercially reasonable efforts to assist Iota in complying with such obligations if applicable. Iota acknowledges that the FCC or Licensee may revoke, cancel, or terminate this Agreement if Iota fails to comply with the Communications Act of 1934, as amended, including as amended by the Telecommunications Act of 1996, and the rules and regulations adopted by the FCC thereunder ("FCC Law").
 - ii. **Maintenance of Licenses.** Licensee shall use commercially reasonable efforts to maintain the validity and good standing of the Licenses, and shall at Iota's expense defend the Licenses from all claims and challenges, subject to the other provisions of this Agreement, in the event of claims or challenges arising out of Iota's use or operation of the licensed spectrum. Licensee shall notify Iota promptly upon learning of any claim or challenge to the Licenses.
- b. Iota Responsibilities.
- i. **FCC Rules.** Iota acknowledges that: (A) it has reviewed and is familiar with FCC Law, including without limitation, the FCC's rules codified under Title 47 of the Code of Federal Regulations, Sections 1.9001-1.9080, 47 C.F.R. §§1.9001-1.9080 (spectrum leasing rules), and Section 90.1-90.7741, 47 C.F.R. §§90.1-90.771 (Part 90 rules), and such other of the FCC's rules that relate to the use of the licensed spectrum, and (B) it understands that the FCC from time to time may impose new or modified requirements upon its licensees and users of their spectrum.
 - ii. **Compliance with Laws.** Iota covenants and agrees to comply at all times with (x) FCC Law and (y) all applicable Federal Aviation Administration ("FAA") and any other governmental entity rules, regulations, decisions, and policies related to Iota's use of the Licenses and the licensed spectrum ("Other Laws") and also agrees to employ the licensed spectrum in a manner that will permit Licensee to demonstrate that it is meeting all buildout and service requirements.
 - iii. **Eligibility.** Iota represents that it is eligible to act as a licensee and to operate as described in this Agreement.
 - iv. **Use of Licensed Spectrum.** Iota shall at all times use the licensed spectrum in compliance with the terms of this Agreement and the permissible use, technical, operational, functionality, and environmental assessment requirements set forth

in FCC Law. Iota shall not hold itself out to the public as the holder of the License and shall not hold itself out as a licensee by virtue of its having entered into this Agreement. The parties acknowledge and agree that if any License is revoked, cancelled, terminated, or otherwise ceases to be in effect, Iota has no continuing authority or right to use the licensed spectrum covered by such License unless otherwise authorized by the FCC.

- v. **Filings and Reports.** Iota shall be responsible for the submission of all: (A) FCC filings, notifications and reports related to its use of, or right to use, the Licenses; and (B) other filings, notifications, reports and communications in connection with any other governmental entity, such as the FAA, with jurisdiction over the Licenses, the licensed spectrum, or this Agreement. Notwithstanding this section, Licensee will continue to be responsible for meeting the requirements associated with its *de jure* control of the licensed spectrum.

- vi. **Maintenance & Interference.**

- A. **Equipment and Maintenance.** Iota shall be solely responsible for obtaining, installing, constructing and operating all equipment necessary for Iota's use of the licensed spectrum (the "Equipment"). Iota shall be solely responsible for, and pay for all costs and expenses related to, the Equipment and all other costs and expenses incident to or necessary for Iota's use of the licensed spectrum.

- B. **Non-Interference.** Iota shall ensure that its use of the licensed spectrum does not cause harmful interference as defined by FCC rules and regulations and will comply with all interference requirements imposed on its operations.

- c. **Access to Iota Operations.**

- i. **Licensee Inspection.** Iota shall grant Licensee access to Iota's Equipment, facilities, books and records and any physical locations related to the use of the licensed spectrum and shall provide Licensee with all information required by Licensee to understand, and maintain active oversight of (to the extent required by FCC Law), Iota's use of the licensed spectrum.

- ii. **FCC Inspection.** Licensee and Iota each shall maintain a copy of this Agreement available for inspection by authorized representatives of the FCC upon request, subject to any permissible confidentiality treatment. Iota shall accept and grant to the FCC access to its equipment, facilities, books and records and any physical locations related to the licensed spectrum and shall provide all information requested by the FCC to enable the FCC to inspect and investigate Iota's use of the licensed spectrum. Iota and Licensee shall cooperate with any investigation or inquiry conducted by the FCC.

- 7. **Independent Contractor; Power of Attorney.**

- a. Licensee hereby acknowledges that Iota is acting as an independent contractor and not an employee of Licensee. Nothing in this Agreement shall be construed to

create a partnership, joint venture or employer-employee relationship. Iota is not authorized to make any contract or commitment on behalf of Licensee. The parties agree: (i) Iota will not be obliged to perform work solely for Licensee; (ii) Licensee will not pay Iota or its employees a salary or hourly wage; (iii) Licensee will not dictate the hours during which Iota will perform under this Agreement or in any way dictate the manner in which Iota performs its services; and (iv) the parties will maintain separate business operations.

- b. In order to enable Iota to make minor or major modifications to the Licenses during the term of this Agreement, Iota will be required to have power of attorney with respect to the Licenses. Licensee hereby appoints Iota to act in the name and place of Licensee, and as the true and lawful agent for Licensee, with respect to any matters before the FCC related to the Licenses. The authority granted herein specifically permits Iota to add sites to or remove sites from the Licenses, including granting waivers to other Iota clients requiring such waivers to modify their licenses.

PAYMENTS TO LICENSEE

8. Revenue.

a. Revenue Pool. Iota shall create a revenue pool (the "Revenue Pool") consisting of ten percent (10%) of the monthly recurring revenues generated from the operation of the Network during each fiscal quarter. For purposes of this Agreement, the term "Network" shall refer to Iota's system of transmitting machine-to-machine (IoT) communications wirelessly. Such monthly recurring network revenues are limited to revenues collected on a continuing basis for the providing of machine-to-machine communication services to Iota's clients such as device connectivity fees, and are net of any and all refunds of recurring revenue issued by Iota to clients in the period for any reason whatsoever, customer or reseller discounts, commissions or referral fees paid to non-employees, and revenues paid to third parties under revenue sharing arrangements. Examples of excluded revenues are: software/application subscription fees; revenues from providing network hosting services; revenues collected to construct licenses; revenues from brokerage fees and commissions; any one-time, non-recurring revenue, including, but not limited to, set-up, installation, termination, and non-recurring services; return/restocking revenue; revenues from the sale or analysis of data collected from the Network; revenue from the sale or lease of devices; and, revenue from consulting services.

b. Revenue-Based Payments. Licensee will begin to receive its allocable share of the Revenue Pool (as more fully described in Schedule B attached hereto) ("Payments") for the fiscal quarter following the fiscal quarter during which this Agreement was finally executed, or amended to add Licenses to Schedule A. Payments are made one quarter in arrears. For example, if Licensee's contract is executed on March 1st, Licensee will begin receiving Payments for the fiscal quarter ending August 31st on November 30th and continue to receive Payments each fiscal quarter thereafter for the Term of this Agreement.

OTHER PROVISIONS

9. **Right of First Refusal.** If at any time a third party makes a bona fide offer (a "Third Party Offer") to Licensee to purchase or lease any or all of the Licenses, including through the purchase of Licensee or its assets, Licensee shall first present the Third Party Offer to Iota. Iota shall have ninety (90) calendar days from the written presentation of such Third Party Offer to accept or reject it. If Iota accepts the Third Party Offer, and the FCC approves the sale to Iota, then upon the closing of such sale, this Agreement shall no longer apply to the Licenses so purchased (and Iota shall provide a customary release with respect to such Licenses) and shall be modified accordingly. If Iota rejects the Third Party Offer, Licensee shall have the right to pursue such sale, provided that the Licenses covered by such sale shall remain subject to this Agreement, which shall remain in full force and effect with respect to such Licenses unless otherwise agreed to by the parties.

10. **General Terms and Conditions.**

a. **Confidentiality.** Licensee agrees that, without Iota's prior written consent, Licensee shall not disclose, use or make available any confidential information provided by Iota to Licensee, except (i) as required by any governmental authority, (ii) as required by Licensee in connection with any capital raise or (iii) as required by Licensee in connection with a sale of the Licenses. The foregoing provision shall survive any expiration or termination of this Agreement. The term "confidential information" shall include customer lists or identification, trade secrets, processes, product formulations, developments and designs, business and trade practices, sales or distribution methods and techniques, marketing plans and research, regulatory agreements and business strategies, and other confidential information pertaining to Iota's business or financial affairs which may or may not be patentable, which are developed by Iota at considerable time and expense, and which could be unfairly utilized in competition with Iota. Iota may mark any such confidential information as "Confidential" or "Proprietary", but need not do so to have this provision apply to such information. Upon termination of this Agreement, Licensee shall deliver to Iota all materials that include confidential information, such as customer lists, marketing materials, business plans, product formulations, instruction sheets, drawings, manuals, letters, notes, notebooks, books, reports, and copies thereof, and all other materials of a confidential nature which belong to or relate to the business of Iota whether provided to, or created by, Licensee.

b. **Indemnification.** Licensee agrees to indemnify, defend and hold harmless Iota, its members, officers, directors, employees, contractors, and their respective successors and assigns (each, an "Indemnitee"), from and against any and all losses, claims, actions, expenses, damages or liabilities, including reasonable attorneys' fees and expenses ("Losses"), arising out of or in connection with the performance of this Agreement, except to the extent such Losses are due to the gross negligence or willful misconduct of Indemnitee.

c. **Entire Agreement.** This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and contains all of the covenants and agreements between the parties with respect thereto. This Agreement supersedes any and all prior or contemporaneous agreements, either oral or written, between the parties hereto with respect to the subject matter hereof, except for any pre-existing non-disclosure agreements.

d. **Notices.** Any notices, consents, demands, requests, approvals and other communications to be given under this Agreement by either party to the other shall be deemed to

have been duly given if given in writing and personally delivered, sent by facsimile, or sent by mail, registered or certified, postage prepaid with return receipt requested, or by recognized next day delivery service, addressed to the relevant party at the address set forth below (or at such other address as a party may designate by written notice in accordance with this Section 10):

To Iota:

Iota Networks, LLC
Attn: Darren Nichols
2111 E. Highland Ave., Suite 305
Phoenix, Arizona 85016
(602) 224-1099 (Fax)
DNichols@iotacommunications.com

To Licensee:

Iota Spectrum Partners, LP
Attn: Rob Somers
2111 E. Highland Ave., Suite 305
Phoenix, Arizona 85016
(602) 224-1099 (Fax)
RSomers@iotacommunications.com

Notices delivered personally and sent by facsimile shall be deemed communicated as of actual receipt, and mailed notices shall be deemed communicated as of three (3) days after mailing. Notices may be sent via e-mail provided that the recipient confirms receipt via a personally drafted reply e-mail or written notice. Such e-mailed notices shall be deemed communicated as of the date of the e-mail or written notice confirming receipt.

e. Amendments. No change, amendment or modification of this Agreement shall be valid or binding upon the parties hereto, nor shall any waiver of any term or condition in the future be so binding, unless such change, amendment, modification or waiver shall be in writing and signed by each party hereto.

f. Severability. It is intended that all provisions of this Agreement be interpreted and construed in a manner making such provisions valid, legal and enforceable. In the event any provision of this Agreement or portion thereof is found to be wholly or partially invalid, illegal or unenforceable in any judicial proceeding, such provision shall be deemed to be modified or restricted to the extent necessary to make such provision valid, legal and enforceable. In the event such provision or any portion thereof cannot be so modified or restricted, such provision or portion thereof shall be deemed to have been excised from this Agreement and the validity, legality and enforceability of the remainder of this Agreement shall not be affected or impaired in any manner. If the modification, restriction or excising of any term of this Agreement pursuant to this subsection materially alters the intent of the parties or the relative economic benefits of the parties, the materially affected party shall have the right to terminate this Agreement.

g. Survival. All indemnities and reimbursement obligations made hereunder shall survive the termination or expiration of this Agreement until expiration of the longest applicable

statute of limitations (including extensions and waivers) with respect to the matter for which a party would be entitled to be indemnified or reimbursed, as the case may be. All obligations for payments of money shall survive the termination or expiration of this Agreement.

h. Choice of Law and Venue. This Agreement shall be governed by, and construed in accordance with, the substantive laws of the State of Arizona without regard to the conflict of law provisions thereof. The state and federal courts located in Maricopa County, Arizona will have sole and exclusive jurisdiction over any disputes arising hereunder, and Licensee hereby expressly consents to the personal jurisdiction of and venue in such courts.

i. Alternative Dispute Resolution. In the event any dispute arises over the interpretation of this Agreement or any party's performance hereunder, the parties agree to first attempt to resolve such dispute in good faith through the use of a private mediator. The parties shall jointly select such mediator and shall be equally liable to share the costs of such mediator. The mediation shall take place as soon as reasonably practical, at such time and place as mutually agreed upon by the parties. Absent mutual agreement as to location, the place for the mediation shall be determined by the mediator and shall be within ten (10) miles of Iota's main offices at the time of the mediation.

j. No Third Party Beneficiaries. Nothing contained in this Agreement is intended to, or shall, confer upon any person other than the parties hereto any rights or remedies hereunder, except for Indemnitees, which shall be express third party beneficiaries of this Agreement.

k. Waiver. No waiver by either party of any breach of this Agreement will be a waiver of any other breach, whether preceding or succeeding the waived breach. No waiver by either party of any right under this Agreement will be construed as a waiver of any other right. Neither party will be required to give notice to enforce strict adherence to all terms of this Agreement.

l. Assignment. This Agreement may only be assigned subject to FCC approval. This Agreement may not be assigned, in whole or in part, by Licensee without Iota's prior written consent, which consent shall not be unreasonably withheld. Any purported assignment made without Iota's prior written consent will, at Iota's option, be void and of no effect. Iota shall have the right to assign this Agreement to its successors or assigns or to any of its subsidiaries or affiliated companies. The terms "successors" and "assigns" shall include but not be limited to any person, corporation, partnership or other entity that buys all or substantially all of Iota's assets or all of its membership shares, or with which Iota merges or consolidates.

m. Attorneys' Fees and Costs. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, and if Iota is the prevailing party in such action, then Iota shall be entitled to recover its reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which it may be entitled.

n. Force Majeure. Neither party shall be liable or deemed to be in default for a delay in or failure of performance of its obligations that results from any of the following causes beyond the reasonable control of such party: strikes, work stoppages, shortages of equipment, supplies or energy, war, terrorism, insurrection, acts of God or the public enemy, or governmental action (whether in its sovereign or contractual capacity). Any delay resulting from any such cause shall extend performance accordingly or excuse performance, in whole or in part, for such time as may

be reasonable; provided, however, that (i) such causes shall not excuse payment of any amounts due or owed at the time of such occurrence or thereafter, and (ii) the party asserting any such cause shall promptly commence and diligently pursue action to remedy its inability or failure to perform hereunder. Any party asserting this subsection shall promptly notify the other party of the occurrence and nature of any such cause and thereafter regularly shall inform the other party of the progress of actions to remedy its inability or failure to perform hereunder.

o. Limitation of Liability. THE PARTIES AGREE THAT IT IS IMPOSSIBLE TO DETERMINE WITH ANY REASONABLE ACCURACY THE AMOUNT OF DAMAGES TO LICENSEE UPON THE BREACH OF IOTA'S OBLIGATIONS UNDER THIS AGREEMENT. THEREFORE, THE PARTIES AGREE THAT LICENSEE'S SOLE REMEDY FOR MATERIAL BREACH OF IOTA'S OBLIGATIONS UNDER THIS AGREEMENT WILL BE LIQUIDATED DAMAGES IN THE AMOUNT OF THE CONTRACT PRICE PAID BY LICENSEE TO IOTA PLUS TEN DOLLARS (\$10.00). LICENSEE HEREBY WAIVES ALL OTHER CLAIMS FOR DAMAGES OF ANY KIND AGAINST IOTA, ITS MEMBERS, MANAGERS, SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS, REPRESENTATIVES OR AFFILIATES, INCLUDING, WITHOUT LIMITATION, ANY CLAIMS FOR ANY LOSS OF USE, INTERRUPTION OF BUSINESS OR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING, WITHOUT LIMITATION LOST PROFITS), INCLUDING ATTORNEYS' FEES, REGARDLESS OF THE FORM OF ACTION WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT PRODUCT LIABILITY OR OTHERWISE. LICENSEE AND IOTA AGREE THAT THE LIQUIDATED DAMAGES SET FORTH ABOVE ARE REASONABLE AND NOT A PENALTY BASED ON THE FACTS AND CIRCUMSTANCES OF THE PARTIES AT THE TIME OF ENTERING INTO THIS AGREEMENT WITH DUE REGARD TO FUTURE EXPECTATIONS.

Initial: _____

p. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which shall constitute one and the same instrument. This Agreement, once executed by a party, may be delivered to the other party by facsimile or electronic PDF transmission of a copy of this Agreement bearing the signature of the party.

[Signature Page Follows]

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

IOTA:

IOTA NETWORKS, LLC



By: _____
Name: Darren Nichols

LICENSEE:

IOTA SPECTRUM PARTNERS, LP

By: IOTA SPECTRUM HOLDINGS, LLC
Its: General Partner

By:  _____
Name: Rob Somers
Its: General Manager

Schedule "A"

Licenses Covered By This Agreement

As of July 25, 2019

* Economic Area ("EA") markets and the number of MHz-Pops in this chart are determined based on the then-current U.S. census. If an Economic Area market is adjusted by a future U.S. census, no retroactive adjustments will be made to the number of MHz-Pops based on a previous U.S. census for purposes of calculating Revenue Pool share under this Agreement.

Licensee	Call Sign	BEA	MHz/POPs	Grant Date	Exp Date
Iota Spectrum Partners, LP	WQSF853	172 - Honolulu HI	136,030	9/16/2013	9/16/2023
Iota Spectrum Partners, LP	WQSH250	115 - Rapid City SD-MT-NE-ND	46,017	9/19/2013	9/19/2023
Iota Spectrum Partners, LP	WQTI690	172 - Honolulu HI	272,060	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI691	103 - Cedar Rapids IA	85,376	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI692	103 - Cedar Rapids IA	42,688	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI693	117 - Sioux City IA-NE-SD	63,002	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI695	106 - Rochester MN-IA-WI	51,257	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI696	106 - Rochester MN-IA-WI	85,428	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI697	105 - La Crosse WI-MN	38,606	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI699	105 - La Crosse WI-MN	64,344	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI700	110 - Grand Forks ND-MN	44,514	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI702	110 - Grand Forks ND-MN	55,643	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI704	120 - Grand Island NE	57,585	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI705	121 - North Platte NE-CO	12,318	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI706	121 - North Platte NE-CO	15,398	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI707	142 - Scottsbluff NE-WY	36,628	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI708	142 - Scottsbluff NE-WY	22,893	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI710	112 - Bismarck ND-MT-SD	37,392	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI711	113 - Fargo-Moorhead ND-MN	80,055	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI712	113 - Fargo-Moorhead ND-MN	100,069	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI713	114 - Aberdeen SD	15,908	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI716	115 - Rapid City SD-MT-NE-ND	46,017	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI717	115 - Rapid City SD-MT-NE-ND	46,017	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI718	115 - Rapid City SD-MT-NE-ND	57,522	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI719	116 - Sioux Falls SD-IA-MN-NE	139,662	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI721	116 - Sioux Falls SD-IA-MN-NE	391,053	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI722	171 - Anchorage AK	177,559	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI723	171 - Anchorage AK	177,559	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI724	171 - Anchorage AK	248,582	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI726	143 - Casper WY-ID-UT	163,729	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI727	172 - Honolulu HI	204,045	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI728	100 - Des Moines IA-IL-MO	263,253	2/11/2014	2/11/2024

Iota Spectrum Partners, LP	WQTI733	107 - Minneapolis- St Paul MN- WI-IA	1,468,617	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI734	141 - Denver-Boulder CO-KS-NE	1,405,561	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI735	141 - Denver-Boulder CO-KS-NE	468,520	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI736	152 - Salt Lake City-Ogden UT-ID	255,813	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI737	117 - Sioux City IA-NE-SD	25,201	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI738	120 - Grand Island NE	71,982	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI741	121 - North Platte NE-CO	24,637	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI742	112 - Bismarck ND-MT-SD	46,741	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI743	107 - Minneapolis- St Paul MN- WI-IA	1,223,848	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTL806	114 - Aberdeen SD	15,908	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTL806	115 - Rapid City SD-MT-NE-ND	138,052	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTL806	116 - Sioux Falls SD-IA-MN-NE	55,865	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTL808	118 - Omaha NE-IA-MO	226,154	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTL808	119 - Lincoln NE	82,068	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTL808	120 - Grand Island NE	172,756	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTL808	121 - North Platte NE-CO	36,955	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTL808	142 - Scottsbluff NE-WY	54,943	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTN282	105 - La Crosse WI-MN	77,213	3/10/2014	3/10/2024
Iota Spectrum Partners, LP	WQTN282	106 - Rochester MN-IA-WI	136,684	3/10/2014	3/10/2024
Iota Spectrum Partners, LP	WQTP273	143 - Casper WY-ID-UT	280,678	3/17/2014	3/17/2024
Iota Spectrum Partners, LP	WQTV655	110 - Grand Forks ND-MN	66,771	4/22/2014	4/22/2024
Iota Spectrum Partners, LP	WQTV655	112 - Bismarck ND-MT-SD	93,481	4/22/2014	4/22/2024
Iota Spectrum Partners, LP	WQTV655	113 - Fargo-Moorhead ND-MN	240,164	4/22/2014	4/22/2024
Iota Spectrum Partners, LP	WQUA517	119 - Lincoln NE	102,585	5/20/2014	5/20/2024
Iota Spectrum Partners, LP	WQUA518	119 - Lincoln NE	287,237	5/20/2014	5/20/2024
Iota Spectrum Partners, LP	WQUW386	107 - Minneapolis- St Paul MN- WI-IA	244,770	10/30/2014	10/30/2024
Iota Spectrum Partners, LP	WQVN572	102 - Davenport-Moline-Rock Island IA-IL	167,981	4/7/2015	4/7/2025
Iota Spectrum Partners, LP	WQVN577	102 - Davenport-Moline-Rock Island IA-IL	55,994	4/7/2015	4/7/2025
Iota Spectrum Partners, LP	WQVP593	150 - Boise City ID-OR	145,799	4/8/2015	4/8/2025
Iota Spectrum Partners, LP	WQVP603	150 - Boise City ID-OR	145,799	4/8/2015	4/8/2025
Iota Spectrum Partners, LP	WQVP810	96 - St. Louis MO-IL	738,053	4/10/2015	4/10/2025
Iota Spectrum Partners, LP	WQVP820	98 - Columbia MO	162,540	4/10/2015	4/10/2025
Iota Spectrum Partners, LP	WQVP831	122 - Wichita KS-OK	302,505	4/10/2015	4/10/2025
Iota Spectrum Partners, LP	WQVP836	122 - Wichita KS-OK	484,007	4/10/2015	4/10/2025
Iota Spectrum Partners, LP	WQVP840	5 - Albany-Schenectady-Troy NY	244,508	4/10/2015	4/10/2025
Iota Spectrum Partners, LP	WQVP847	5 - Albany-Schenectady-Troy NY	550,144	4/10/2015	4/10/2025

Iota Spectrum Partners, LP	WQVP943	48 - Charleston WV-KY-OH	297,956	4/13/2015	4/13/2025
Iota Spectrum Partners, LP	WQVP969	48 - Charleston WV-KY-OH	595,911	4/13/2015	4/13/2025
Iota Spectrum Partners, LP	WQVP987	52 - Wheeling WV-OH	62,567	4/13/2015	4/13/2025
Iota Spectrum Partners, LP	WQVQ203	52 - Wheeling WV-OH	62,567	4/13/2015	4/13/2025
Iota Spectrum Partners, LP	WQVQ223	70 - Louisville KY-IN	623,111	4/13/2015	4/13/2025
Iota Spectrum Partners, LP	WQVQ240	49 - Cincinnati-Hamilton OH-KY-IN	347,268	4/13/2015	4/13/2025
Iota Spectrum Partners, LP	WQVQ243	49 - Cincinnati-Hamilton OH-KY-IN	347,268	4/13/2015	4/13/2025
Iota Spectrum Partners, LP	WQVQ411	47 - Lexington KY-TN-VA-WV	96,824	4/14/2015	4/14/2025
Iota Spectrum Partners, LP	WQVQ582	94 - Springfield MO	197,486	4/15/2015	4/15/2025
Iota Spectrum Partners, LP	WQVQ591	94 - Springfield MO	493,716	4/15/2015	4/15/2025
Iota Spectrum Partners, LP	WQVQ999	99 - Kansas City MO-KS	1,750,622	4/20/2015	4/20/2025
Iota Spectrum Partners, LP	WQVR230	123 - Topeka KS	47,632	4/20/2015	4/20/2025
Iota Spectrum Partners, LP	WQVR234	123 - Topeka KS	214,345	4/20/2015	4/20/2025
Iota Spectrum Partners, LP	WQVR411	144 - Billings MT-WY	180,816	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR416	144 - Billings MT-WY	135,612	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR418	144 - Billings MT-WY	113,010	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR442	145 - Great Falls MT	32,997	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR445	145 - Great Falls MT	41,246	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR454	146 - Missoula MT	179,108	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR463	146 - Missoula MT	111,943	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR472	148 - Idaho Falls ID-WY	73,011	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR481	148 - Idaho Falls ID-WY	91,264	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR572	149 - Twin Falls ID	46,448	4/22/2015	4/22/2025
Iota Spectrum Partners, LP	WQVR598	149 - Twin Falls ID	46,448	4/22/2015	4/22/2025
Iota Spectrum Partners, LP	WQV5945	35 - Tallahassee FL-GA	200,411	5/4/2015	5/4/2025
Iota Spectrum Partners, LP	WQVT458	172 - Honolulu HI	340,075	5/6/2015	5/6/2025
Iota Spectrum Partners, LP	WQVU265	109 - Duluth-Superior MN-WI	70,836	5/8/2015	5/8/2025
Iota Spectrum Partners, LP	WQVU272	109 - Duluth-Superior MN-WI	88,546	5/8/2015	5/8/2025
Iota Spectrum Partners, LP	WQVV235	25 - Wilmington NC-SC	896,729	5/18/2015	5/18/2025
Iota Spectrum Partners, LP	WQVV236	20 - Norfolk-Virginia Beach-Newport News VA-NC	1,009,729	5/18/2015	5/18/2025
Iota Spectrum Partners, LP	WQVV421	93 - Joplin MO-KS-OK	56,101	5/19/2015	5/19/2025
Iota Spectrum Partners, LP	WQVV440	71 - Nashville TN-KY	428,444	5/19/2015	5/19/2025
Iota Spectrum Partners, LP	WQVV482	202 - Palm Beach FL	1,351,153	5/19/2015	5/19/2025
Iota Spectrum Partners, LP	WQVV655	77 - Jackson MS-AL-LA	148,481	5/20/2015	5/20/2025
Iota Spectrum Partners, LP	WQVW368	47 - Lexington KY-TN-VA-WV	871,419	5/27/2015	5/27/2025
Iota Spectrum Partners, LP	WQVW541	94 - Springfield MO	246,858	5/29/2015	5/29/2025
Iota Spectrum Partners, LP	WQVW729	93 - Joplin MO-KS-OK	56,101	6/1/2015	6/1/2025
Iota Spectrum Partners, LP	WQVW746	72 - Paducah KY-IL	57,731	6/1/2015	6/1/2025
Iota Spectrum Partners, LP	WQVW754	72 - Paducah KY-IL	46,185	6/1/2015	6/1/2025
Iota Spectrum Partners, LP	WQVX801	96 - St. Louis MO-IL	2,398,671	6/10/2015	6/10/2025

Iota Spectrum Partners, LP	WQVY406	29 - Jacksonville FL-GA	110,851	6/15/2015	6/15/2025
Iota Spectrum Partners, LP	WQVZ237	44 - Knoxville TN	55,306	6/19/2015	6/19/2025
Iota Spectrum Partners, LP	WQWE308	228 - Mason City IA	351,004	7/29/2015	7/29/2025
Iota Spectrum Partners, LP	WQWG907	6 - Syracuse NY-PA (249 - Utica, NY)	768,920	8/19/2015	8/19/2025
Iota Spectrum Partners, LP	WQXQ539	52 - Wheeling WV-OH	109,493	5/10/2016	5/10/2026
Iota Spectrum Partners, LP	WQXQ588	114 - Aberdeen SD	31,816	5/10/2016	5/10/2026
Iota Spectrum Partners, LP	WQXQ589	117 - Sioux City IA-NE-SD	37,801	5/10/2016	5/10/2026
Iota Spectrum Partners, LP	WQXQ590	120 - Grand Island NE	71,982	5/10/2016	5/10/2026
Iota Spectrum Partners, LP	WQXQ591	142 - Scottsbluff NE-WY	18,314	5/10/2016	5/10/2026
Iota Spectrum Partners, LP	WQXQ838	149 - Twin Falls ID	37,158	5/17/2016	5/17/2026
Iota Spectrum Partners, LP	WQXU859	75 - Tupelo	285,197	6/15/2016	6/15/2026
Iota Spectrum Partners, LP	WQXW568	40 - Atlanta	334,530	6/28/2016	6/28/2026
Iota Spectrum Partners, LP	WQYC286	208 - Myrtle Beach SC	18,126	8/15/2016	8/15/2026
Iota Spectrum Partners, LP	WQYJ378	107 - Minneapolis - St Paul MN-WI-IA	4,895,391	10/17/2016	10/17/2026
Iota Spectrum Partners, LP	WRAS326	125 - Oklahoma City OK	376,417	2/13/2018	2/13/2028
Iota Spectrum Partners, LP	WRAS343	164 - Sacramento-Yolo CA	2,722,415	2/13/2018	2/13/2028
Iota Spectrum Partners, LP	WRAS362	32 - Fort Myers-Cape Coral FL	470,137	2/13/2018	2/13/2028
Iota Spectrum Partners, LP	WRAS368	30 - Orlando FL	228,127	2/13/2018	2/13/2028
Iota Spectrum Partners, LP	WRAS376	163 - San Fran.-Oakland-San Jose CA	1,877,420	2/13/2018	2/13/2028
Iota Spectrum Partners, LP	WRAS380	41 - Greenville-Spartanburg SC-NC	208,922	2/13/2018	2/13/2028
Iota Spectrum Partners, LP	WRAS433	122 - Wichita KS-OK	605,009	2/14/2018	2/14/2028
Iota Spectrum Partners, LP	WRAS435	124 - Tulsa OK-KS	443,450	2/14/2018	2/14/2028
Iota Spectrum Partners, LP	WRAS436	80 - Mobile	72,496	2/14/2018	2/14/2028
Iota Spectrum Partners, LP	WRAS437	21 - Greenville	465,403	2/14/2018	2/14/2028
Iota Spectrum Partners, LP	WRAS466	81 - Pensacola	34,243	2/14/2018	2/14/2028
Iota Spectrum Partners, LP	WRAT503	151 - Reno, NV	275,275	2/26/2018	2/26/2028
Iota Spectrum Partners, LP	WRAT920	86 - Lake Charles, LA	250,127	3/1/2018	3/1/2028
Iota Spectrum Partners, LP	WRAT921	22 - Fayetteville	285,949	3/1/2018	3/1/2028
Iota Spectrum Partners, LP	WRAX240	33 - Sarasota-Bradenton FL	224,280	3/30/2018	3/30/2028
Iota Spectrum Partners, LP	WRAX309	36 - Dothan	71,679	4/2/2018	4/2/2028
Iota Spectrum Partners, LP	WRAX384	74 - Huntsville AL-TN	110,541	4/3/2018	4/3/2028
Iota Spectrum Partners, LP	WRCR756	124 - Tulsa OK-KS	812,991	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR757	70 - Louisville KY-IN	155,778	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR760	20 - Norfolk-Virginia Beach-Newport News VA-NC	183,587	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR762	125 - Oklahoma City OK	282,313	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR765	47 - Lexington KY-TN-VA-WV	290,473	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR768	73 - Memphis TN-AR-MS-KY	200,122	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR774	29 - Jacksonville FL-GA	997,656	12/17/2018	12/17/2028

Iota Spectrum Partners, LP	WRCR777	19 - Raleigh	923,019	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR780	202 - Palm Beach FL	122,832	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR788	107 - Minneapolis- St Paul MN- WI-IA	244,770	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR802	127 - Dallas-Fort Worth TX-AR-OK	5,884,703	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR806	10 - NYC	1,333,167	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR810	203 - Tyler TX	355,868	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR811	165 - Redding	180,826	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR812	95 - Jonesboro	77,828	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR813	92 - Fayetteville	263,687	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR815	91 - Fort Smith	178,051	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR818	89 - Monroe LA	84,604	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR819	88 - Shreveport	295,880	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR821	76 - Greenville	53,718	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR825	45 - Johnson City	91,395	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR830	32 - Fort Myers	47,014	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR971	25 - Wilmington	210,995	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR972	71 - Nashville	856,889	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR973	22 - Fayetteville	28,595	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR974	14 - Salisbury	104,839	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRC8400	94 - Springfield MO	789,945	12/20/2018	12/20/2028
Iota Spectrum Partners, LP	WRC8401	69 - Evansville	878,433	12/20/2018	12/20/2028
Iota Spectrum Partners, LP	WRC8405	26 - Charleston	597,974	12/20/2018	12/20/2028
Iota Spectrum Partners, LP	WRC8411	17 - Roanoke	882,328	12/20/2018	12/20/2028
Iota Spectrum Partners, LP	WRC8415	44 - Knoxville	387,142	12/20/2018	12/20/2028
Iota Spectrum Partners, LP	WRCT920	15 - Richmond-Petersburg VA	1,301,238	1/30/2019	1/30/2029
Iota Spectrum Partners, LP	WRCU482	166 - Eugene	644,489	2/1/2019	2/1/2029
Iota Spectrum Partners, LP	WRCU993	38 - Macon, GA	168,886	2/5/2019	2/5/2029
Iota Spectrum Partners, LP	WRCU997	37 - Albany, GA	99,241	2/5/2019	2/5/2029
Iota Spectrum Partners, LP	WRCV206	36 - Dothan	71,679	2/5/2019	2/5/2029
Iota Spectrum Partners, LP	WRCV210	35 - Tallahassee FL-GA	320,657	2/5/2019	2/5/2029
Iota Spectrum Partners, LP	WRCV212	28 - Savannah GA-SC	79,606	2/5/2019	2/5/2029
Iota Spectrum Partners, LP	WRCV601	27 - Augusta-Aiken, GA-SC	131,736	2/7/2019	2/7/2029
Iota Spectrum Partners, LP	WRCV625	74 - Huntsville AL-TN	165,811	2/7/2019	2/7/2029
Iota Spectrum Partners, LP	WRCV636	43 - Chattanooga, TN-GA	159,431	2/7/2019	2/7/2029
Iota Spectrum Partners, LP	WRCV638	39 - Columbus, GA-AL	106,502	2/7/2019	2/7/2029
Iota Spectrum Partners, LP	WRCV641	82 - Biloxi MS	61,660	2/7/2019	2/7/2029
Iota Spectrum Partners, LP	WRCY538	151 - Reno	747,176	2/26/2019	2/26/2029
Iota Spectrum Partners, LP	WRDG220	1 - Bangor, ME	135,942	4/22/2019	4/22/2029

Schedule "B"

Revenue Pool – Pursuant to Section 8

Licensee's share of the Revenue Pool equals:

Total MHz/Pops covered by the Licenses*

Divided into

Total MHz/Pops covered by all non-Iota licenses employed in the Network**

Equals

Percentage share of Network revenues as defined in Section 8

Times

10% of Network revenues as defined in Section 8

Equals

Payment

* See Limited Partner MHz/Pops listed in Schedule "A" hereto.

** This number changes as frequencies are added to or removed from the Network. Accordingly, Licensee's allocable percentage of the Revenue Pool will fluctuate from time to time. Licenses contributed to Licensee by Iota Communications, Inc. through its subsidiary, Iota Spectrum Holdings, LLC, are not included in any Revenue Pool calculations.

ADMINISTRATIVE EXPENSES AGREEMENT

ADMINISTRATIVE EXPENSES AGREEMENT (the "**Agreement**") dated as of August 7, 2019 by and between Iota Spectrum Holdings, LLC, an Arizona limited liability company (the "**Administrator**"), and Iota Spectrum Partners, LP, an Arizona limited partnership (the "**Partnership**").

WITNESSETH

WHEREAS, in connection with the admission to the Partnership of certain Limited Partners, the General Partner and the Limited Partners entered into that certain Amended and Restated Limited Partnership Agreement of the Partnership, dated as of August 7, 2019 (as the same may be amended, supplemented or otherwise modified from time to time, the "**Partnership Agreement**") (capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Partnership Agreement);

WHEREAS, pursuant to the Partnership Agreement, the Administrator is authorized and empowered, in its capacity as the General Partner of the Partnership, to manage and conduct the business, property and affairs of the Partnership and, in connection therewith, to provide certain administrative services to the Partnership; and

WHEREAS, this Agreement and the engagement of the Administrator by the Partnership is authorized by the Partnership Agreement, and the Partnership and the Administrator desire to enter into this Agreement, pursuant to which the Administrator will provide to the Partnership certain administrative and management services on the terms set forth therein and herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Administrative Services.**1.1 Services to be Provided by the Administrator.**

(a) The Administrator, through its Affiliates, its own personnel, and, to the extent it determines (in its sole discretion) that the same is necessary or advisable in order to perform the services for the Partnership that are required hereunder, by arranging for and coordinating services of other professionals, experts and consultants, shall provide the following services to the Partnership (collectively, the "**Administrative Services**"):

i. accounting and financial reporting services, including preparation of audited and unaudited financial statements and managing the bank accounts, books and records, accounts payable and accounts receivable of the Partnership;

ii. tax preparation services, including assisting with outsourced tax preparation processes, distributing K-1s and providing information for tax filings made by the Partners;

- iii. making distributions to the Limited Partners;
- iv. logistical support for marketing of the LP Units subsequent to the end of the Initial Offering Period, including arranging seminars and meetings with potential investors;
- v. routine FCC license administration services, including renewal applications and coordinating with the FCC and other Iota Group Members;
- vi. assistance (other than the rendering professional advice) with the Partnership's compliance with its routine legal and regulatory requirements; and
- vii. such other administrative services with respect to the Partnership as the Administrator reasonably determines are necessary or advisable in connection with the provision of its services described in the foregoing clauses.

(b) The Administrative Services are limited to those specific duties stated in this Agreement. The Administrator may, as part of the Administrative Services, (i) perform incidental matters that arise from time to time that are directly related to the Administrative Services and (ii) add to its existing Administrative Services or perform additional matters not specifically described herein, provided, that the Administrator shall not be obligated to materially change or add to its existing Administrative Services in any respect.

(c) Notwithstanding anything in the Partnership Agreement or herein to the contrary, the Administrator warrants that the Administrative Services will be performed using reasonable diligence and consistent with industry standards for the same kind of services. Other than the foregoing warranty, the Administrator disclaims all other warranties, express or implied, and the sole remedy for breach of warranty by the Administrator under this Agreement is the re-performance of the applicable Administrative Services.

(d) Performance of the Administrative Services will depend to a great degree upon the Administrator receiving from the Partnership and the Limited Partners certain data, supporting documentation and other information relevant to the Administrative Services (the "**Partnership Data**"), as well as the Administrator's ability to obtain answers related to questions raised by the Partnership Data. The Partnership acknowledges that if Partnership Data is not provided in a timely manner, a delay in the performance of Administrative Services may occur. The Partnership agrees that while the Administrator will use commercially reasonable efforts to notify the Limited Partners of any errors, questions or incomplete information, the Administrator is not responsible for the accuracy of the Partnership Data provided by the Limited Partners.

SECTION 2. Administrative Expenses.

2.1 *Payment and Reimbursement.*

(a) The Administrator shall pay (and the Partnership shall reimburse the Administrator for) the fees, costs and expenses (collectively the "**Administrative Expenses**")

incurred by the Administrator in connection with the administration of the Partnership's business and affairs, including (without limitation):

i. the Partnership's allocable share (as determined pursuant to the Partnership Agreement) of all fees, costs and expenses the Administrator incurs for salaries, rent, office equipment, and other similar overhead that are attributable to the Administrator's performance of the Administrative Services;

ii. all ongoing out-of-pocket record-keeping, accounting, auditing, administrative, reporting and tax return preparation fees, costs and expenses relating to the Partnership (to the extent that the same, for the avoidance of doubt, are not Organizational Expenses);

iii. all out-of-pocket fees, costs and expenses related to making Distributions;

iv. all out-of-pocket fees, costs and expenses (for example, costs of arranging seminars and meetings with prospective investors) attributable to the Administrator's provision of logistical support for the Partnership's capital-raising activities subsequent to the end of the Initial Offering Period;

v. with respect to the FCC Licenses, all out-of-pocket fees, costs and expenses incurred in connection with routine administration of the FCC Licenses, including renewal applications and coordinating with the FCC and Iota Group Members; and

vi. all out-of-pocket fees, costs and expenses incurred for compliance with routine legal and regulatory requirements arising from the activities of the Partnership (it being understood that all costs and expenses for the General Partner's compliance with legal and regulatory requirements arising from its own activities shall not constitute Partnership Expenses).

Except for the Administrative Expenses, all Partnership Expenses shall be paid (or reimbursed, as applicable) in accordance with the terms of the Partnership Agreement. The Administrator, in its capacity as such, shall not be entitled to receive from the Partnership additional compensation or expense reimbursement for the performance of its Administrative Services hereunder except as set forth herein.

(b) Except as otherwise provided in Section 2.1(c), during the term of this Agreement, the Partnership shall pay all amounts owed to the Administrator pursuant to Section 2.1(a) in respect of any fiscal quarter of the Partnership to be paid within 30 days after the end of such fiscal quarter; provided, however, that any such payment that would otherwise be due before the fifth anniversary of the Effective Date shall instead be due and payable on such fifth anniversary. Notwithstanding the immediately preceding sentence, in the event that prior to such fifth anniversary, there is a sale of all or substantially all Partnership assets or the Partnership is dissolved, then all such deferred payments shall be due and payable to the Administrator immediately upon the occurrence of such event. The Partnership shall make each payment required to be made to the Administrator hereunder in immediately available funds by wire transfer. Promptly following the end of each fiscal quarter of the Partnership, the Administrator shall deliver an invoice to the Partnership showing the aggregate amount of Administrative

Expenses payable by the Partnership with respect to such fiscal quarter, and the Administrator shall provide reasonably detailed supporting documentation for any such invoice as may be reasonably requested by the Partnership.

(c) In the event this Agreement terminates prior to the end of a fiscal quarter of the Partnership, the Partnership shall pay all amounts owed to the Administrator pursuant to Section 2.1(a) in respect of such fiscal quarter within 30 days following the date on which the Administrator delivers its final invoice setting forth its Administrative Expenses for such period.

(d) The Administrator and the Partnership shall use commercially reasonable efforts to promptly notify each other of any amount erroneously paid or owed to the Administrator, as applicable.

SECTION 3. Term; Survival.

(a) Except as otherwise provided in the next succeeding sentence, the term of this Agreement shall be the same as the term of the Partnership, together with the period of its winding up and liquidation, and shall terminate on the date on which a certificate of cancellation of the Certificate is filed with the Secretary of State of the State of Arizona pursuant to Section 13.5 of the Partnership Agreement or, if earlier, upon the mutual written consent of the parties hereto. Notwithstanding the immediately preceding sentence, the term of this Agreement shall automatically expire upon (and concurrently with) any cessation on the part of the General Partner to serve as the general partner of the Partnership (whether by operation of the Arizona Act or otherwise).

(b) Notwithstanding anything in this Agreement to the contrary, no termination of this Agreement shall affect the provisions of SECTION 5, SECTION 6 or, to the extent that a period of service has occurred or any fees, costs or expenses have been incurred prior to termination, the provisions of SECTION 2, each of which shall survive such termination and remain in full force and effect in accordance with its terms, and the rights provided for in SECTION 2 and SECTION 5 shall be in addition to any rights to which any Covered Person or the Administrator, as the case may be, may be entitled by contract or as a matter of law or otherwise, and shall inure to the benefit of the Administrator's heirs, executors, administrators, personal representatives, successors and assigns.

SECTION 4. Notices. Except as otherwise specified herein, any notice, request, demand, consent, approval or other communication required or permitted to be given by or to either party hereto pursuant to this Agreement shall be in writing and shall be deemed to have been duly given or delivered for all purposes hereof (a) when personally delivered to the intended recipient, (b) on the date of delivery, if sent by facsimile transmission or e-mail, or (c) on the third Business Day after transmittal thereof to a reputable express courier service for overnight (or two-day) delivery to the intended recipient. All such notices, demands, requests, consents, approvals and other communications shall be addressed, in each case, to the following addresses or facsimile numbers of the parties hereto or to such other address or facsimile number as either such party may have specified by written notice to the other party hereto:

The Administrator:

Iota Spectrum Holdings, LLC
2111 E. Highland Avenue, Suite 305
Phoenix, AZ 85016
Fax: (602) 224-1099
Attn: Legal Department
E-mail: RSomers@iotacommunications.com

The Partnership:

Iota Spectrum Partners, LP
2111 E. Highland Avenue, Suite 305
Phoenix, AZ 85016
Fax: (602) 224-1099
Attn: Legal Department
E-mail: RSomers@iotacommunications.com

SECTION 5. Liability and Indemnification.

5.1 *Limitation on Liability of Covered Persons.*

(a) To the maximum extent permitted by applicable law, none of the Administrator or any current or former director, officer, member, manager, employee, agent, representative or Affiliate of the Administrator (collectively, the "Covered Persons") shall be liable for any Losses (including monetary damages) to which the Partnership or any Limited Partner may become subject in connection with or arising out of or related to this Agreement, the operations or affairs of the Partnership or any other action or omission of any Covered Person in relation to the affairs of the Partnership, unless and to the extent that it is determined by a final decision (after all appeals and the expiration of time to appeal) of a court of competent jurisdiction or an arbitrator, appointed in accordance with Section 6.9, that such Losses resulted from (i) such Covered Person's own fraud, gross negligence or willful misconduct, (ii) a material breach by such Covered Person of any provision of this Agreement applicable to such Covered Person or (iii) a criminal violation by such Covered Person (as evidenced by such Covered Person's having been convicted or having plead nolo contendere) of a material U.S. federal, state or other applicable securities law.

(b) Each Covered Person shall be entitled to rely in good faith on the advice of counsel, public accountants and other independent advisors experienced in the matter at issue and selected, employed or engaged with reasonable care by or on behalf of such Covered Person or the Partnership, and (notwithstanding anything in Section 5.1(a) to the contrary) any act or omission of any Covered Person in reliance on such advice shall in no event subject any Covered Person to liability to the Partnership or any Limited Partner.

(c) The parties hereto hereby acknowledge and agree that the provisions of this Agreement, to the extent that they purport to limit or otherwise modify the duties (including fiduciary duties) and liabilities of a Covered Person otherwise existing at law or in equity, shall

to the maximum extent permitted by applicable law, be deemed to limit or otherwise modify such duties and liabilities to such extent. Without limiting the generality of the foregoing (and notwithstanding anything in Section 5.1(a) to the contrary), to the extent that any Covered Person has duties (including fiduciary duties) under applicable law, in equity or otherwise to the Partnership or any Limited Partner, such Covered Person shall not be liable to the Partnership or any Limited Partner for any action or omission of such Covered Person in reliance on the provisions of this Agreement.

5.2 Indemnification of Covered Persons.

(a) To the maximum extent permitted by applicable law, the Partnership shall indemnify and hold harmless each Covered Person from and against any and all Losses to which such Covered Person may become subject in connection with or arising out of or related to this Agreement, the operations or affairs of the Partnership or any other action or omission of any Covered Person in relation to the Partnership; provided, however, that the foregoing indemnification shall not apply to any Losses to the extent that such Losses (1) are determined by a final decision (after all appeals and the expiration of time to appeal) of a court of competent jurisdiction or an arbitrator, appointed in accordance with Section 6.9, to have resulted from (i) such Covered Person's own fraud, gross negligence or willful misconduct, (ii) a material breach by such Covered Person of any provision of this Agreement applicable to such Covered Person or (iii) a criminal violation by such Covered Person (as evidenced by such Covered Person having been convicted or having plead nolo contendere) of a material U.S. federal, state or other applicable securities law or (2) arise out of any action or proceeding that relates to a controversy or dispute that is solely between or among two or more of the Administrator and its respective Affiliates (other than the Partnership), members, officers or employees.

(b) In the event that any Covered Person becomes involved in any capacity in any action, proceeding or investigation in connection with any matter arising out of or related to this Agreement, the operations or affairs of the Partnership or any other action or omission of any Covered Person in relation to the Partnership, the Partnership shall, to the fullest extent permitted by law, periodically advance funds to or reimburse such Covered Person for its legal and other expenses (including the cost of any investigation and preparation) as incurred in connection therewith; provided, however, that (i) such Covered Person shall be required to execute an appropriate instrument pursuant to which it agrees that it shall promptly repay to the Partnership the amount of any such advance or reimbursement received by it, to the extent that it is determined by a final decision (after all appeals and the expiration of time to appeal) of a court of competent jurisdiction or an arbitrator, appointed in accordance with Section 6.9, that such Covered Person is entitled to indemnification by the Partnership pursuant to Section 5.2(a) in connection with such action or proceeding, and (ii) such Covered Person shall promptly repay to the Partnership the amount of any such advance or reimbursement paid to it to the extent that it is determined by a final decision (after all appeals and the expiration of time to appeal) of a court of competent jurisdiction or an arbitrator, appointed in accordance with Section 6.9, that such Covered Person is not entitled to indemnification by the Partnership pursuant to Section 5.2(a) in connection with such action, proceeding or investigation.

(c) If for any reason the indemnification provided for in Section 5.2(a) is unavailable to any Covered Person (other than by reason of the proviso contained in such

Section), or is insufficient to hold any Covered Person harmless from all applicable Losses, then the Partnership shall contribute to the amount paid or payable by such Covered Person in respect of the applicable Losses in such proportion as is appropriate to reflect the relative benefits received by the Partnership, on the one hand, and such Covered Person, on the other hand, with respect to the matters in question or, if such allocation is not permitted by applicable law, to reflect not only the relative benefits referred to above but also any other relevant equitable considerations.

(d) The Administrator may exercise any of the powers granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through its agents, and the Administrator shall not be responsible for any misconduct or negligence on the part of any such agent appointed by the Administrator if such appointment was not made in Bad Faith.

(e) The Partnership may enter into additional indemnification agreements with any Covered Person.

(f) The indemnity, reimbursement and contribution obligations of the Partnership under this Section 5.2 shall:

- i. survive the dissolution of the Partnership;
- ii. be in addition to (A) any other obligations or liabilities which the Partnership may have with respect to the matters in question, whether by contract, under applicable law, in equity or otherwise, and (B) any other rights to which a Covered Person may be entitled under any other agreement, under applicable law, in equity or otherwise, both as to actions and omissions in the Covered Person's capacity as an Covered Person and as to actions and omissions in any other capacity (including any capacity under the License Application and Construction Services Agreement, the Master Lease Agreement or the Partnership Agreement);
- i. be enforceable by, and inure to the benefit of, the successors, assigns, heirs, executors, administrators, personal representatives and other authorized representatives of each Covered Person;
- ii. be satisfied only out of the assets of the Partnership, it being understood that the General Partner (in its capacity as such) shall not be personally liable for such indemnification; and
- iii. not be denied to any Covered Person in whole or in part because the Covered Person had an interest in a transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement or the Partnership Agreement.

5.3 **Limitation by Law.** If the Partnership is subject to any U.S. federal or state law, rule or regulation which restricts the extent to which any Covered Person may be exonerated or indemnified by the Partnership pursuant to this Agreement, then the indemnification provisions set forth in this SECTION 5 shall be deemed to be amended, automatically and without further

action by the Administrator or the Partnership, solely to the extent necessary to conform to such restrictions on exoneration or indemnification as are set forth in such law, rule or regulation

5.4 *Amendments.* No amendment, modification or repeal of this SECTION 5 or any provision hereof shall in any manner terminate, reduce or impair the right of any past, present or future Covered Person to be indemnified by the Partnership, nor the obligations of the Partnership to indemnify any such Covered Person under and in accordance with the provisions of this SECTION 5 as in effect immediately prior to such amendment, modification or repeal, with respect to Losses arising from or relating to events occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such Losses may be incurred or claims for indemnification in respect of such Losses may be asserted.

SECTION 6. Miscellaneous.

6.1 *Defined Terms; Captions.* Capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Partnership Agreement. Captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit or otherwise affect any term or provision of this Agreement. Unless the context otherwise expressly requires, all references herein to Sections are to Sections of this Agreement.

6.2 *Interpretation.* Unless the context of this Agreement otherwise requires, (a) each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, the feminine and the neuter, (b) the terms "hereof," "herein," "hereby" and "hereunder," and words of similar import, refer to this Agreement as a whole and not to any particular Article, Section or provision, and (c) the words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation."

6.3 *Counterparts.* This Agreement may be executed by the parties hereto in any number of separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

6.4 *Choice of Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona, without regard to any rules or principles of conflicts of laws that would cause the application of the laws of any jurisdiction other than the State of Arizona.

6.5 *Successors and Assigns.* This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and each of their respective successors and permitted assigns; provided, however, that the Partnership may not assign any of its rights or obligations under this Agreement without the prior written consent of the Administrator.

6.6 *Severability.* Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable

law, the parties to this Agreement hereby waive any provision of law which renders any provision hereof prohibited or unenforceable in any respect.

6.7 **Third Party Beneficiaries.** The provisions of this Agreement are intended solely to benefit the parties hereto and the Covered Persons and, to the fullest extent permitted by applicable law, shall not be construed as conferring any benefit upon any Limited Partner or any creditor of the Partnership or the Administrator (and no such Limited Partner or creditor shall be a third party beneficiary of this Agreement) or upon any other person that is neither a party hereto nor a Covered Person.

6.8 **Amendment.** This Agreement may be amended or modified only by a written instrument signed by the parties hereto.

6.9 **Arbitration.** Any dispute or claim arising out of or in connection with this Agreement shall be settled by confidential, binding arbitration in accordance with the then-current rules of the American Arbitration Association applying the substantive law of the State of Arizona. The arbitration shall be conducted by one arbitrator appointed in accordance with said rules. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator may be empowered to award the prevailing party all costs and expenses directly related to the arbitration, including but not limited to reasonable attorneys' fees. The arbitration will be held in Maricopa County, Arizona.

6.10 **Force Majeure.** Notwithstanding any provision in this Agreement to the contrary, no party to this Agreement shall be responsible or liable for its failure or delay in performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation: any interruption, loss or malfunction of the internet, or of any utility, transportation, computer (hardware or software) or communication service; any inability to obtain labor, material, equipment or transportation, or a delay in mails; any governmental or exchange action, statute, ordinance, rulings, regulations or direction; any war, strike, riot, emergency, civil disturbance, terrorism, explosions, labor disputes, freezes, floods, fires, tornados, acts of God or public enemy, revolutions, insurrection or similar event; or any other cause, contingency, circumstance or delay not subject to that party's reasonable control which prevents or hinders that party's performance hereunder.

6.11 **Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes any and all oral or written agreements or understandings heretofore made between the parties hereto with respect to such subject matter (it being understood that this Agreement does not supersede any provision of the Partnership Agreement in any respect).

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their representatives thereunto duly authorized as of the day and year first above written.

ADMINISTRATOR:

IOTA SPECTRUM HOLDINGS, LLC

By: Rob Somers

Name: Rob Somers

Title: General Manager

PARTNERSHIP:

IOTA SPECTRUM PARTNERS, LP

By: IOTA SPECTRUM HOLDINGS, LLC,
its General Partner

By: Rob Somers

Name: Rob Somers

Title: General Manager

IOTA SPECTRUM PARTNERS, LP

An Arizona Limited Partnership

**AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT**

Dated as of November 5, 2019

THE PARTNERSHIP INTERESTS CREATED BY THIS AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS, AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER SUCH ACT AND SUCH OTHER APPLICABLE SECURITIES LAWS PURSUANT TO REGISTRATION OR AN EXEMPTION THEREFROM. IN ADDITION, SUCH INTERESTS MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR ENCUMBERED, IN WHOLE OR IN PART, EXCEPT AS PROVIDED IN ARTICLE 9 OF THIS AGREEMENT. ACCORDINGLY, (A) SUCH INTERESTS MUST BE ACQUIRED FOR INVESTMENT ONLY, AS THEY WILL BE SUBJECT TO SIGNIFICANT RESTRICTIONS ON TRANSFERABILITY, AND (B) THE HOLDERS OF SUCH INTERESTS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE RISKS OF THEIR RESPECTIVE INVESTMENTS IN SUCH INTERESTS FOR AN INDEFINITE PERIOD OF TIME.

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AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF
IOTA SPECTRUM PARTNERS, LP

THIS AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT (this "**Agreement**") of IOTA SPECTRUM PARTNERS, LP (the "**Partnership**"), dated as of November 5, 2019 (the "**Effective Date**"), by and among IOTA SPECTRUM HOLDINGS, LLC, an Arizona limited liability company, as the General Partner, Rob Somers, Esq., as initial limited partner (the "**Initial Limited Partner**"), and the Persons listed on Schedule A hereto, as such Schedule may be amended from time to time, as Limited Partners.

WITNESSETH:

WHEREAS, the Partnership, the General Partner and the Initial Limited Partner entered into that certain Limited Partnership Agreement, dated as of May 20, 2019 (the "**Original Agreement**");

WHEREAS, the parties hereto desire to amend and restate the Original Agreement in its entirety in order to (a) permit the withdrawal of the Initial Limited Partner and the admission of the Limited Partners that are Original Partners and (b) provide that the Partnership will be governed by the terms and provisions set forth below.

NOW, THEREFORE, in consideration of the mutual promises and agreements herein made and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto hereby agree to amend and restate the Original Agreement to read in its entirety as follows:

In consideration of the covenants, conditions and agreements contained herein, the parties hereto hereby agree as follows:

ARTICLE I

DEFINED TERMS

1.1 **Certain Definitions.** Capitalized terms used but not otherwise defined herein shall have the respective meanings assigned to them in Appendix I.

1.2 **Certain Conventions.** As used in this Agreement, unless the context otherwise requires, (a) words of any gender shall be deemed to include each other gender, (b) words using the singular or plural number also include the plural or singular number, respectively, (c) the terms "hereof," "herein," "hereby" and "hereunder," and words of similar import, refer to this Agreement as a whole and not to any particular Article, Section or provision, and (d) the words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation."

ARTICLE 2

THE PARTNERSHIP

2.1 **Formation.** The Partnership was formed as a limited partnership by the filing of the Certificate with the Arizona Secretary of State, and is and shall be governed by the Arizona Act, as modified by the terms and conditions set forth in this Agreement. Except as provided in this Agreement, the rights, powers, duties, obligations and liabilities of the Partners (in their respective capacities as such) shall be determined pursuant to the Arizona Act and this Agreement. To the extent that any of the rights, powers, duties, obligations or liabilities of any Partner (in its capacity as such) is different by reason of any provision of this Agreement than it would be in the absence of such provision, this Agreement shall control to the extent permitted by the Arizona Act.

2.2 **Name and Principal Office.** The name of the Partnership shall be "IOTA SPECTRUM PARTNERS, LP", and all business of the Partnership shall be conducted in that name or in such other names that comply with applicable law as the General Partner may select in its sole discretion from time to time. The General Partner may amend this Agreement and the Certificate to effect such name change. The principal office of the Partnership shall be at 2111 E. Highland Avenue, Suite 305, Phoenix, Arizona 85016, or at such other place as the General Partner may designate from time to time with written notice given to the Partners of such designation. The Partnership may also maintain such other offices at such other places as the General Partner may deem advisable.

2.3 **Registered Office and Agent for Service of Process.** Subject to the next succeeding sentence, the address of the Partnership's registered office in the State of Arizona shall be 2111 E. Highland Avenue, Suite 305, Phoenix, Arizona 85016, and its registered agent for service of process in the State of Arizona at such address shall be Rob Somers, Esq. The General Partner may change the location of the registered office of the Partnership to such other location, and may change the Partnership's registered agent for service of process to such other person, as the General Partner may specify from time to time in a written notice to the Limited Partners.

2.4 **Purpose.** The purposes of the Partnership are to (a) acquire, hold, dispose of and otherwise effect transactions of any kind with respect to, FCC Licenses, (b) exercise all rights, powers and incidents of ownership in respect of FCC Licenses acquired by the Partnership, in each case as determined by the General Partner in its sole discretion, (c) raise capital (whether in the form of equity or debt) for the purpose of acquiring additional FCC Licenses, financing the development of the Partnership's business and for general working capital purposes, and (d) engage in any and all lawful activities permitted under the Arizona Act that are incidental to or in furtherance of the foregoing purposes. To the fullest extent permitted by applicable law, the General Partner shall have no duty or obligation to propose or approve, and may, in its sole discretion, decline to propose or approve, the conduct by the Partnership of any business.

2.5 **Powers.** Except as otherwise expressly provided in this Agreement, the Partnership shall have all of the powers and rights conferred on limited partnerships organized under the Arizona Act and shall have the power and authority to take all actions deemed necessary, appropriate or advisable by the General Partner in furtherance of the Partnership's purposes and for the protection and benefit of the Partnership.

2.6 **Term.** The term of the Partnership commenced upon the filing of the Certificate as described in Section 2.7 and shall continue perpetually, unless the Partnership is dissolved in accordance with the provisions of this Agreement. The existence of the Partnership as a separate legal entity shall continue until the cancellation of the Certificate in the manner provided in the Arizona Act.

2.7 **Filings.** The Certificate was filed as required by and in conformance with Section 29-308 of the Arizona Act on or about April 25, 2019. The General Partner shall further cause to be executed, filed and recorded and shall cause to be published, if required by applicable law, such other certificates or other instruments as it determines to be necessary or appropriate under the applicable law of any state in which the Partnership does business.

2.8 **Title to Partnership Assets.** Partnership assets, whether real, personal or mixed and whether tangible or intangible, shall be deemed to be owned by the Partnership as an entity, and no Partner, individually or collectively, shall have any ownership interest in such Partnership assets or any portion thereof. Title to any or all of the Partnership's assets may be held in the name of the Partnership, the General Partner or one or more of its Affiliates, or one or more nominees, as the General Partner may determine. The General Partner hereby represents and confirms that any Partnership assets for which record title is at any time held in the name of the General Partner or one or more of its Affiliates or one or more nominees shall be held by the General Partner or such Affiliate or nominee for the use and benefit of the Partnership in accordance with the provisions of this Agreement; provided, however, that the General Partner shall use reasonable efforts to cause record title to such assets (other than those assets in respect of which the General Partner determines that the expense and difficulty of conveyancing makes transfer of record title to the Partnership impracticable) to be vested in the Partnership as soon as reasonably practicable following the acquisition of such assets. All Partnership assets shall be recorded as the property of the Partnership in its books and records, irrespective of the name in which record title to such Partnership assets is held.

ARTICLE 3

MANAGEMENT AND OPERATION OF THE PARTNERSHIP

3.1 Management of the Partnership.

(a) Except as otherwise expressly provided in this Agreement, the General Partner shall have full and exclusive right, power and authority to manage and conduct the business, property and affairs of the Partnership, and the Limited Partners shall have no control of the management of the Partnership and shall have no rights or powers to carry on the affairs of the Partnership. In addition to the powers now or hereafter granted to a general partner of a limited partnership under applicable law or that are granted to the General Partner under any other provision of this Agreement, the General Partner is hereby authorized and empowered, on behalf and in the name of the Partnership, to (i) carry out the purposes of the Partnership and (ii) do all acts and things, including to enter into and perform all contracts, agreements and other undertakings, that the General Partner may in its sole discretion deem to be necessary, appropriate or advisable in furtherance of the purposes of the Partnership. All determinations made and actions

taken by the General Partner pursuant to the provisions of this Agreement shall be binding on and conclusive as to all of the Partners.

(b) Without limiting the foregoing general powers, and except as otherwise expressly provided in this Agreement, including Section 3.2, and Article 13, the General Partner is hereby authorized and empowered, on behalf and in the name of the Partnership, without the consent of any Limited Partner, to:

- (i) market and sell additional LP Units;
- (ii) acquire additional FCC Licenses and arrange for related network construction and maintenance through the License Application and Construction Services Agreement;
- (iii) monetize the FCC Licenses (whether through the Master Lease Agreement, the sale or other disposition of all or any portion of the FCC Licenses, or otherwise);
- (iv) make any expenditures, lend or borrow any money, assume or guarantee, or otherwise enter into contracts for, indebtedness and other liabilities, issue evidences of indebtedness, including indebtedness that is convertible or exchangeable into LP Units, and incur any other obligations;
- (v) make any tax, regulatory and other filings, or render periodic or other reports to governmental or other agencies having jurisdiction over the business or assets of the Partnership;
- (vi) acquire Partnership assets and dispose of, mortgage, pledge, encumber, hypothecate or exchange any or all of the assets of the Partnership; and cause the Partnership to enter in to any merger or other combination with or into another Person;
- (vii) use the assets of the Partnership (including cash on hand) for any purpose consistent with the terms of this Agreement, including financing the conduct of operations of the Partnership; lending funds to other Persons (including other Iota Group Members); and guaranteeing of obligations of Iota Networks;
- (viii) negotiate, execute, perform and terminate any contracts, undertakings, conveyances or other agreements or instruments (including agreements or instruments that limit the liability of the Partnership under contractual arrangements to all or particular assets of the Partnership, with the counterparty having no recourse against the General Partner or its assets, even if the same results in the terms of the transaction being less favorable to the Partnership than would otherwise be the case), and, in each case, amend, supplement, modify or waive compliance with any of the terms thereof, that the General Partner determines to be necessary, appropriate or advisable in connection with the acquisition, possession or disposition of the FCC Licenses or otherwise in furtherance of the purposes of the Partnership;
- (ix) make distributions of Partnership cash;

(x) select, employ, retain, terminate and/or dismiss, as applicable, employees (including employees having titles such as "chief executive officer," "president," "chief financial officer," "general counsel," "vice president," "secretary" and "treasurer"), agents, outside attorneys, accountants, consultants, other professional advisors and contractors and determine the terms of their compensation, retention or termination, as applicable, on such terms and conditions as the General Partner determines to be appropriate or advisable;

(xi) purchase and maintain insurance for the benefit of the Partnership, the General Partner and the other Covered Persons, including such liability, casualty and other insurance as the General Partner determines to be necessary, appropriate or advisable for the protection of the business and assets of the Partnership or for any other purpose beneficial to the Partnership;

(xii) form or acquire an interest in, and contribute property and make loans to, any other limited or general partnerships, joint ventures, corporations, limited liability companies or other Persons (including the acquisition of interests in, and contributions of property to, any Iota Group Member from time to time);

(xiii) indemnify any Person against liabilities and contingencies to the extent permitted by law;

(xiv) issue derivative instruments, subject to the restrictions set forth in this Agreement;

(xv) enter into any agreement with the General Partner or any Affiliate of the General Partner, including the Administrative Expenses Agreement and any agreement to obtain services from an Iota Group Member;

(xvi) execute all other instruments and documents of any kind that the General Partner determines to be necessary, appropriate or advisable in connection with the business of the Partnership;

(xvii) pay or cause to be paid all Partnership Expenses required to be borne by the Partnership pursuant to this Agreement, including amounts payable in respect of the Partnership's indemnification obligations under Article 11, and establish such reserves as the General Partner determines to be necessary, appropriate or advisable for estimated accrued Partnership Expenses and unknown, unfixed or contingent liabilities of the Partnership;

(xviii) cause the Partnership to effect such redemptions of Interests pursuant to Section 10.2 as the General Partner determines to be necessary, appropriate or advisable;

(xix) propose and, to the extent permitted by Section 14.1, effect amendments to this Agreement;

(xx) make elections under the Code as to the treatment of items of Partnership income, gain, loss, expense, deduction and credit and other relevant matters;

(xxi) defend, institute and settle or compromise legal proceedings (including arbitration and other alternative dispute resolution proceedings) against or by the Partnership, as the case may be, and give releases and discharges with respect thereto;

(xxii) determine the accounting methods and conventions to be used in the preparation of any accounting or financial records of the Partnership; and

(xxiii) do all other acts and things which the General Partner determines to be necessary, appropriate or advisable in connection with the foregoing or otherwise in furtherance of the purposes of the Partnership.

(c) The General Partner may delegate to any Person or Persons all or any of the powers, rights and privileges vested in it by this Section 3.1 or Section 3.3, and any such delegation may be made upon such terms and conditions as the General Partner in its sole discretion shall determine. The General Partner shall not be responsible for any misconduct or negligence on the part of any such Person if such delegation was not made in Bad Faith.

(d) Without limiting the generality of the foregoing provisions of this Section 3.1, the General Partner is hereby authorized to take any action that it determines in its sole discretion to be necessary or desirable in order for (i) the Partnership not to be required to register under the Investment Company Act or the Exchange Act, (ii) the General Partner not to be required to register under or otherwise be in violation of the Advisers Act, and (iii) the Partnership to be in compliance with all applicable laws and regulations, including in each case making structural, operating or other changes in the Partnership, requiring the redemption or sale in whole or in part of any Partner's Interest, or dissolving the Partnership pursuant to Section 13.1(b).

3.2 Special Approval Rights of the Limited Partners.

(a) Notwithstanding anything in this Agreement to the contrary, the written approval of a Majority-in-Interest of the Limited Partners (voting together as a single class) and the General Partner shall be required for each of the following actions on the part of the Partnership:

(i) (A) incurring indebtedness for borrowed money (including indebtedness under a working capital line or revolving line of credit), (B) issuing notes, debentures or similar instruments, and (C) guaranteeing any debt obligation of another Person described in clause (A) or (B) above, if, immediately after giving effect to such incurrence or guarantee, the aggregate outstanding principal amount of all such indebtedness, notes, debentures and similar instruments of the Partnership (together with the aggregate outstanding principal amount of all such indebtedness, notes, debentures and similar instruments of other Persons guaranteed by the Partnership) would exceed \$2,000,000;

(ii) voluntarily granting any lien or other security interest or encumbrance on Partnership assets to secure indebtedness, notes, debentures, similar instruments or guarantees described in clause (i) above, if immediately after giving effect to such grant, the aggregate outstanding principal amount of all such secured indebtedness, notes, debentures and similar instruments of the Partnership (together with the aggregate outstanding principal amount

of all such indebtedness, notes, debentures and similar instruments of other Persons supported by a secured guarantee of the Partnership) would exceed \$2,000,000;

(iii) selling more than 25% of the MHz-Pops owned by the Partnership in any transaction or series of related transactions;

(iv) entering into an agreement relating to (a) a sale of a majority of the Units, whether through direct purchase, merger, consolidation, or otherwise, (b) a sale, exchange, transfer, exclusive lease or license or other disposition of all or substantially all of the assets of the Partnership to a Person other than a wholly-owned subsidiary of the Partnership, or (c) any other business combination transaction, as a result of which the Partners of the Partnership immediately prior to such transaction own less than fifty percent (50%) of the outstanding equity interests of the Partnership or any successor to the Partnership immediately after giving effect to such transaction, in each case whether occurring as part of a single transaction or a series of related transactions;

(v) materially changing any of the duties, responsibilities or financial arrangements of the General Partner in relation to the Partnership;

(vi) issuing additional LP Units if, immediately after giving effect to such issuance, there would be more than 700 million LP Units then outstanding; and

(vii) expanding the Partnership's business purposes beyond those set forth in [Section 2.4](#).

3.3 Tax Matters.

(a) The General Partner is hereby designated as the Partnership Representative who shall have sole authority to act on behalf of the Partnership with respect to any tax audit, examination, investigation, controversy, refund action or other matter (subject to the provisions of the Bipartisan Budget Act). The General Partner, in its capacity as the Partnership Representative, shall have the authority to take all actions and make all decisions and elections permitted or required by the Bipartisan Budget Act. All costs and expenses incurred by the General Partner in its capacity as the Partnership Representative in connection with any such tax audit, examination, investigation, controversy, refund action or resulting administrative or judicial proceeding shall be borne by the Partnership in accordance with [Section 3.5\(b\)](#). The General Partner, in its capacity as the Partnership Representative, shall keep all Partners informed as to the progress of any such tax audit, examination, investigation, controversy, refund action or other proceeding. Each Partner agrees to cooperate with the Partnership Representative and to do or refrain from doing any and all things reasonably required by the Partnership Representative in connection with the conduct of any such tax audit, examination, investigation, controversy, refund action or other proceeding.

(b) The Partners intend that the Partnership shall be treated as a partnership for U.S. federal, state and local income tax purposes, and each Partner and the Partnership shall file all tax returns, and otherwise take all tax and financial reporting positions, in a manner consistent with such treatment. Subject to [Section 3.4\(b\)](#), neither any Partner nor the Partnership shall make any election under Treasury Regulations Section 301.7701-3, or any comparable provisions of

state or local law, to treat the Partnership as an entity other than a partnership for U.S. federal, state or local income tax purposes.

(c) Notwithstanding anything to the contrary herein, if the Partnership becomes subject to any taxes as a result of any adjustment to taxable income, gain, loss, deduction or credit for any taxable year of the Partnership (whether pursuant to a tax audit or otherwise), each Limited Partner shall indemnify the Partnership and the General Partner against any such taxes (including any interest and penalties) to the extent such taxes (or any portion thereof) are properly attributable to such Partner. In such event, the General Partner, at its option, may (i) require such Limited Partner to reimburse the Partnership for the amount of such taxes (including interest and penalties) properly attributable to such Limited Partner (it being understood that any such reimbursement shall not constitute a Contribution and, accordingly, shall not increase the Capital Account of such Limited Partner) or (ii) reduce any subsequent distributions to such Limited Partner by the amount of such taxes (including interest and penalties) properly attributable to such Limited Partner. In the event of any claimed over-assessment of taxes against a Limited Partner, such Limited Partner shall be limited to an action against the applicable jurisdiction and not against the Partnership or any Partner. The General Partner, on behalf of the Partnership, may take any action permitted under applicable law to avoid the assessment of any such taxes against the Partnership (including an election to issue adjusted Internal Revenue Service Schedule K-1s to the Limited Partners which take the relevant adjustments to taxable income, gain, loss, deduction or credit into account).

3.4 Limited Partnership Status.

(a) The General Partner shall use its reasonable efforts to cause the Partnership to comply (to the extent that procedures for doing so are available and such compliance is reasonably within the control of the General Partner in the relevant jurisdiction) with all requirements necessary to qualify the Partnership as a foreign limited partnership in each jurisdiction (other than the State of Arizona) in which the Partnership conducts business from time to time. At the request of the General Partner, each Limited Partner shall execute, acknowledge, swear to and deliver all certificates and other documents that are necessary or appropriate to qualify, continue or terminate the Partnership as a foreign limited partnership in each such jurisdiction in which the Partnership conducts business from time to time.

(b) Notwithstanding anything in this Agreement to the contrary, the General Partner shall be authorized, in its sole discretion, to convert the Partnership to a limited liability company, a corporation or such other entity as the General Partner determines is in the best interests of the Partners. At the request of the General Partner, each Limited Partner shall execute, acknowledge, swear to and deliver all certificates and other documents that are necessary or appropriate to effect such a conversion.

3.5 Expenses of the Partnership.

(a) Subject to Sections 3.5(c) and 3.5(d), all fees, costs and expenses referred to in Sections 3.5(b) and 3.5(d) shall be paid from assets of the Partnership (including Proceeds and the proceeds of Contributions), and shall be allocated among the Partners as set forth in Article 7.

(b) Except as otherwise expressly provided in Sections 3.5(c) and 3.5(d), the Partnership shall promptly pay (or reimburse the General Partner and its Affiliates for the payment of) all of the following fees, costs and expenses relating to the Partnership's activities (collectively, the "**Partnership Expenses**"), including (without limitation):

(i) all legal, accounting, printing, marketing, travel and other fees, costs and expenses incurred in connection with (A) the organization of the Partnership or (B) the offer and sale of Interests to prospective investors from time to time during the period ending on the last day of the Initial Offering Period (collectively, the "**Organizational Expenses**"), regardless of whether the same were incurred before or after the Effective Date; provided, however, that the General Partner shall pay (or cause another Iota Group Member to pay) 30% of all Organizational Expenses without reimbursement from the Partnership;

(ii) all legal, accounting and other professional fees, costs and expenses incurred in connection with the Partnership's capital-raising activities subsequent to the end of the Initial Offering Period;

(iii) all fees (including sales commissions payable to third parties), costs and expenses incurred in connection with the disposition or other monetization of FCC Licenses and MHz-Pops;

(iv) all fees, costs and expenses incurred in connection with the acquisition of newly issued FCC Licenses (including all amounts payable by the Partnership under the License Application and Construction Services Agreement), and any extraordinary expenses such as fines and penalties imposed upon the Partnership by the FCC;

(v) the amount of any judgment or settlement paid in connection with any litigation or other proceeding involving the Partnership;

(vi) all amounts in respect of guaranties, indemnities or similar obligations payable by the Partnership to any Person, whether payable under this Agreement or otherwise and whether payable in connection with any litigation or other proceeding involving the Partnership or otherwise;

(vii) any other extraordinary, nonrecurring expenses of the Partnership;

(viii) all Administration Expenses;

(ix) all fees, costs and expenses incurred in connection with the dissolution and liquidation of the Partnership; and

(x) all other fees, costs and expenses (including legal fees) not required to be borne by the General Partner.

The General Partner shall determine in good faith the expenses that are allocable to the Partnership. The General Partner shall be reimbursed by the Partnership on a monthly basis, or such other basis as the General Partner may determine, for any Partnership Expenses (other than Administration Expenses) paid by it. Reimbursements pursuant to this Section 3.5(b) shall be in

addition to any reimbursement to the General Partner pursuant to [Section 3.5\(c\)](#) or the Administrative Expenses Agreement or as a result of indemnification pursuant to [ARTICLE 11](#).

(c) To the extent the Partnership does not have sufficient cash available to pay any Partnership Expense (other than Administration Expenses), the General Partner may, in its sole discretion, advance the necessary funds to the Partnership for purposes of paying such expenses. Any such advance shall be repaid on the fifth anniversary of the Effective Date or (if sooner) upon the dissolution of the Partnership or the Partnership's receipt of Monetization Proceeds.

(d) Upon the terms and subject to the conditions set forth in the Administrative Expenses Agreement, the General Partner shall pay (and the Partnership shall reimburse the General Partner for) the fees, costs and expenses (collectively, the "**Administration Expenses**") incurred by the General Partner in connection with the administration of the Partnership's affairs and business, including (without limitation):

(i) the Partnership's allocable share (as determined by the General Partner) of all fees, costs and expenses the General Partner incurs for salaries, rent, office equipment and other similar overhead that are attributable to the General Partner's provision of the Administrative Services (as defined in the Administrative Expenses Agreement);

(ii) all ongoing out-of-pocket record-keeping, accounting, auditing, administrative, reporting and tax return preparation fees, costs and expenses relating to the Partnership;

(iii) all out-of-pocket fees, costs and expenses related to making Distributions;

(iv) all out-of-pocket fees, costs and expenses (for example, costs of arranging seminars and meetings with prospective investors) attributable to the provision of logistical support for the Partnership's capital-raising activities subsequent to the end of the Initial Offering Period;

(v) with respect to the FCC Licenses, all out-of-pocket fees, costs and expenses incurred in connection with routine administration of the FCC Licenses, including renewal applications and coordinating with the FCC and other Iota Group Members; and

(vi) all out-of-pocket fees, costs and expenses incurred for compliance with routine legal and regulatory requirements arising from the activities of the Partnership (it being understood that all costs and expenses for the General Partners' compliance with legal and regulatory requirements arising from its own activities shall not constitute Partnership Expenses).

The Partnership shall reimburse the General Partner for its allocable share of all Administration Expenses described in clause (i) above, and for the General Partner's payment of all out-of-pocket Administration Expenses, in accordance with the terms of the Administrative Services Agreement.

3.6 **Borrowings.** Subject to [Section 3.2](#):

(a) the Partnership shall be permitted to (A) incur any indebtedness for borrowed money (including indebtedness under a working capital line or revolving line of credit), (B) issue notes, debentures or similar instruments, and (C) guarantee or otherwise become contingently liable with respect to any debt obligation of another Person described in clause (A) or (B) above; and

(b) the Partnership may borrow funds pursuant to this [Section 3.6](#) from any source, including from any Limited Partner, the General Partner or any of their respective Affiliates.

The Partners acknowledge and agree that, subject to [Section 3.2](#), the Partnership's obligations in respect of any debt obligation, guarantee or contingent liability permitted by [Section 3.6\(a\)](#) and any related agreements or instruments may be secured by (and, in connection therewith, the General Partner is hereby authorized to assign, transfer, hypothecate, pledge and grant a security interest in) any of the assets of the Partnership, including FCC Licenses.

ARTICLE 4

OTHER ACTIVITIES; CONFLICTS OF INTEREST; STANDARDS OF CONDUCT

4.1 **Transactions with Affiliates.** To the fullest extent permitted by applicable law, each of the General Partner and its Affiliates are hereby authorized to (a) purchase property from, sell property to, lend money to or otherwise deal with the Partnership and (b) obtain services from, or provide services to, the Partnership, whether pursuant to the Master Lease Agreement, the License Application and Construction Services Agreement, the Administrative Expenses Agreement or otherwise. Each Partner acknowledges and agrees that the performance or obtaining of such services, the receipt of compensation therefor, the purchase or sale of such property, the lending of such funds, or the existence of such other dealings may give rise to conflicts of interest between the Partnership and the Limited Partners, on the one hand, and the General Partner and its respective Affiliates, on the other hand, and that neither the Partnership nor any Limited Partner (in its capacity as such) shall be entitled hereunder to receive, or otherwise share in any manner, any portion of any such compensation.

4.2 **Other Activities.** Each Limited Partner hereby acknowledges and agrees that:

(a) Except for opportunities to acquire additional FCC Licenses allocated under the FCC's Part 90 rules in the 800 MHz and 900 MHz spectrum bands that are compatible with the Iota's Group's network, none of the General Partner or its Affiliates shall be obligated to present any particular investment or other business opportunity to the Partnership, even if such opportunity is of a character which, if presented to the Partnership, could be taken by the Partnership; provided, however, that at any time when at least 700 million LP Units have been issued by the Partnership and are outstanding, the GP and its Affiliates shall not be obligated to present such acquisition opportunities to the Partnership.

(b) Except as otherwise expressly provided in [Section 4.2\(a\)](#), each of the General Partner and its Affiliates shall have the right to acquire FCC Licenses for its own account

and to enter into agreements relating to FCC Licenses held by persons other than the Partnership (including, but not limited to, agreements comparable to the Master Lease Agreement).

(c) Except as otherwise expressly provided herein, the General Partner and each member, officer, manager, employee, representative, agent or Affiliate of the General Partner may invest, participate or engage in (for such Person's own account or for the account of others), or may possess an interest in, other business, financial and investment activities of any kind or description, independently or with others, even if the same are competitive with the business of the Partnership, and may receive compensation in connection with such ventures and activities. Neither the Partnership nor any Limited Partner (in its capacity as such) shall by virtue of this Agreement have any right, title or interest in or to any such ventures or activities, or in or to any compensation derived therefrom.

(d) Notwithstanding anything in this Agreement to the contrary, except as expressly provided in Section 4.2(a) with respect to the General Partner and its Affiliates: (i) neither the doctrine of corporate opportunity, nor any analogous doctrine, shall apply to any Covered Person (including the General Partner and its Affiliates); (ii) no Covered Person (including the General Partner and its Affiliates) who acquires knowledge of a potential transaction, agreement, arrangement or other matter that may be an opportunity for the Partnership shall have any duty to communicate or offer such opportunity to the Partnership; and (iii) no Covered Person (including the General Partner and its Affiliates) shall be liable to the Partnership, any Partner or any other Person for breach of any fiduciary or other duty by reason of the fact that such Covered Person pursues or acquires such opportunity for itself, directs such opportunity to another Person or does not communicate such opportunity or information to the Partnership.

4.3 Resolution of Conflicts of Interest; Standards of Conduct and Modification of Duties.

(a) Whenever the General Partner, acting in its capacity as the general partner of the Partnership, or (if applicable) the Board of Directors or any committee of the Board of Directors of the General Partner (acting in such capacity), makes a determination to take or omit to take any action in such capacity, whether or not under this Agreement or any other agreement contemplated hereby, then, unless another standard is expressly provided for in this Agreement, (i) the General Partner or (if applicable) the Board of Directors or such committee, as applicable, shall not make such determination, or take or omit to take such action, in Bad Faith, and (ii) the foregoing is the sole and exclusive standard governing any such determination, action or omission of the General Partner, the Board of Directors or any such committee of the Board of Directors, and (iii) to the fullest extent permitted by law, no such Person shall be subject to any fiduciary duty or other duty or obligation, or any other, different or higher standard (all of which duties, obligations and standards are hereby waived and disclaimed), under this Agreement or any other agreement contemplated hereby, or under the Arizona Act or any other law, rule or regulation or at equity. Any such determination, action or omission by the General Partner or (if applicable) the Board of Directors or any committee thereof shall for all purposes of this Agreement and any such other agreement be presumed to have been made, taken or omitted in Good Faith. In any action, suit or other proceeding brought by or on behalf of the Partnership, any Limited Partner, or any other Person who acquires an Interest, challenging any such determination, act or omission, the

Person bringing or prosecuting such action, suit or proceeding shall have the burden of proving that such determination, action or omission was not made, taken or omitted in Good Faith.

(b) Whenever the General Partner or any of its Affiliates makes a determination or takes or omits to take any action, not acting (in the case of the General Partner) in its capacity as the general partner of the Partnership, whether or not under this Agreement or any other agreement contemplated hereby, then the General Partner or such Affiliate shall be entitled, to the fullest extent permitted by law, to make such determination or to take or omit to take such action free of any fiduciary duty or duty of Good Faith, or any other duty or obligation existing at law, in equity or otherwise whatsoever to the Partnership, any Limited Partner, or any other Person who acquires an Interest, and the General Partner or such Affiliate shall not, to the fullest extent permitted by law, be required to act in Good Faith or pursuant to any fiduciary or other duty or standard imposed by this Agreement or any other agreement contemplated hereby or under the Arizona Act or any other law, rule or regulation or at equity.

(c) For purposes of Sections 4.3(a) and (b) of this Agreement, "acting in its capacity as the general partner of the Partnership" means and is solely limited to, the General Partner exercising its authority as a general partner under this Agreement, other than when it is "acting in its individual capacity." For purposes of this Agreement, "acting in its individual capacity" means: (i) any action by the General Partner other than through the exercise of its authority as a general partner under this Agreement; and (ii) any action or inaction by the General Partner by the exercise (or failure to exercise) of its rights, powers or authority under this Agreement that are modified by: (A) the phrase "at the option of the General Partner," (B) the phrase "in its sole discretion" or "in its discretion" or (C) some variation of the phrases set forth in clauses (A) and (B) above. For the avoidance of doubt, whenever the General Partner votes, acquires Interests or transfers its Interests, or refrains from voting or transferring its Interests, it shall be deemed to be "acting in its individual capacity."

(d) Whenever a potential conflict of interest exists or arises between the General Partner, any Iota Group Member or any of their respective Affiliates, on the one hand, and the Partnership or any Limited Partner, on the other hand, the General Partner may in its discretion submit any course of action with respect to or causing such conflict of interest for approval by the vote of a majority of the LP Units (excluding LP Units owned by the General Partner and its Affiliates). If any such course of action receives the approval of a majority of the LP Units (excluding LP Units owned by the General Partner and its Affiliates), then such course of action shall (i) be conclusively deemed to be approved by the Partnership, all the Partners, and each Person who acquires an Interest, (ii) be deemed to be duly authorized, legal and binding with respect to the Partnership, all the Partners, and each Person who acquires an Interest, and (iii) not constitute a breach of this Agreement, of any agreement contemplated herein, or of any fiduciary or other duty or obligation existing at law, in equity or otherwise.

(e) Notwithstanding anything to the contrary in this Agreement, none of the General Partner, its Affiliates or any other Covered Person shall have any duty or obligation, express or implied, to (i) sell or otherwise dispose of any asset of the Partnership or (ii) permit the Partnership to use any facilities or assets of the General Partner and its Affiliates, except as may be provided in contracts entered into from time to time specifically dealing with such use. Any

determination by the General Partner or any of its Affiliates to enter into such sale, other disposition or permitted use contract shall be in its sole discretion.

4.4 **Advisors.** Each Partner hereby acknowledges and agrees that the Partnership, the General Partner and the Iota Group may use the same legal counsel and accountants, and that such counsel and accountants shall not be deemed to represent the Limited Partners in connection with any matter relating to the offering and sale of Interests, this Agreement or the Partnership. Without limiting the generality of the foregoing, each Limited Partner acknowledges and agrees that Reed Smith LLP and any other law firm engaged by the General Partner or any other Iota Group Member in connection with the organization of the Partnership, the offering of interests in the Partnership, the management and operation of the Partnership or any dispute between the General Partner or any other Iota Group and any Limited Partner, is acting as counsel to the General Partner or such other Iota Group Member (as applicable) and, accordingly, does not represent or owe any duty to such Limited Partner or to the Limited Partners as a group in connection with such engagement. In the event that any dispute or controversy arises between any Limited Partner and the Partnership, or between any Limited Partner (on the one hand) and the General Partner, any other Iota Group Member and/or any of their respective Affiliates (on the other hand), then each Limited Partner agrees that Reed Smith LLP or any such other law firm may represent the Partnership, the General Partner, such other Iota Group Member and/or such Affiliates in such dispute or controversy to the fullest extent permitted by the New York Lawyer's Code of Professional Responsibility or similar rules in any other applicable jurisdiction, and each Limited Partner hereby consents to such representation.

ARTICLE 5

CONTRIBUTIONS; ADMISSION OF PARTNERS

5.1 **Initial Contributions; Use of Proceeds; Names and Addresses; Manner of Payment.**

(a) Each Original Partner (other than the General Partner) has made a Contribution to the Partnership as of the Effective Date (either in the form of cash pursuant to a Subscription Agreement or in the form of FCC Licenses pursuant to a Contribution Agreement) in the amount set forth opposite such Partner's name in Schedule A, and each such Partner has been admitted to the Partnership as a Partner as of the Effective Date.

(b) On or prior to August 31, 2019, the General Partner shall make a Contribution to the Partnership (pursuant to a Contribution Agreement to be entered into between the General Partner and the Partnership) of 175 FCC Licenses to the Partnership representing 65,874,644 MHz-Pops, in consideration of the issuance to the General Partner of 65,874,644 GP Units.

(c) The proceeds of the cash Contributions made by Limited Partners during the Initial Offering Period shall be used (i) to pay the portion of the Organizational Expenses required to be borne by the Partnership pursuant to Section 3.5(b)(i), (ii) to acquire newly issued FCC licenses and maintain such licenses in accordance with applicable FCC requirements, (iii) to construct and maintain the necessary facilities and infrastructure to enable the MHz-Pops

attributable to such newly issued FCC Licenses to be included in the Iota Group's network, and (iv) to pay the other costs and expenses required to be paid by the Partnership pursuant to Section 3.5 and for general corporate purposes.

(d) The names and addresses of the Partners and their respective total Contributions, number of GP Units and/or LP Units, and Unit Percentages, in each case as of the Effective Date, are set forth in Schedule A to this Agreement (such persons who become Partners as of the Effective Date, the "Original Partners"). The General Partner shall amend Schedule A, from time to time, without the consent of any other Limited Partner being required therefor, to reflect any changes in the identity, Contributions, number of Units or Unit Percentages of the Partners made in accordance with this Agreement and any changes in the addresses of the Partners. Any reference in this Agreement to Schedule A shall be deemed to be a reference to such Schedule as amended and in effect from time to time.

(e) All Contributions (other than License Contributions) made after the date hereof shall be paid in immediately available funds comprised solely of U.S. Dollars, and shall be paid at such times and in such amounts as are specified by the General Partner. All License Contributions shall be made in accordance with FCC rules and the terms of the applicable Contribution Agreement.

5.2 Additional Contributions.

(a) In the event that, from time to time following the Effective Date, the General Partner desires that the Partnership obtain Contributions in addition to those described in Sections 5.1(a) and (b), then, subject to compliance with the other provisions of this Agreement and paragraphs (b) through (e) below, the Partnership shall have the right to accept additional Contributions from any existing Partner or one or more other Persons (each such Contribution, an "Additional Contribution"), and (in the case of any such Persons who are not already Partners) to admit such Persons to the Partnership as Additional Partners, on such terms and conditions as the General Partner shall determine in its sole discretion, including but not limited to (i) the size and timing of each such Additional Contribution, and (ii) subject to Sections 3.2(a)(vi) and 5.1(b), the number of Units to be issued in connection with each Additional Contribution and the price at which each such Unit is issued (each such Business Day on which an Additional Partner is admitted to the Partnership shall be a "Subsequent Closing Date", and each closing occurring on a Subsequent Closing Date, a "Subsequent Closing"). The General Partner may, in its sole discretion, accept or reject the offer of any prospective investor to participate in any Subsequent Closing.

(b) Each Unit issued to (i) an Original Partner in respect of the Contribution made by it on the Effective Date, (ii) the General Partner pursuant to Section 5.1(b), or (iii) any existing or Additional Partner at a Subsequent Closing that occurs during the Initial Offering Period shall, in each case, be issued at the price of \$0.30 per Unit or one Unit per MHz-Pop contributed, in the case of any License Contribution.

(c) For the avoidance of doubt, in the event that any Additional Contribution of FCC Licenses is made by the General Partner at any Subsequent Closing, the General Partner shall receive such number of GP Units per MHz-Pop as shall equal the number of LP Units per MHz-

Pop issued by the Partnership to Limited Partners in connection with License Contributions made at such Subsequent Closing (or at the same per Unit ratio offered to prospective purchasers of LP Units at such Subsequent Closing, if no LP Units are actually issued at such Subsequent Closing).

(d) Each Additional Partner shall be deemed to be admitted as a Partner as of the applicable Subsequent Closing Date following (i) its execution and delivery to the General Partner of a Subscription Agreement or Contribution Agreement relating to the Interest for which such Additional Partner is subscribing, (ii) the acceptance of such Additional Partner's subscription by the General Partner, (iii) the execution and delivery of a counterpart signature page to this Agreement by such Additional Partner and (iv) its delivery or execution of such other additional documents or agreements as may be required by the General Partner in its sole discretion.

(e) Each Person who is to be admitted as an Additional Partner pursuant to this Article 5 shall agree to be bound by this Agreement by executing and delivering to the General Partner a counterpart signature page to this Agreement, for which the signatures of the then existing Partners shall not be required. In addition, the General Partner shall, in connection with any such admission, execute, file and record any required amendments to the Certificate.

5.3 Limited Liability. Except as required by the Arizona Act or as expressly set forth in this Agreement, no Limited Partner shall have any personal liability whatsoever in such Limited Partner's capacity as such, for the debts, liabilities, commitments or other obligations of the Partnership or for any losses of the Partnership. Each Limited Partner shall be liable only to make (a) the Contributions made by it to the Partnership as of the Effective Date or any Subsequent Closing, and (b) any other payments required to be made by or on behalf of such Limited Partner to or in respect of the Partnership under the Arizona Act or this Agreement.

5.4 No Control of the Partnership. No Limited Partner, in its capacity as such, shall take any part in the management or conduct of the business, operations or affairs of the Partnership, or undertake any transaction on behalf or in the name of the Partnership, or have any power or authority to sign for or bind the Partnership. No Limited Partner shall have the right or power to cause the dissolution or termination of the Partnership, except as otherwise expressly provided herein. To the maximum extent permitted by applicable law, the exercise by any Limited Partner of the rights conferred on it herein shall not be construed to constitute participation in the management or conduct of the business, operations or affairs of the Partnership so as to make such Limited Partner liable as a general partner for the debts and obligations of the Partnership pursuant to the Arizona Act or otherwise.

5.5 No Interest or Withdrawal. Notwithstanding anything in this Agreement to the contrary, (a) no interest shall accrue on the Contributions or the balance in the Capital Account of any Partner and (b) except as expressly provided in this Agreement, no Partner shall have the right to reduce its Contributions, to withdraw its capital or profits from the Partnership, to be repaid any part of its Contributions, to redeem all or any of its Units or to be paid any part of its Capital Account balance.

5.6 Legal Limitations. For the avoidance of doubt, no Person shall be admitted to the Partnership as a Partner or an Additional Partner, and no Partner shall be allowed to make

additional Contributions, without the prior written consent of the General Partner. Without limiting the generality of the foregoing, no Person shall be admitted to the Partnership as an Additional Partner, and no Partner shall be allowed to make Additional Contributions, if the admission of such Person or the making of such additional Contribution would (a) cause a dissolution of the Partnership under the Arizona Act, (b) cause the Partnership or any Affiliate of the Partnership to be required to register as an "investment company" for purposes of the Investment Company Act, (c) subject to Section 3.4(b), cause the Partnership to be treated as an entity other than a partnership for tax purposes, or (d) violate, or cause the General Partner, the Partnership or any Affiliate of the General Partner or the Partnership to violate or be required to register under the Advisers Act or any other applicable law or regulation, including any applicable FCC rules or U.S. federal or state securities law. Except as otherwise expressly provided herein, the manner of the offering of Interests, the terms and conditions under which subscriptions for Interests will be accepted, and the manner of and conditions to the sale of Interests to subscribers therefor, shall be determined by the General Partner in its sole discretion.

5.7 **Withdrawal of Initial Limited Partner.** Upon the admission of one or more Limited Partners to the Partnership on the date hereof, the Initial Limited Partner shall (a) receive a return of any capital contribution made by him to the Partnership, (b) withdraw as the Initial Limited Partner of the Partnership and (c) have no further right, interest or obligation of any kind whatsoever hereunder or under applicable law in respect of the Partnership.

ARTICLE 6

PROCEEDS; DISTRIBUTIONS; WITHHOLDING

6.1 Proceeds.

(a) Generally. Except as provided in this Article 6 or in Article 10, no Partner shall be entitled to receive any Distribution of cash or other property from the Partnership prior to its dissolution.

(b) Distributions.

(i) Distributions of Proceeds. Subject to the next succeeding sentence and Section 6.1(b)(ii), the General Partner shall cause the Partnership to distribute to the appropriate Partners any Proceeds (to the extent such Proceeds constitute Available Cash), to the extent that the General Partner does not expect to use such Proceeds for the establishment of reserves or to acquire additional FCC Licenses or otherwise in the operations of the Partnership. The amount and timing of the Distributions to be made to each Limited Partner and the General Partner in respect of Monetization Proceeds or Operating Proceeds shall be as follows:

(A) Monetization Proceeds shall be distributed within 180 days following the Partnership's receipt thereof to the General Partner and all Limited Partners on a *pro rata* basis in accordance with their respective Unit Percentages (it being understood that each GP Unit and LP Unit is entitled to an identical per Unit Distribution of Monetization Proceeds); and

(B) Operating Proceeds received by the Partnership shall be distributed on the last Business Day of each fiscal quarter (using Iota Networks' fiscal quarters, and commencing with the fiscal quarter ending November 30, 2019) to the Limited Partners on a *pro rata* basis in accordance with their respective Unit Percentages.

(ii) Notwithstanding anything in Section 6.1(b)(i) to the contrary, Operating Proceeds received not more than five (5) Business Days prior to the end of a fiscal quarter may, in the General Partner's sole discretion, be distributed on the last day of the next succeeding fiscal quarter.

(c) Temporary Investments. The General Partner, if it so elects in its sole discretion, may at any time and from time to time cause the Partnership to distribute to the Partners any cash or cash equivalents received by the Partnership as dividends or interest on any Temporary Investment, to the extent that (i) the General Partner does not expect to use such cash or cash equivalents to acquire additional FCC Licenses or otherwise in the operations of the Partnership and (ii) the General Partner, in its sole discretion, has not reserved such cash or cash equivalents to fund current and future Partnership Expenses (whether contingent or fixed, known or unknown, due or to become due, or otherwise) from time to time. Any Distribution made by the Partnership pursuant to this Section 6.1(c) shall be distributed to the Partners in the same manner as Monetization Proceeds as provided in Section 6.1(b)(i)(A).

(d) Withholding of Certain Amounts. Notwithstanding anything contained in this Agreement to the contrary, the General Partner may, in its sole discretion, withhold from any Distribution of cash or other property to any Partner pursuant to this Agreement, the following amounts:

(i) any amounts required to be paid by or on behalf of such Partner to the Partnership or the General Partner pursuant to this Agreement or any other agreement contemplated herein, in each case to the extent not previously paid; and

(ii) any amounts required to pay, or to reimburse (on a net after-tax basis) the Partnership or the General Partner for the payment of any taxes and related Losses referred to in Section 11.3 that the General Partner in good faith determines to be properly attributable to such Partner (including withholding taxes and interest, penalties, additions to tax and expenses incurred in respect thereof).

Any amount withheld from any Distribution pursuant to this Section 6.1(d) shall be applied by the General Partner to discharge the obligation in respect of which such amount was so withheld. Each Limited Partner hereby covenants and agrees to furnish the General Partner with such representations and forms as the General Partner may request to assist it in determining the extent of, and in fulfilling, the Partnership's withholding obligations, if any.

(e) Treatment of Certain Amounts Withheld. Notwithstanding anything in this Agreement to the contrary, (i) all amounts withheld by the General Partner pursuant to Section 6.1(d) or 6.1(f), and (ii) all amounts that the General Partner determines in good faith to be properly withheld or otherwise paid by any Person on behalf of any Partner (in such Partner's capacity as such) pursuant to the Code or any provision of any state, local or foreign tax law, shall

be treated as if such amounts were, in the case of clause (ii) above, realized and recognized by the Partnership and, in the case of clauses (i) and (ii) above, distributed to such Partner. The General Partner, in its sole discretion, may require any Partner deemed to have received a Distribution of any amount referred to in clause (ii) of this Section 6.1(c) to pay in cash, as a reimbursement to the Partnership, the amount of such deemed Distribution (it being understood that such a payment shall not constitute a Contribution, and that no Interest shall be deemed to be issued in respect of any such payment).

(f) Amounts Held in Reserve. In addition to, and without limiting, the rights of the General Partner and the Partnership set forth in the other provisions of this Agreement, and notwithstanding anything in this Agreement to the contrary, the General Partner shall have the power, in its sole discretion, to withhold amounts otherwise distributable to any Partner if: (i) in the opinion of the General Partner, such Distribution would render the Partnership insolvent, or (ii) in the opinion of the General Partner, such Distribution would leave the Partnership with insufficient funds to meet any existing liabilities, obligations or contingencies.

6.2 Limitations on Distributions. Notwithstanding anything in this Agreement to the contrary, (a) the Partnership shall not make any Distribution except to the extent permitted under the Arizona Act and (b) no Distribution shall be made by the Partnership to any Partner to the extent that the making of such Distribution by the Partnership would cause a violation of any applicable law or regulation.

6.3 Withdrawal of Capital. Except as otherwise expressly provided in this Agreement, (a) no Partner shall have the right to withdraw, in whole or in part, from the Partnership, and (b) no Partner shall be permitted to borrow, or to make any withdrawal of all or any portion of its capital or profits from the Partnership.

ARTICLE 7

CAPITAL ACCOUNTS; ADJUSTMENTS TO CAPITAL ACCOUNTS

7.1 Capital Accounts.

(a) The Partnership shall establish and maintain a separate capital account for each of the General Partner and Limited Partners in accordance with the Code and Treasury Regulations promulgated thereunder, including Treasury Regulations Section 1.704-1(b) (each such capital account, a "Capital Account"). Without limiting the generality of the foregoing and subject to paragraphs (b), (c), (d) and (e) below, the Capital Account maintained for each Partner shall be equal to:

(i) the aggregate amount of Contributions made by such Partner to the Partnership; increased by

(ii) the aggregate amount of Net Income and other items of income and gain allocated to such Partner pursuant to Article 8 and the amount of any Partnership liabilities assumed by such Partner or that are secured by any property distributed to such Partner; decreased by

(iii) the aggregate amount of Distributions made by the Partnership to such Partner; decreased by

(iv) the aggregate amount of Net Loss and other items of deduction, expenditure and loss allocated to such Partner pursuant to Article 8 and the amount of any liabilities of such Partner assumed by the Partnership or that are secured by any property contributed by such Partner to the Partnership.

(b) The Book Values of all Partnership assets shall be adjusted to equal their respective Fair Market Values (taking Section 7701(g) of the Code into account) as of the following times (without duplication):

(i) the acquisition of an additional Interest by any new or existing Partner in exchange for more than a *de minimis* contribution of money or property to the Partnership;

(ii) the Distribution by the Partnership of more than a *de minimis* amount of money or property to a withdrawing or continuing Partner in consideration for an Interest;

(iii) the liquidation of the Partnership, within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g);

(iv) the issuance by the Partnership of an Interest in exchange for services rendered or to be rendered;

(v) the issuance by the Partnership of a Noncompensatory Option which is not treated as a partnership interest pursuant to Treasury Regulations Section 1.761-3(a);

(vi) the acquisition of an Interest upon the exercise of a Noncompensatory Option in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(s) (including upon the exercise of any right to purchase newly issued Units at a discount pursuant to Section 3 of certain of the Subscription Agreements);

(vii) at such other times as the General Partner shall reasonably determine to be necessary or advisable in order to comply with Regulations Sections 1.704-1(b) and 1.704-2;

provided, however, that such an adjustment shall be made in connection with an event described in clause (i), (ii) or (iv) through (vii) above of this Section 7.1(b) only if the General Partner determines that such adjustment is necessary to reflect the relative economic interests of the Partners in the Partnership; provided further, however, that if any Noncompensatory Options are outstanding upon the occurrence of an event described in clause (i) through (vii) above, the Partnership shall adjust the Book Values of its properties in accordance with Treasury Regulations Sections 1.704-1(b)(2)(iv)(f)(1) and 1.704-1(b)(2)(iv)(h)(2). The amount of any adjustment to the Book Values of the Partnership's assets pursuant to this Section 7.1(b) shall constitute Net Income or Net Loss, as the case may be, for the Allocation Period which includes the date of the event

resulting in such adjustment and shall be allocated to the Capital Accounts of the Partners pursuant to this Article 7.

(c) Except as may be required by the Arizona Act or any other applicable law, no Partner with a negative balance in its Capital Account shall have any obligation, in connection with the liquidation of the Partnership or otherwise, to restore such negative balance.

(d) Upon a Transfer of an Interest (other than the creation of a pledge, hypothecation or other security interest or the granting of a participation) effected in accordance with Article 10, a proportionate share of the Capital Account of the Transferor shall be deemed to be transferred to the Transferee, and the Transferee shall be deemed to have made the Contributions that were made by the Transferor and to have received the distributions and allocations that were received by the Transferor from the Partnership, in each case to the extent of the Interest Transferred. In the case of a sale or exchange of an Interest at a time when an election under Section 754 of the Code is in effect, the Capital Account of the Transferee shall not be adjusted to reflect the adjustments to the adjusted tax basis of Partnership property required under Sections 754 and 743 of the Code, except as otherwise required or permitted by Treasury Regulations Section 1.704-1(b)(2)(iv)(m).

(e) The manner in which the Capital Accounts are to be maintained pursuant to this Article 7 is intended to comply with the requirements of Section 704 of the Code and the Treasury Regulations promulgated thereunder, and the provisions of this Agreement regarding the maintenance of Capital Accounts shall be interpreted and applied consistently therewith. If, in the opinion of the General Partner, the manner in which the Capital Accounts are to be maintained pursuant to this Article 7 should be modified in order to comply with any other provision of this Agreement or the requirements of Section 704 of the Code and the Treasury Regulations promulgated thereunder, then, notwithstanding anything to the contrary contained in this Article 7, the General Partner may change the manner in which the Capital Accounts are maintained, and the General Partner shall have the right, upon delivery of written notice to each other Partner and without obtaining the consent of any Partner, to amend this Agreement to reflect any such change in the manner in which the Capital Accounts are maintained; provided, however, that any such change in the manner of maintaining the Capital Accounts shall not alter materially the economic arrangement among the Partners.

ARTICLE 8

ALLOCATIONS

8.1 **Allocations in General.** Income, gain, loss, deduction and expense of the Partnership shall be allocated to the Capital Accounts of the Partners in accordance with this Article 8.

8.2 **Allocations to Give Economic Effect.** Except as otherwise provided herein, each item of income, gain, loss, deduction or expense of the Partnership (determined in accordance with U.S. tax principles as applied to the maintenance of capital accounts) shall be allocated among the Capital Accounts of the Partners with respect to each Allocation Period, as of the end of such

Allocation Period, in a manner that as closely as possible gives economic effect to the provisions of Articles 6 and 13 and the other relevant provisions of this Agreement.

8.3 Allocation of Income and Loss.

(a) Other than a Liquidity Event. As of the end of each Allocation Period, after taking into account the special allocations set forth in Section 8.5, Net Income and Net Losses (other than Net Income and Net Losses related to a Liquidity Event), for each Allocation Period shall be allocated among the Partners in accordance with the amounts distributable to the GP Units and LP Units pursuant to Article 6.

(b) Liquidity Event. After taking into account the special allocations set forth in Section 8.5, Net Income and Net Losses (and, to the extent necessary, items of income, gain, loss and deduction) related to a Liquidity Event shall be allocated among the Partners in the manner that will cause their respective Capital Accounts to proportionately equal, as closely as possible, the excess of (i) the amount that would be distributable to the Partners under Section 6.1 if the Partnership were dissolved, its affairs wound up and (A) all Partnership assets were sold on the last day of the Allocation Period for cash equal to their respective Book Values (except that Partnership assets actually sold during such Allocation Period are to be treated as sold for the consideration received therefor), (B) all Partnership liabilities were satisfied (limited, with respect to each "partner nonrecourse liability" and "partner nonrecourse debt," as defined in Treasury Regulations Section 1.704-2(b)(4), to the Book Value of the Partnership assets securing such liabilities), and (C) the net assets were immediately distributed in accordance with Section 6.1 to the Partners, over (ii) such Partner's share (if any) of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, computed immediately prior to the hypothetical sale of Partnership assets.

8.4 Adjustments to Reflect Changes in Interests. With respect to any Allocation Period during which any Partner's interest in the Partnership changes, whether by reason of the admission of a Partner, the complete or partial withdrawal of a Partner, a non-*pro rata* contribution of capital to the Partnership or any other event described in Section 706(d) of the Code or in Treasury Regulations issued thereunder, allocations of items of Partnership income, gain, loss, deduction and expense shall be adjusted appropriately to take into account the varying interests of the Partners during such Allocation Period. The General Partner, in its sole discretion, shall select the method of making such adjustments.

8.5 Allocations of Taxable Income and Loss; Partnership for Tax Purposes.

(a) Except as otherwise required by Section 704(c) of the Code and Treasury Regulations thereunder, each item of income, gain, loss, deduction or expense recognized by the Partnership shall be allocated among the Partners for U.S. federal, state and local income tax purposes in the same manner that each such item is allocated to the Partners' Capital Accounts or as otherwise provided herein, provided that the General Partner may adjust such allocations as long as such adjusted allocations have substantial economic effect or are in accordance with Partner's Interests, in each case within the meaning of the Code and the Treasury Regulations. Tax credits and tax credit recapture shall be allocated in accordance with the Partner's Interests as provided in Treasury Regulations Section 1.704-1(b)(4)(ii). All matters concerning allocations for

U.S. federal, state and local and non-U.S. income tax purposes, including accounting procedures, not expressly provided for by the terms of this Agreement shall be determined in good faith by the General Partner. Section 704 of the Code and the Treasury Regulations issued thereunder, including the provisions of such Treasury Regulations addressing qualified income offset provisions, minimum gain chargeback requirements and allocations of deductions attributable to nonrecourse debt and partner nonrecourse debt, are hereby incorporated by reference. If, as a result of the provisions of Section 704 of the Code and such Treasury Regulations, items of Net Income or Net Loss are allocated to the Partners in a manner that is inconsistent with the manner in which the Partners intend to divide Partnership Distributions as reflected in Section 6.1, to the extent permitted under such Treasury Regulations, items of future income and loss shall be allocated among the Partners so as to prevent such allocations from distorting the manner in which Partnership Distributions will be divided among the Partners pursuant to this Agreement.

(b) If, as a result of an exercise of a Noncompensatory Option to acquire an interest in the Partnership, a Capital Account reallocation is required under Treasury Regulations Section 1.704-1(b)(2)(iv)(s)(3), the Partnership shall make corrective allocations pursuant to Treasury Regulations Section 1.704-1(b)(4)(x).

(c) Subject to Section 3.3, each Partner shall notify the General Partner in a timely manner of its intention to (i) file a notice of inconsistent treatment under Section 6222(b) of the Code, (ii) file a request for administrative adjustment of Partnership items, (iii) file a petition with respect to any Partnership item or other tax matter involving the Partnership or (iv) enter into a settlement agreement with the U.S. Treasury Department with respect to any Partnership item. After any such notification the General Partner, if it agrees with such Partner's position, may in its sole discretion elect to make such filing or enter into such agreement, as applicable and practicable, on behalf of the Partnership. The cost of any audit or adjustment of a Partner's tax return shall be borne solely by the relevant Partner.

(d) The General Partner is hereby authorized to execute and file for all of the Partners any form or document required by any applicable U.S. federal, state or local tax law for the Partnership to be classified as a partnership under such tax law. Subject to Section 3.4(b), The Partnership shall not participate in the establishment of an "established securities market" (within the meaning of Treasury Regulations Section 1.7704-1(b)) or a "secondary market or the substantial equivalent thereof" (within the meaning of Treasury Regulations Section 1.7704-1(c)) or, in either case, the inclusion of interests in the Partnership thereon.

(e) Allocations of taxable income or loss, or of items of income, gain, loss, deduction and expense, made to the Partners for tax purposes pursuant to Section 8.5(a) shall not be reflected in the Partners' Capital Accounts.

ARTICLE 9

TRANSFERS OF INTEREST; LIMITATIONS

9.1 **Prohibition.** Except as expressly permitted by Sections 9.2, 9.4, 9.6 or 9.7, no Partner may Transfer all or any portion of its Interest to any Person, and any purported Transfer in

violation of this Article 9 shall be void and shall not be recognized by the Partnership or the Partners.

9.2 Restrictions on Transfer.

(a) A Partner may Transfer all or any portion of its Interest only if all of the following conditions are satisfied:

(i) each Partner desiring to make such Transfer and the Transferee executes, acknowledges and delivers to the General Partner such instruments of transfer and assignment with respect to such Transfer and such other instruments, including an agreement on the part of the Transferee to be bound by the terms of this Agreement, as the General Partner shall have requested; each of such instruments is satisfactory in form and substance to the General Partner; and, if required, an appropriate amendment to the Certificate is duly executed and filed with the appropriate governmental authorities;

(ii) the Transferee is an "accredited investor," as such term is defined in Regulation D under the Securities Act, and otherwise meets such legal and regulatory suitability requirements, and provides the Partnership and the General Partner with such representations, covenants, agreements and indemnities, as the General Partner determines are necessary, appropriate or advisable in connection with such Transfer, including the representations, covenants, agreements and indemnities contained in any Subscription Agreement entered into by any similarly situated Partner;

(iii) the General Partner consents to the Transfer in writing, which consent may be withheld or granted in the sole discretion of the General Partner;

(iv) the Transfer would not: (A) result in the Partnership no longer being treated as a partnership for U.S. federal income tax purposes (subject to Section 3.4(b)), or in the violation by the Partnership or the General Partner of, or in the loss of any exemption available to the Partnership or the General Partner under, the Advisers Act or any applicable U.S. federal or state securities law, or in the Partnership or the General Partner being subject to the registration provisions of the Investment Company Act; (B) subject to Section 3.4(b), result in a termination of the Partnership for U.S. federal income tax purposes; (C) subject to Section 3.4, cause the Partnership to be treated as a publicly traded partnership under the Code; (D) cause the assets of the Partnership to be treated as "plan assets" for purposes of the Plan Assets Regulation; (E) subject the Interests to registration under the Securities Act or the securities laws of any state or foreign country; (F) cause the Partnership to be in violation of any FCC rule or regulation; or (G) subject the General Partner, the Iota Group or any of their respective Affiliates to any other additional regulatory requirements;

(v) the Partnership receives one or more opinions from counsel acceptable to the General Partner (including its own counsel) to the effect that, in the opinion of such counsel: (i) such Transfer would (y) not result in a violation by the Partnership or the General Partner of any law, rule or regulation of the State of Arizona, and (z) satisfy the conditions set forth in subparagraph (iv) above; (ii) such Transfer and the performance by the Transferor and the Transferee of their respective obligations in connection therewith would not violate any

constitutive document, law, order, rule or regulation or material agreement or instrument applicable to the Transferor or the Transferee; and (iii) such Transfer would not violate this Agreement or any law, rule, regulation or order applicable to such Transfer; and such opinion is otherwise satisfactory in form and substance to the General Partner; provided, however, that the General Partner may waive all or any part of the requirement to receive the opinions contemplated by this paragraph (v) in connection with any such Transfer; and

(vi) all fees, costs and expenses, including attorneys' fees and expenses, incurred by the Partnership in connection with such Transfer are paid by the Transferor and the Transferee;

provided, however, that the General Partner in its sole discretion may waive any requirement of this Section 9.2(a) in connection with any Transfer of Interest to a General Partner Designee pursuant to Section 10.2, to a Drag-Along Transferee pursuant to Section 9.6 or to a Proposed Transferee pursuant to Section 9.7.

(b) By executing this Agreement, each Partner shall be deemed to have consented to any Transfer of Interests pursuant to this Section 9.2 that is consented to by the General Partner. A Transferee of an Interest pursuant to this Section 9.2 that does not become a Substitute Partner with respect to such Interest pursuant to Section 9.3, and that desires or purports to make a further Transfer of all or any portion of such Interest, shall be subject to all the provisions of this Article 9 to the same extent as its Transferor.

9.3 Substitute Partners.

(a) A Transferee of all or any portion of a Partner's Interest shall have the right to be admitted to the Partnership as a Partner in place of its Transferor to the extent of the Interest Transferred, but only if all of the following conditions are satisfied:

(i) a fully executed and acknowledged instrument of assignment for the relevant Transfer, setting forth a statement of the intention of the Transferor that the Transferee is to become a Substitute Partner in its place to the extent of the Interest Transferred, is delivered to the General Partner;

(ii) the Transferee executes and delivers a counterpart of this Agreement, agrees in writing to assume all the obligations of the Transferor hereunder to the extent of the Interest Transferred and executes and delivers to the General Partner such other instruments as the General Partner shall have deemed necessary or appropriate to effect such substitution, and each of such agreements and instruments is satisfactory in form and substance to the General Partner; and

(iii) the General Partner consents to the substitution, which consent may be granted or withheld in the sole discretion of the General Partner;

provided, however, that the General Partner in its sole discretion may waive all or any part of the requirements of this Section 9.3(a) in connection with any Transfer of Interest to a General Partner Designee pursuant to Section 10.2 to a Drag-Along Transferee pursuant to Section 9.6 or to a Proposed Transferee pursuant to Section 9.7.

(b) No Transferee of any Interest shall have any right to be recognized as a Partner by the Partnership or any other Person, to participate with the Partners in any matter requiring the vote or consent of the Partners or to receive information directly from the Partnership, unless such Transferee becomes a Substitute Partner in accordance with this Section 9.3. Notwithstanding anything in this Agreement to the contrary, both the Partnership and the General Partner shall be entitled to treat the Transferor of a Transferred Interest as the absolute owner thereof, and the Transferor shall not be relieved of any of its obligations hereunder as a Partner, until such time as the requirements of this Section 9.3 have been met and the Substitute Partner is recorded as the owner of such Transferred Interest on the books and records of the Partnership. By executing this Agreement, each Partner shall be deemed to have consented to the admission to the Partnership of Substitute Partners pursuant to this Section 9.3.

(c) Upon the admission of any Transferee as a Substitute Partner pursuant to this Section 9.3, (i) such Transferee shall succeed to the rights, liabilities and obligations of the Transferor, (ii) the Contributions, Distributions, allocations and Capital Account of the Transferor shall become the Contributions, Distributions, allocations and Capital Account, respectively, of the Transferee for all purposes hereof and (iii) the Transferor shall be relieved of its liabilities and obligations hereunder as a Partner, in each case to the extent that the same are attributable to the Interest Transferred by the Transferor to the Transferee.

9.4 Death, Bankruptcy, Dissolution or Incapacity of a Partner. Upon the death, Bankruptcy, insolvency, dissolution or adjudication of incompetency of a Partner, the successor, estate, executor, administrator, guardian, conservator or other authorized representative of such Partner shall have (a) all the rights of a Partner hereunder for the purpose of settling such Partner's estate or effecting the orderly winding up and disposition of the business and assets of such Partner (as applicable), and (b) such power as such Partner possessed hereunder to designate a Transferee of all or any portion of its Interest and, in the case of a Transfer of all or any portion of such Interest, to join with the Transferee in making application to substitute such Transferee as a Partner. However, such an authorized representative shall not under any circumstances be deemed to be a Substitute Partner, other than in accordance with Section 9.3. To the extent permitted by applicable law, the successor or estate of a deceased, bankrupt, insolvent, dissolved or incompetent Partner shall be liable for all the liabilities and obligations of such Partner hereunder.

9.5 Multiple Ownership. In the event of any Transfer that would result in multiple ownership by substituted Limited Partners of all or any portion of the Transferor's legal interest in the Partnership, the General Partner may require one or more trustees or nominees to be designated as the representatives of such substituted Limited Partners for the purposes of receiving all notices which may be given, and all payments which may be made, under this Agreement in respect of such Transferred interest and for the purpose of exercising all rights which may be exercised pursuant to the provisions of this Agreement in respect of such Transferred interest.

9.6 Drag-Along Rights.

(a) If at any time the Limited Partners representing more than 50% of the aggregate LP Units held by all Limited Partners (the "Selling Partners") accept a bona fide third-party proposal for the transfer of their Interests to any Person or Persons (other than to an Affiliate of the Partnership) (collectively, a "Drag-Along Transferee") in a transaction or series of related

transactions (including by way of a purchase agreement, tender offer, merger or other business combination, transaction or otherwise) (each, a "**Drag-Along Sale**"):

(i) the Selling Partners shall have the right, subject to the other provisions of this Section 9.6, to require each Limited Partner to Transfer to the Drag-Along Transferee such percentage of its LP Units as is equal to the percentage of the LP Units owned by the Selling Partners that is proposed to be Transferred in the Drag-Along Sale (such rights arising under this Section 9.6(a) being referred to as "**Drag-Along Rights**"). Each Limited Partner required to Transfer LP Units to the Drag-Along Transferee pursuant to this Section 9.6 shall be referred to herein as a "**Drag-Along Co-Seller**"; and

(ii) the General Partner may, at its option, participate in the Drag-Along Sale by delivering a written notice (the "**GP Tag-Along Notice**") to the Selling Partners stating its election to do so and specifying the number of GP Units to be sold by it (which shall not exceed, in percentage terms, the percentage of the LP Units owned by the Selling Partners that is proposed to be Transferred in the Drag-Along Sale) no later than ten (10) Business Days after receipt of the Drag-Along Notice. The offer contained in the GP Tag-Along Notice shall be irrevocable upon delivery to the Selling Partners, and (A) the General Partner shall be bound and obligated to sell on the terms and conditions set forth in this Section 9.6 as if it were a Drag-Along Co-Seller, and (B) the Selling Partners shall cause to all of the Units specified by the General Partner in its GP Tag-Along Notice to be included in the Drag-Along Sale. Notwithstanding anything herein to the contrary, the Selling Partners must obtain the prior written consent of the General Partner if the Drag-Along Sale would materially alter the terms of this Agreement.

(b) In connection with any Drag-Along Sale:

(i) subject to Section 9.6(c), each Drag-Along Co-Seller will transfer the applicable percentage of its LP Units on substantially the same terms (other than the aggregate price) and conditions applicable to, and, for the same type of consideration payable to the Selling Partners, at the price calculated in accordance with Section 9.6(b)(ii):

(ii) the aggregate purchase price payable or relative amounts of consideration to be received for the Units purchased by a Drag-Along Transferee will be allocated among the Selling Partners and the Drag-Along Co-Sellers *pro rata* in proportion to the total number of Units sold by the Selling Partners and Drag-Along Co-Sellers (after deduction, if applicable, of the proportionate share of (A) the expenses associated with such sale that are paid by the Partnership in connection with the sale, in accordance with Section 9.6(e), (B) amounts paid in escrow or held back, in the reasonable determination of the Selling Partners, and (C) amounts subject to post-closing purchase price adjustments, and addition of the proportionate share of any fee or other amount paid to any Limited Partner or its Affiliates in connection with such sale);

(iii) any indemnification or other obligations will be apportioned *pro rata* as among the Partnership (as applicable), the Selling Partners and the Drag-Along Co-Sellers, other than with respect to representations, warranties and covenants pertaining to and made individually by a Selling Partner or Drag-Along Co-Seller (e.g., representations as to title or authority or representations qualified by the individual knowledge of such Selling Partner or Drag-Along Co-Seller); provided, that all representations, warranties, covenants and indemnities shall

be made by the Selling Partners and Drag-Along Co-Sellers severally and not jointly, and any indemnification obligation in respect of breaches of representations and warranties that do not relate to any Selling Partner or Drag-Along Co-Seller individually shall be in an amount not to exceed the aggregate proceeds received by such Selling Partner or Drag-Along Co-Seller;

(iv) for purposes of calculating the number of Units subject to a Drag-Along Sale with respect to any Partner, each GP Unit and LP Unit shall constitute one Unit; and

(v) the Drag-Along Sale shall be subject to the requirements of Section 9.2 (other than Section 9.2(a)(iii)), unless otherwise waived in whole or in part by the General Partner in its sole discretion.

(c) The closing of a Drag-Along Sale shall take place at such time and place as the Selling Partners shall specify by notice to the General Partner and the Limited Partners, which notice shall be delivered at least five (5) Business Days prior to the proposed closing date. In connection with the closing of a Drag-Along Sale, the Drag-Along Co-Sellers will execute such documents, and make such representations, warranties, covenants and indemnities, as are executed and made by the Partnership or the Selling Partners, as applicable, or as are reasonably requested by the Selling Partners. At the request of the Drag-Along Transferee, all or a portion of the purchase price payable to the Selling Partners and the Drag-Along Co-Sellers in connection with a Drag-Along Sale may be held back in an escrow account for the purpose of satisfying such Selling Partners' and such Drag-Along Co-Sellers' obligations under the applicable documents, including indemnity obligations. In connection with a Drag-Along Sale, the Drag-Along Co-Sellers will also (i) consent to and raise no objections against the Drag-Along Sale or the process pursuant to which the Drag-Along Sale was arranged, (ii) waive any dissenter's rights and other similar rights, (iii) take all actions reasonably required or desirable or requested by the Selling Partners or the General Partner to consummate such Drag-Along Sale and (iv) comply with the terms of the documentation relating to the Drag-Along Sale.

(d) The rights set forth in this Section 9.6 will be exercised by the Selling Partners by giving written notice (the "Drag-Along Notice") to the General Partner and each Limited Partner, at least thirty (30) days prior to the date on which the Selling Partners expect to consummate the Drag-Along Sale. In the event that the material terms and/or conditions set forth in the Drag-Along Notice are thereafter amended in any material respect (including in respect of any GP Units to be sold, as applicable), the Selling Partners will give written notice (an "Amended Drag-Along Notice") of the amended terms and conditions of the proposed Transfer to the General Partner and each other Limited Partner. Each Drag-Along Notice and Amended Drag-Along Notice will make reference to the Selling Partners' rights hereunder and will set forth in reasonable detail, to the extent known: (i) the name and address of the Drag-Along Transferee, (ii) the proposed amount and form of consideration and terms and conditions of payment offered by the Drag-Along Transferee, (iii) the number of Units subject to the Drag-Along Sale and (iv) the material terms of the proposed transaction, including the expected closing date of the transaction (or series of transactions). If during the one-year period following delivery of the Drag-Along Notice, the Selling Partners shall have not completed the proposed Drag-Along Sale (other than as a result of a Limited Partner failing to comply with this Section 9.6), each Drag-Along Co-Seller shall be released under its obligations under the Drag-Along Notice, and it shall be necessary for

a separate Drag-Along Notice to be furnished and the terms and provisions of this Section 9.6 separately complied with, in order to consummate such proposed Drag-Along Sale.

(e) Unless waived by the General Partner in its sole discretion, the fees, costs and expenses of the Selling Partners (or the General Partner, as applicable) incurred in connection with a Drag-Along Sale and for the benefit of all Drag-Along Co-Sellers (it being understood that costs incurred by or on behalf of each Selling Partner (or the General Partner, as applicable) for its sole benefit will not be considered to be for the benefit of all Drag-Along Co-Sellers), to the extent not paid or reimbursed by the Partnership or the Drag-Along Transferee, shall be shared by the Selling Partners, the General Partner (as applicable) and the Drag-Along Co-Sellers on a *pro rata* basis, based on the consideration received by each such Partner.

9.7 Tag-Along Rights.

(a) If at any time the General Partner accepts a bona fide third-party proposal for the transfer of all or a majority of its GP Units to any Person or Persons (other than to an Affiliate of the General Partner) (collectively, a "Proposed Transferee") in a transaction or series of related transactions (a "Proposed Sale"):

(i) the General Partner shall deliver a written notice (the "Sale Notice") to each Limited Partner, at least thirty (30) days prior to the date on which the General Partner expects to consummate the Proposed Sale. In the event that the material terms and/or conditions set forth in the Sale Notice are thereafter amended in any material respect, the General Partner will give written notice (an "Amended Sale Notice") of the amended terms and conditions of the proposed Transfer to each Limited Partner. Each Sale Notice and Amended Sale Notice will make reference to the Limited Partners' rights hereunder and shall set forth in reasonable detail, to the extent known: (i) the name of the Proposed Transferee, (ii) the proposed amount and form of consideration and terms and conditions of payment offered by the Proposed Transferee, (iii) the number of GP Units subject to the Proposed Sale and (iv) the other material terms of the Proposed Sale, including the expected closing date. If during the one-year period following delivery of the Tag-Along Notice (other than as a result of a Limited Partner failing to comply with this Section 9.7), the General Partner shall not have completed the Proposed Sale, it shall be necessary for a separate Sale Notice to be furnished and the terms and provisions of this Section 9.7 separately complied with, in order to consummate such Proposed Sale.

(ii) Each Limited Partner that elects to participate in the Proposed Sale (each, a "Tag-Along Co-Seller") shall exercise its rights set forth in this Section 9.7 by giving written notice (the "LP Tag-Along Notice") to the General Partner, stating its election to do so and specifying the number of LP Units to be sold by it, no later than ten (10) Business Days after receipt of the Sale Notice or Amended Sale Notice, as applicable. The offer in each LP Tag-Along Notice shall be irrevocable, and to the extent such offer is accepted, (A) such Tag-Along Co-Seller shall be bound and obligated to sell on the terms and conditions set forth in this Section 9.7, and (B) the General Partner shall use its reasonable best efforts to include in the Proposed Sale all of the Units specified by the Tag-Along Co-Seller in its LP Tag-Along Notice, it being understood that the Proposed Transferee shall not be required to purchase Units in excess of the number set forth in the Sale Notice. In the event the Proposed Transferee elects to purchase less of than all of the Units sought to be sold by the Tag-Along Co-Seller(s), the General Partner, in its sole

discretion, may reduce the number of Units to be sold by General Partner and each Tag-Along Co-Seller so that each such Partner is entitled to sell its *pro rata* portion (based on such Partners' respective Unit Percentages) of the number of Units the Proposed Transferee elects to purchase.

(b) In connection with any Proposed Sale:

(i) subject to Section 9.7(c), each Tag-Along Co-Seller will transfer the applicable number of its LP Units on substantially the same terms (other than the aggregate price) and conditions applicable to, and, for the same type of consideration payable to the General Partner, at the price calculated in accordance with Section 9.7(b)(ii);

(ii) the aggregate purchase price payable or relative amounts of consideration to be received for the Units purchased by a Proposed Transferee will be allocated among the General Partner and the Tag-Along Co-Sellers *pro rata* in proportion to the total number of Units sold by the General Partner and Tag-Along Co-Sellers (after deduction, if applicable, of the proportionate share of (A) the expenses associated with such sale that are paid by the Partnership in connection with the sale, in accordance with Section 9.7(d), (B) amounts paid in escrow or held back, in the reasonable determination of the General Partner, and (C) amounts subject to post-closing purchase price adjustments, and addition of the proportionate share of any fee or other amount paid to any Partner or its Affiliates in connection with such sale);

(iii) any indemnification or other obligations will be apportioned *pro rata* as among the Partnership (as applicable), the General Partner and the Tag-Along Co-Sellers, other than with respect to representations, warranties and covenants pertaining to and made individually by the General Partner or a Tag-Along Co-Seller (e.g., representations as to title or authority or representations qualified by the individual knowledge of the General partner or a Tag-Along Co-Seller); provided, that all representations, warranties, covenants and indemnities shall be made by the General Partner and Tag-Along Co-Sellers severally and not jointly, and any indemnification obligation in respect of breaches of representations and warranties that do not relate to the General Partner or any Tag-Along Co-Seller individually shall be in an amount not to exceed the aggregate proceeds received by the General Partner or such Tag-Along Co-Seller;

(iv) for purposes of calculating the number of Units subject to a Proposed Sale with respect to any Partner, each GP Unit and LP Unit shall constitute one Unit; and

(v) the Proposed Sale shall be subject to the requirements of Section 9.2 (other than Section 9.2(a)(iii)), unless otherwise waived in whole or in part by the General Partner in its sole discretion.

(c) The closing of a Proposed Sale shall take place at such time and place as the General Partner shall specify by notice to the Limited Partners, which notice shall be delivered at least five (5) Business Days prior to the proposed closing date. In connection with the closing of a Proposed Sale, the Tag-Along Co-Sellers will execute such documents, and make such representations, warranties, covenants and indemnities, as are executed and made by the Partnership or the General Partner, as applicable, or as are reasonably requested by the General Partner. At the request of the Proposed Transferee, all or a portion of the purchase price payable

to the General Partner and the Tag-Along Co-Sellers in connection with a Proposed Sale may be held back in an escrow account for the purpose of satisfying the General Partner's and such Tag-Along Co-Sellers' obligations under the applicable documents, including indemnity obligations. In connection with a Proposed Sale, the Tag-Along Co-Sellers will also (i) take all actions reasonably required or desirable or requested by the General Partner to consummate such Proposed Sale and (ii) comply with the terms of the documentation relating to the Proposed Sale.

(d) Unless waived by the General Partner in its sole discretion, the fees, costs and expenses of the General Partner incurred in connection with a Proposed Sale and for the benefit of all Tag-Along Co-Sellers (it being understood that costs incurred by or on behalf of the General Partner for its sole benefit will not be considered to be for the benefit of all Tag-Along Co-Sellers), to the extent not paid or reimbursed by the Partnership or the Proposed Transferee, shall be shared by the General Partner and the Tag-Along Co-Sellers on a *pro rata* basis, based on the consideration received by each such Partner.

(e) This Section 9.7 shall not apply to (i) sales of GP Units in a distribution to the public (whether pursuant to a registered public offering, Rule 144 or otherwise) or (ii) any Transfer of GP Units made by the General Partner as part of a Drag-Along Sale.

ARTICLE 10

REDEMPTIONS

10.1 **No Voluntary Redemptions of Interests.** None of the Partners shall have any right to require the Partnership to redeem any Interest (including the Interest held by such Partner); provided, however, that the General Partner may cause the Partnership to redeem Interests pursuant to Section 10.2.

10.2 **Involuntary Redemptions of Interests.**

(a) The Partnership shall have the right, exercisable at any time in accordance with Section 10.2(c), to redeem (or cause the sale to a General Partner Designee of) the entire Interest then held by any Limited Partner, in the event that the General Partner shall determine, in its sole discretion, that the redemption or sale of such Limited Partner's Interest is necessary or advisable to prevent (i) the Partnership from no longer being treated as a partnership for U.S. federal income tax purposes, (ii) the Partnership or the General Partner from being in violation of, or from losing any exemption available to it under, the Advisers Act, the Securities Act, the Exchange Act or any other applicable U.S. federal or state securities law, (iii) the Partnership or the General Partner from being subject to the registration provisions of the Investment Company Act, (iv) the Partnership from being in violation of any regulations or requirements of the FCC, or of any other regulatory authority in relation to the Partnership's FCC Licenses; (v) a termination of the Partnership for U.S. federal income tax purposes, (vi) the Partnership from being treated as a publicly traded partnership under the Code, (vii) any other material adverse consequences to the Partnership as a result of the tax status (or lack of proof of the U.S. federal income tax status) of one or more Partners, or (viii) any other material adverse consequences to the Partnership, the General Partner or any of the other Partners (each event described in clauses (i) through (viii) above, an "**Involuntary Redemption Event**").

(b) The General Partner may adopt such amendments to this Agreement as it determines to be necessary or advisable to obtain such proof of the U.S. federal income tax status of the Limited Partners and, to the extent relevant, their beneficial owners, as the General Partner determines to be necessary to establish those Partners whose U.S. federal income tax status does not or would not have material adverse consequences to the Partnership, the General Partner or any of the other Partners. Such amendments may include provisions requiring all Limited Partners to certify as to their (and their beneficial owners') status as Eligible Holders upon demand and on a regular basis, as determined by the General Partner, and may require Transferees of Interests to so certify prior to being admitted to the Partnership as a Partner (any such required certificate, an "**Eligibility Certificate**").

(c) At any time when an Involuntary Redemption Event shall have occurred and be continuing with respect to any Limited Partner (including if at any time a Limited Partner fails to furnish an Eligibility Certificate or other information requested within a reasonable period of time specified in amendments adopted pursuant to [Section 10.2\(b\)](#)), or if upon receipt of an Eligibility Certificate or other information the General Partner determines, with the advice of counsel, that a Limited Partner is not an Eligible Holder, the Partnership or, at the option of the General Partner, any Person who shall have been designated by the General Partner (a "**General Partner Designee**"), may, at the Partnership's or such General Partner Designee's option, exercise the right under [Section 10.2\(a\)](#) to acquire (by redemption, in the case of the Partnership, or by purchase, in the case of the General Partner Designee) the entire Interest then held by such Limited Partner (any such Interests redeemed or acquired pursuant to this [Article 10](#) are referred to as "**Redeemable Interests**"), which right shall be exercised as follows:

(i) The General Partner shall give written notice of exercise to such Limited Partner (any such notice, an "**Involuntary Acquisition Notice**") at its latest address designated on the records of the Partnership by registered mail, which notice shall be deemed to have been given when so mailed. The Involuntary Acquisition Notice shall specify (A) the identity of the acquirer and whether the proposed acquisition will be effected by redemption or purchase, (B) the Redeemable Interests, (C) the place and manner of payment or settlement, (D) that on and after the date fixed for redemption or acquisition, no further allocations or Distributions to which the Partner would otherwise be entitled in respect of the Redeemable Interests will accrue or be made and, (E) the proposed redemption or acquisition date, which shall be any Business Day not less than 20 days after the date on which such Involuntary Acquisition Notice is delivered to the applicable Partner; provided, however, that this 20-day prior notice requirement shall not apply if the General Partner determines in good faith that (x) the applicable Involuntary Redemption Event resulted from a breach of any representation made by such Partner in this Agreement (or, if such Partner's Interest was acquired by Transfer, in the related transfer documents) or (y) such Partner's continued ownership of its Interest would cause the Partnership or the General Partner to be in violation of any applicable law or regulation.

(ii) Upon the giving of an Involuntary Acquisition Notice to any Partner in accordance with the two immediately preceding sentences, such Partner shall be obligated to permit the Partnership to redeem, or to sell to the General Partner Designee, as applicable, on the acquisition date specified in such Involuntary Acquisition Notice, the entire Interest held by such Partner on such date. The provisions of this [Article 10](#) shall also be applicable to Interests held by a Partner as a nominee of a Person determined not to be an Eligible Holder.

10.3 Payments in Connection with Involuntary Acquisitions.

(a) In the case of any redemption of Interests by the Partnership pursuant to Section 10.2, the Redeeming Partner shall be entitled to receive an amount equal to the Fair Market Value of such Interest. In the case of any sale of Interest to a General Partner Designee pursuant to Section 10.2, the Redeeming Partner shall be entitled to receive a cash amount (the "**Involuntary Transfer Price**") equal to the Fair Market Value of such Interest as of the effective date specified for such sale pursuant to Section 10.2.

(b) In the case of a redemption of a Redeeming Partner's Interest by the Partnership pursuant to Section 10.2, except to the extent otherwise provided in Section 6.1(f), 6.2 or in this Section 10.3(b), such Redeeming Partner shall be paid, as determined by the General Partner, in cash or by delivery of a promissory note of the Partnership. Any promissory note issued by the Partnership pursuant to this Section 10.3(b) shall bear interest at the rate of 5% per annum, shall be payable in three equal annual installments of principal together with accrued interest, commencing one year after the date of redemption, and shall be subject to optional prepayment without penalty.

(c) In the case of a sale of an Interest to a General Partner Designee pursuant to Section 10.2, such General Partner Designee shall pay the Involuntary Transfer Price to the Redeeming Partner within 90 days following the effective date specified for such sale pursuant to Section 10.2.

(d) Each Redeeming Partner agrees (i) that, at the time of any redemption or sale pursuant to Section 10.2 of the Interest held by such Redeeming Partner, such Interest shall be free and clear of all liens and other encumbrances, and (ii) in the case of a sale of the Interest held by such Redeeming Partner pursuant to Section 10.2, to take all such actions as the General Partner Designee shall request in order to vest in such General Partner Designee, on the effective date for such sale, good title to such Interest, free and clear of all liens and other encumbrances. Without limiting the generality of the foregoing, in the case of a sale of a Redeeming Partner's Interest to a General Partner Designee, (x) such General Partner Designee shall be entitled to receive from the Redeeming Partner customary representations as to title, authority and capacity to sell and to require a guaranteed signature of the Redeeming Partner and (y) the Redeeming Partner hereby appoints the General Partner as attorney-in-fact to transfer the Redeeming Partner's Interest on the books of the Partnership.

10.4 Effects of Redemption. From and after the effective date of any redemption of Interests pursuant to Section 10.2, (a) the Interest being redeemed (including the Units representing such Interest) shall cease to be outstanding for purposes of this Agreement, and (b) the Redeeming Partner shall not have any further rights in respect of such Interest (or Units) other than the right to receive payments in accordance with Section 10.3(b). A Redeeming Partner that is required to make a complete redemption of its Interest shall continue as a Partner after the date of the relevant Involuntary Acquisition Notice until the effective date of such redemption, but shall have no further right to exercise any of the powers conferred herein or under the laws of any jurisdiction purporting by statute to grant express rights to a limited partner of a limited partnership (including the Arizona Act), except that all allocations of Net Income, Net Loss or other items attributable to the Interest of the Redeeming Partner and any Distributions made with respect such Interest shall

be made to such Redeeming Partner through such redemption date. The redemption of a Limited Partner's Interest shall not effect a dissolution of the Partnership, and the remaining Partners shall continue the Partnership pursuant to this Agreement.

10.5 **Effect of Partnership Dissolution.** Notwithstanding anything to the contrary herein, no redemption under this Article 10 shall be effective if the Partnership is dissolved on or before the effective date specified for such redemption pursuant to Section 10.2.

10.6 **Transfers.** Nothing in this Article 10 shall prevent the recipient of an Involuntary Acquisition Notice from transferring its Interest before the redemption date if such transfer is otherwise permitted under this Agreement. Upon receipt of notice of such a transfer, the General Partner shall withdraw the Involuntary Acquisition Notice, provided the transferee of such Interest certifies to the satisfaction of the General Partner that it is an Eligible Holder. If the transferee fails to make such certification, such redemption shall be effected from the Transferee on the original redemption date.

ARTICLE 11

INDEMNIFICATION AND LIABILITY

11.1 Liability of Covered Persons.

(a) No Covered Person shall be liable to the Partnership or, any Limited Partner for any Losses (including monetary damages) to which the Partnership or any Limited Partner may become subject in connection with or arising out of or related to this Agreement or any other agreement contemplated hereby, the operations or affairs of the Partnership or any other action or omission of any Covered Person in relation to the Partnership (including (if applicable) any action or omission of any Covered Person in his or her capacity as a member of the Board of Directors or any committee thereof), unless and to the extent that it is determined by a final decision (after all appeals and the expiration of time to appeal) of a court of competent jurisdiction or an arbitrator appointed in accordance with Section 14.14 that such Losses resulted from (i) such Covered Person's own fraud, gross negligence or willful misconduct, (ii) a material breach by such Covered Person of any provision of this Agreement applicable to such Covered Person or (iii) a criminal violation by such Covered Person (as evidenced by such Covered Person having been convicted or having plead nolo contendere) of a material U.S. federal, state or other applicable securities law.

(b) Each Covered Person shall be entitled to rely in good faith on the advice of counsel, public accountants and other independent advisors experienced in the matter at issue and selected, employed or engaged with reasonable care by or on behalf of such Covered Person, the Partnership or the General Partner, and (notwithstanding anything in Section 11.1(a) to the contrary) any act or omission of any Covered Person in reliance on such advice shall in no event subject any Covered Person to liability to the Partnership or any Limited Partner.

(c) The Partners hereby acknowledge and agree that the provisions of this Agreement, to the extent that they purport to limit or otherwise modify the duties (including fiduciary duties) and liabilities of a Covered Person otherwise existing at law or in equity, shall to the maximum extent permitted by applicable law be deemed to limit or otherwise modify such

duties and liabilities to such extent. Without limiting the generality of the foregoing (and notwithstanding anything in [Section 11.1\(a\)](#) to the contrary), to the extent that any Covered Person has duties (including fiduciary duties) under applicable law or in equity to the Partnership or any Limited Partner, such Covered Person shall not be liable to the Partnership or any Limited Partner for any action or omission of such Covered Person in reliance on the provisions of this Agreement.

11.2 Indemnification of Covered Persons.

(a) The Partnership shall, to the maximum extent permitted by applicable law, indemnify and hold harmless each Covered Person from and against any and all Losses to which such Covered Person may become subject in connection with or arising out of or related to this Agreement or any other agreement contemplated hereby, the operations or affairs of the Partnership or any other action or omission of any Covered Person in relation to the Partnership (including Losses to which such Covered Person becomes subject by reason of his or her service as a member of the Board of Directors or any committee thereof); provided, however, that the foregoing indemnification shall not apply to any Losses to the extent that such Losses (i) are determined by a final decision (after all appeals and the expiration of time to appeal) of a court of competent jurisdiction or an arbitrator appointed in accordance with [Section 14.14](#) to have resulted from (x) such Covered Person's own fraud, gross negligence or willful misconduct, (y) a material breach by such Covered Person of any provision of this Agreement applicable to such Covered Person or (z) a criminal violation by such Covered Person (as evidenced by such Covered Person having been convicted or having plead nolo contendere) of a material U.S. federal, state or other applicable securities law or (ii) arise out of any action or proceeding that relates to a controversy or dispute that is solely between or among two or more of the General Partner and its respective Affiliates, members, officers or employees.

(b) In the event that any Covered Person becomes involved in any capacity in any action, proceeding or investigation in connection with any matter arising out of or related to this Agreement or any other agreement contemplated hereby, the operations or affairs of the Partnership or any other action or omission of any Covered Person in relation to the Partnership (including any action, proceeding or investigation in which such Covered Person becomes involved by reason of his or her service as a member of the Board of Directors or any committee thereof), the Partnership shall, to the fullest extent permitted by law, periodically advance funds to or reimburse such Covered Person for its legal and other expenses (including the cost of any investigation and preparation) as incurred in connection therewith; provided, however, that (i) such Covered Person shall be required to execute an appropriate instrument pursuant to which it agrees that it shall promptly repay to the Partnership the amount of any such advance or reimbursement received by it, to the extent that it is determined by a final decision (after all appeals and the expiration of time to appeal) of a court of competent jurisdiction or an arbitrator appointed in accordance with [Section 14.14](#) that such Covered Person is entitled to indemnification by the Partnership pursuant to [Section 11.2\(a\)](#) in connection with such action or proceeding, and (ii) such Covered Person shall promptly repay to the Partnership the amount of any such advance or reimbursement paid to it to the extent that it is determined by a final decision (after all appeals and the expiration of time to appeal) of a court of competent jurisdiction or an arbitrator appointed in accordance with [Section 14.14](#) that such Covered Person is not entitled to indemnification by the Partnership pursuant to [Section 11.2\(a\)](#) in connection with such action, proceeding or investigation.

(c) If for any reason the indemnification provided for in Section 11.2(a) is unavailable to any Covered Person (other than by reason of the proviso contained in such Section), or is insufficient to hold any Covered Person harmless from all applicable Losses, then the Partnership shall contribute to the amount paid or payable by such Covered Person in respect of the applicable Losses in such proportion as is appropriate to reflect the relative benefits received by the Partnership, on the one hand, and such Covered Person, on the other hand, with respect to the matters in question or, if such allocation is not permitted by applicable law, to reflect not only the relative benefits referred to above but also any other relevant equitable considerations.

(d) The General Partner may exercise any of the powers granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through its agents, and the General Partner shall not be responsible for any misconduct or negligence on the part of any such agent appointed by the General Partner if such appointment was not made in Bad Faith.

(e) The Partnership may purchase and maintain (or reimburse the General Partner of its Affiliates for the cost of) insurance on behalf of the General Partner, its Affiliates, the other Covered Persons and such other Persons as the General Partner shall determine, against any liability that may be asserted against, or expense that may be incurred by, such Person in connection with the Partnership's activities or such Person's activities on behalf of the Partnership, regardless of whether the Partnership would have the power to indemnify such Person against such liability under the provisions of this Agreement. In addition, the Partnership may enter into additional indemnification agreements with any Covered Person.

(f) The indemnity, reimbursement and contribution obligations of the Partnership under this Section 11.2 shall:

(i) survive the dissolution of the Partnership;

(ii) be in addition to (A) any other obligations or liabilities which the Partnership may have with respect to the matters in question, whether by contract, under applicable law, in equity or otherwise, and (B) any other rights to which a Covered Person may be entitled under any other agreement, under applicable law, in equity or otherwise, both as to actions and omissions in the Covered Person's capacity as a Covered Person and as to actions and omissions in any other capacity (including any capacity under the License Application and Construction Services Agreement, the Administrative Expenses Agreement or the Master Lease Agreement);

(iii) be enforceable by, and inure to the benefit of, the successors, assigns, heirs, executors, administrators, personal representatives and other authorized representatives of each Covered Person;

(iv) be satisfied only out of the assets of the Partnership, it being understood that the General Partner shall not be personally liable for such indemnification and shall have no obligation to contribute or loan any monies or property to the Partnership to enable it to effectuate such indemnification; and

(v) not be denied to any Covered Person in whole or in part because the Covered Person had an interest in a transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement.

11.3 Indemnification by Partners. Each Person who is at any time a Limited Partner shall, on demand (whether or not such Person has then ceased to be a Limited Partner), indemnify and hold harmless (on a net after-tax basis) the Partnership and the General Partner from and against (a) any and all taxes (including withholding taxes) that the General Partner in good faith determines to be properly attributable to such Limited Partner, as well as any interest, penalties or additions to tax with respect thereto, and (b) any and all other Losses to which the Partnership or the General Partner may become subject in connection with or arising out of or related to the imposition, assessment or assertion of any tax or other amount described in clause (a) above. The indemnification obligations of each applicable Person under this Section 11.3 shall (i) survive the dissolution of the Partnership, (ii) be in addition to any other obligations or liabilities which such Person may have with respect to the matters in question, whether by contract, under applicable law, in equity or otherwise, and (iii) be enforceable by, and inure to the benefit of, the successors, assigns, administrators and other authorized representatives of the Partnership or the General Partner.

11.4 Limitation by Law. If the Partnership is subject to any U.S. federal or state law, rule or regulation which restricts the extent to which any Covered Person may be exonerated or indemnified by the Partnership pursuant to this Agreement, then the indemnification provisions set forth in this Article 11 shall be deemed to be amended, automatically and without further action by the Partners, solely to the extent necessary to conform to such restrictions on exoneration or indemnification as are set forth in such law, rule or regulation.

11.5 Amendments. No amendment, modification or repeal of this Article 11 or any provision hereof shall in any manner terminate, reduce or impair the right of any past, present or future Covered Person to be indemnified by the Partnership, nor the obligations of the Partnership to indemnify any such Covered Person under and in accordance with the provisions of this Article 11 as in effect immediately prior to such amendment, modification or repeal, with respect to Losses arising from or relating to events occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such Losses may be incurred or claims for indemnification in respect of such Losses may be asserted.

ARTICLE 12

RECORDS AND ACCOUNTING; REPORTS

12.1 Records and Accounting.

(a) The General Partner shall keep or cause to be kept at the principal office of the Partnership (or at such other place as the General Partner may specify from time to time in a written notice to the Limited Partners) appropriate books and records with respect to the Partnership, in which the transactions of the Partnership shall be entered. Such books and records of account, together with (i) an executed copy of this Agreement (and any amendments hereto), (ii) the Certificate (and any amendments thereto), (iii) Schedule A, as amended from time to time,

(iv) copies of all tax returns, if any, filed by the Partnership for each of the prior six (6) Fiscal Years and (v) all annual financial statements of the Partnership for each of the prior six (6) Fiscal Years, including any "management letters" received by the Partnership from its accountants with respect to such financial statements, shall be (x) maintained at the principal office of the Partnership (or such other place as the General Partner may specify from time to time in a written notice to the Limited Partners) at all times until at least the fifth anniversary of the Partnership's dissolution date, and (y) available for inspection and copying by each Limited Partner or its duly authorized representatives for any purpose reasonably related to such Partner's participation in the Partnership, at such Partner's expense and on not less than five (5) Business Days' prior written notice, during normal business hours; provided, however, that the Partnership shall not be required to provide any Partner with access to, and shall have the right to keep confidential from any or all of the Limited Partners, any confidential or proprietary information pertaining to the Partnership's activities or any other information that the General Partner reasonably believes to be in the nature of trade secrets.

(b) The Partnership's books of account shall, except as otherwise determined by the General Partner in its sole discretion, be maintained in accordance with generally accepted accounting principles in effect in the United States; provided that the financial statements of the Partnership shall not be consolidated with those of the General Partner or any of its Affiliates.

(c) The "Fiscal Year" of the Partnership will end on May 31 of each year for so long as the Master Lease Agreement is in effect, except that the Partnership's final Fiscal Year shall end on the date on which the winding up of the Partnership is completed; provided, however, that the General Partner may change the Partnership's Fiscal Year for U.S. federal income tax purposes to the extent required by the Code.

(d) Except for information otherwise required to be provided or made available to Partners pursuant to this Agreement (other than Section 12.1(a)), the General Partner may keep confidential from the Limited Partners any information (i) the disclosure of which the General Partner in good faith believes is or would be adverse to the interests of the Partnership or any Affiliate of the Partnership or (ii) which the Partnership or the General Partner is required by law, by contract or otherwise to keep confidential.

12.2 Reports.

(a) Commencing with the Fiscal Year ending May 31, 2020, the General Partner shall use commercially reasonable efforts to furnish to each Partner, within 120 days after the close of each Fiscal Year or (in the event of the late receipt by the Partnership of any necessary information from any Person) as soon as practicable thereafter, the financial statements of the Partnership for such Fiscal Year. Such financial statements shall include:

(i) the balance sheet of the Partnership as of the end of such Fiscal Year and the income statement of the Partnership for such Fiscal Year, all prepared in accordance with generally accepted accounting principles in effect in the United States and audited by such recognized independent public accounting firm as shall be selected by the General Partner; and

(ii) a statement showing such Partner's closing Capital Account balance as of the end of such Fiscal Year.

Commencing with the Fiscal Year ending May 31, 2020, the General Partner also shall furnish to each Partner, within 90 days after the end of each Fiscal Year or as soon as practicable thereafter, (x) a brief narrative report as to the status and operations of the Partnership and (y) such other information concerning the Partnership's business and operations as the General Partner may determine to provide.

(b) The General Partner shall use commercially reasonable efforts to furnish to each Partner (and to each Person that was a Partner during the applicable Fiscal Year), within 120 days after the end of each Fiscal Year or (in the event of the late receipt by the Partnership of any necessary information from any Person) as soon as practicable thereafter, (i) such Partner's U.S. Internal Revenue Service Schedule K-1 (or any successor or schedule form) setting forth such Partner's share of all items of income, gain, loss, deduction or expense of the Partnership for such Fiscal Year for U.S. federal income tax purposes and (ii) to the extent that such Partner requests the same in writing from the General Partner prior to the end of such 120-day period, any additional information then in the possession of the General Partner as such Partner reasonably requests to enable it to reclaim any tax which has been withheld in connection with the Partnership, to complete its tax returns or to fulfill any other reporting requirements applicable to it.

(c) The General Partner shall furnish to each Partner, within 60 days after the close of each of the first three fiscal quarters of each Fiscal Year or (in the event of the late receipt by the Partnership of any necessary information from any Person) as soon as practicable thereafter, unaudited financial statements of the Partnership for the fiscal quarter then ended (comprised of a balance sheet as of the end of such fiscal quarter, an income statement for such fiscal quarter and a statement of such Partner's closing Capital Account balance as of the end of such fiscal quarter).

(d) Unless otherwise required by the Code, the Partnership shall use the accrual method of accounting for U.S. federal income tax purposes.

ARTICLE 13

DISSOLUTION AND TERMINATION OF THE PARTNERSHIP

13.1 **Events Causing Dissolution.** The Partnership shall be dissolved and its affairs wound up upon the first to occur of the following:

(a) the General Partner ceases to serve in such capacity for any reason (whether by operation of the Arizona Act or otherwise);

(b) a written determination made by the General Partner, in its sole discretion, to dissolve the Partnership because it has determined in good faith that (i) changes in any applicable law, rule or regulation would be materially burdensome on the Partnership, (ii) such dissolution is necessary or advisable in order for the Partnership or the General Partner not to be in material violation of the Investment Company Act or for the General Partner not to be in material violation

of the Advisers Act or (iii) such dissolution is necessary or advisable in order for the Partnership or the General Partner to avoid unreasonable regulatory burdens;

(c) a written determination made by the General Partner, to dissolve the Partnership at any time after the Partnership ceases to directly or indirectly own any FCC Licenses; and

(d) the entry of a decree of judicial dissolution of the Partnership pursuant to the Arizona Act.

13.2 No Other Dissolution. The permitted methods of dissolution of the Partnership set forth in [Section 13.1](#) shall be the sole means of dissolution of the Partnership, and each Partner (other than the General Partner) hereby irrevocably waives any right to maintain any action for dissolution of the Partnership (except pursuant to Article 8 of the Arizona Act). Without limiting the generality of the foregoing, the Partnership shall not be dissolved by reason of the dissolution, death, incompetency, Bankruptcy, insolvency, redemption of the Interests, or withdrawal from the Partnership of any Partner (other than the General Partner, to the extent required by the Arizona Act).

13.3 Liquidator. Following its dissolution, the Partnership shall be liquidated in an orderly manner. The General Partner shall be the liquidator or shall designate a liquidator to wind up the affairs of the Partnership pursuant to this Agreement; provided, however, that if there shall be no General Partner hereunder at any time following the Partnership's dissolution, then a Majority-In-Interest of the Limited Partners may designate another Person to act as the liquidator (and thereafter may remove and replace any such other Person at any time). The liquidator (if other than the General Partner) shall be entitled to receive compensation for its services as may be approved as may be approved by a Majority-In-Interest of the Limited Partners. Except as expressly provided in this [Article 13](#), following the dissolution of the Partnership, until the winding up of the Partnership's affairs is completed, the liquidator shall continue to operate and manage the Partnership's properties and assets with all of the power and authority of the General Partner hereunder, subject to the power of the Partners to remove and replace the liquidator (if other than the General Partner) as provided above. Without limiting the generality of the foregoing, in performing its duties hereunder, the liquidator is hereby authorized (subject to compliance with [Section 3.2](#)) to sell, distribute, exchange or otherwise dispose of the FCC Licenses and other assets of the Partnership in any reasonable manner that the liquidator shall reasonably determine to be in the best interests of the Partners.

13.4 Liquidation.

(a) The liquidator shall proceed to dispose of the assets of the Partnership, discharge its liabilities, and otherwise wind up its affairs in such manner and over such period as determined by the liquidator, subject to any applicable provisions of the Arizona Act and this Agreement, including the following:

(i) Such assets may be disposed of by public or private sale or by distribution in kind to one or more Partners on such terms as the liquidator and such Partner or Partners may agree. If any property is distributed in kind, the Partner receiving the property shall

be deemed for purposes of Section 13.4(a)(iii) to have received cash equal to its Fair Market Value; and contemporaneously therewith, appropriate cash distributions must be made to the other Partners. The liquidator may defer liquidation or distribution of the Partnership's assets for a reasonable time if it determines that an immediate sale or distribution of all or some of the Partnership's assets would be impractical or would cause undue loss to the Partners. The liquidator may distribute the Partnership's assets, in whole or in part, in kind if it determines that a sale would be impractical or would cause undue loss to the Partners.

(ii) Liabilities of the Partnership include amounts owed to the liquidator as compensation for serving in such capacity (subject to the terms of Section 13.3) and amounts owed to Partners other than in respect of their distribution rights under Article 6. With respect to any liability that is contingent, conditional or unmatured or is otherwise not yet due and payable, the liquidator shall either settle such liability for such amount as it determines to be appropriate or establish a reserve of cash or other assets to provide for its payment. When such liability is extinguished or determined by the liquidator to have been otherwise resolved, any unused portion of the reserve shall be distributed as additional liquidation proceeds.

(iii) All property and all cash in excess of that required to discharge liabilities as provided in Section 13.4(a)(ii) shall be distributed to the Partners in accordance with Section 6.1(b). Notwithstanding any provision in this Agreement to the contrary, if, after giving effect to all allocations of income, gain, loss, deduction or expense of the Partnership under Article 8 for all Fiscal Years (including the Fiscal Year during which the liquidation of the Partnership occurs), any Partner's Capital Account is not equal to the amount to be distributed to such Partner pursuant to this Section 13.4(a)(iii), items of net or gross income, gain, deductions and loss for the Fiscal Year in which the Partnership is liquidated (and, if necessary, prior Fiscal Years, to the extent permitted by applicable law) are to be allocated among the Partners in such a manner as to cause, to the nearest extent possible, each Partner's Capital Account to equal the amount to be distributed to such Partner pursuant to this Section 13.4(a)(iii).

(b) The payments and Distributions made to a Partner in accordance with the provisions of Section 13.4(a) shall constitute a complete return to such Partner of its Contributions and a complete Distribution to such Partner of its Interest, and shall constitute a compromise to which all Partners have consented within the meaning of the Arizona Act.

13.5 Certificate of Cancellation. On completion of the payment and distribution of the Partnership's assets as provided in Section 13.4, the Partnership shall be deemed to be terminated, and the liquidator shall file a certificate of cancellation with the Secretary of State of the State of Arizona and take such other actions as may be necessary to terminate the legal existence of the Partnership.

13.6 Expenses of Liquidator. The fees, costs and expenses incurred by the liquidator in connection with winding up the affairs of the Partnership, all Partnership Expenses, liabilities, obligations and other Losses incurred by the Partnership (whether pursuant to this Agreement or otherwise) in connection with winding up the Partnership, and compensation for the services of the liquidator as approved in accordance with Section 13.3 (it being understood that such compensation shall not be paid if the liquidator is the General Partner or any of its officers, directors, employees or Affiliates) shall be borne in each case by the Partnership.

13.7 **Duration of Liquidation.** A reasonable time shall be allowed for the orderly winding up of the affairs of the Partnership, provided that the liquidator shall use its reasonable efforts to carry out the liquidation of the Partnership in conformity with the timing requirements of Treasury Regulations Section 1.704-1(b)(2)(ii)(g).

13.8 **Return of Contributions.** The General Partner shall not be personally liable for, and shall have no obligation to contribute or loan any monies or property to the Partnership to enable it to effectuate, the return of the Contributions of the Partners, or any portion thereof, it being expressly understood that any such return shall be made solely from Partnership assets.

13.9 **Capital Account Restoration.** No Limited Partner shall have any obligation to restore any negative balance in its Capital Account upon liquidation of the Partnership.

13.10 **Duty of Care.** The liquidator shall not be liable to the Partnership or any Limited Partner for any Loss attributable to any act or omission of the liquidator taken or omitted in good faith in connection with the liquidation of the Partnership or the payment or distribution of the Partnership's assets. The liquidator shall be entitled to rely in good faith on the advice of counsel, public accountants and other advisors with respect to liquidating the Partnership and paying or distributing its assets, and any act or omission of the liquidator in reliance on such advice shall in no event subject the liquidator to liability to the Partnership or any Limited Partner, provided that the liquidator has selected, employed or engaged such counsel, accountant or other advisor with reasonable care.

ARTICLE 14

GENERAL PROVISIONS

14.1 Amendments.

(a) Except as otherwise provided in this Agreement (including Sections 14.1(b) and (c)) and the proviso to this Section 14.1(a), the terms and provisions of this Agreement may be amended, waived or otherwise modified only with the written consent of the General Partner and a Majority-in-Interest of the Limited Partners; provided, however, that except as otherwise provided in this Agreement (including Section 14.1(b)), but excluding the foregoing provisions of this Section 14.1(a)) no amendment, modification or waiver shall, without the approval of the affected Limited Partner, (i) increase the obligations of such Limited Partner under this Agreement in any material and disproportionate respect relative to other Limited Partners, (ii) decrease the Unit Percentage of such Partner (other than any such decrease contemplated by any provision of this Agreement, including Section 5.2 or Article 10, before giving effect to such amendment, modification or waiver) or (iii) change the manner in which distributions or allocations are made pursuant to the provisions of Articles 6 or 7 with respect to such Partner in any material and disproportionate respect relative to other Limited Partners.

(b) Notwithstanding anything in Section 14.1(a) to the contrary, this Agreement may be amended, waived or otherwise modified by the General Partner, in its sole discretion, without the approval of any Limited Partner, to (i) make any necessary or appropriate revisions to Schedule A; (ii) correct typographical errors and to eliminate ambiguities or inconsistencies, (iii)

add to the duties or obligations of the General Partner hereunder or surrender or waive any right or power granted to the General Partner hereunder, or (iv) make any other amendment, waiver or modification that would not, in the reasonable opinion of the General Partner, be materially adverse to the Limited Partners. The General Partner shall promptly furnish to each Limited Partner a copy of each approved waiver of or amendment or other modification to this Agreement.

(c) Amendments to this Agreement may be proposed only by the General Partner. To the fullest extent permitted by law, the General Partner shall have no duty or obligation to propose or approve any amendment to this Agreement and may decline to do so in its sole discretion and, in declining to propose or approve an amendment, to the fullest extent permitted by law shall not be required to act in good faith or pursuant to any other standard imposed by this Agreement or any other agreement contemplated hereby or under the Arizona Act or any other law, rule or regulation or at equity. An amendment shall be effective upon its approval by the General Partner and, except as otherwise provided by [Section 14.1\(a\)](#), a Majority-In-Interest of the Limited Partners, unless a greater or different percentage is required under this Agreement or by the Arizona Act. Each proposed amendment that requires the approval of Limited Partners shall be set forth in a writing that contains the text of the proposed amendment. If such an amendment is proposed, the General Partner shall seek the written approval of Limited Partners holding the requisite Unit Percentages or call a meeting of the Partners to consider and vote on such proposed amendment. The General Partner shall notify all Limited partners upon final adoption of any such proposed amendment.

14.2 Notices. Unless otherwise expressly specified or permitted by the terms of this Agreement, all notices, proposals, requests, consents, approvals and other communications required or permitted to be given by or to any party hereto pursuant to this Agreement shall be in writing and shall be deemed to have been duly given or delivered for all purposes hereof (a) when personally delivered to the intended recipient, (b) on the third Business Day after mailing, if mailed from within the United States by first class U.S. mail, postage prepaid, (c) on the date of sending, if sent by facsimile or email transmission, telex or prepaid telegram, or (d) on the first Business Day after transmittal thereof to a reputable overnight courier service for overnight delivery to the intended recipient. All such notices, requests, consents, approvals and other communications shall be addressed, in each case, (i) if to the Partnership, to the address set forth in [Section 2.2](#) or to such other address as the General Partner may have specified by written notice to the Limited Partners, and (ii) if to any Partner (including the General Partner), to the address of such Partner set forth in [Schedule A](#) or in the instrument pursuant to which it became a Partner, or to such other address as such Partner may have specified by written notice delivered pursuant to this [Section 14.2](#) to the other Partners.

14.3 Power of Attorney.

(a) Each Limited Partner hereby constitutes and appoints the General Partner as such Limited Partner's true and lawful representative and attorney-in-fact, in its name, place and stead, to make, execute, sign, acknowledge, deliver and file for such Limited Partner and on its behalf: (i) the Certificate and all additional instruments, certificates and other documents which may be required from time to time by any law, rule or regulation to effectuate, implement, continue or carry on the valid existence or the business of the Partnership; (ii) all instruments, certificates and other documents that may be required to effectuate or implement the dissolution or termination

of the Partnership in accordance with the provisions hereof and the Arizona Act; (iii) all amendments of this Agreement or the Certificate permitted by this Agreement and approved by the requisite Partners (whether or not such Limited Partner voted in favor of or otherwise approved such amendment); (iv) all instruments, certificates and other documents which may be required at any time to implement the provisions of Article 10 with respect to such Limited Partner, including instruments required to effectuate or implement any redemption or sale of such Limited Partner's Interest pursuant thereto; and (v) all other instruments, certificates and other documents required from time to time to admit to the Partnership any Additional Partner or Substitute Partner or to reflect any action of the Limited Partners duly taken pursuant to this Agreement (whether or not such Limited Partner voted in favor of or otherwise approved such action).

(b) Without limiting the generality of Section 14.3(a), if (i) an amendment of the Certificate or this Agreement is proposed, or another action is proposed to be taken by or with respect to the Partnership, that does not require under the terms of this Agreement the approval of all of the Partners, (ii) the General Partner and Limited Partners holding the requisite Unit Percentages specified in this Agreement as being required for such amendment or other action have approved such amendment or other action in the manner contemplated by this Agreement (disregarding the approval of any Limited Partner whose approval has been granted by the General Partner's use of such Limited Partner's power of attorney), and (iii) a Limited Partner has failed or refused to approve such amendment or other action (any such Partner, a "**Non-consenting Partner**"), each Non-consenting Partner agrees that the General Partner, in its capacity as such Non-consenting Partner's special attorney specified above, with full power of substitution, is hereby authorized and empowered to make, execute, sign, acknowledge, deliver and file, for and on behalf of such Non-consenting Partner and in its name, place and stead, all instruments, certificates and other documents which may be necessary or appropriate to permit such amendment to be lawfully made or such other action to be lawfully taken.

(c) Each Limited Partner is fully aware that it and each other Limited Partner have executed this special power of attorney, and that each Limited Partner will rely on the effectiveness of this special power of attorney with a view to the orderly administration of the Partnership's affairs.

(d) The grants of authority by each Limited Partner pursuant to paragraphs (a) and (b) above (i) constitute a special power of attorney coupled with an interest in favor of the General Partner, and as such shall be irrevocable and shall survive the death, disability or adjudication of incompetency of any Limited Partner that is an individual, and the merger, consolidation, dissolution or other termination of the existence of any Limited Partner that is a corporation, association, partnership, limited liability company, trust or other entity, and (ii) shall survive the Transfer by any Limited Partner of all or any portion of its Interest (except that in the case of a Transfer where the Transferee becomes a Substitute Partner with respect to the entire Interest of the Transferor, the special power of attorney granted by the Transferor pursuant to this Section 14.3 shall survive the Transfer for the sole purpose of enabling the General Partner to execute, acknowledge and file all certificates, instruments and other documents necessary to effect the admission of the Transferee as a Substitute Partner).

14.4 **Binding Effect.** This Agreement shall be binding upon, and inure to the benefit of each Partner and its estate, executor, administrator, guardian, conservator, other authorized representatives, successors and permitted assigns.

14.5 **Counterparts.** This Agreement may be executed by the parties hereto in any number of separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

14.6 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona, excluding any conflict of laws rule or principle that might refer the governance or the construction of this Agreement to the law of another jurisdiction. In the event of a direct conflict between any provision of this Agreement, on the one hand, and any provision of the Certificate or any mandatory provision of the Arizona Act, on the other hand, the applicable provision of the Certificate or the Arizona Act shall control.

14.7 **Additional Documents.** Each Limited Partner hereby agrees to execute all certificates, instruments and other documents that may be required by the laws of any state or other jurisdiction in which the Partnership conducts its activities, including any such laws governing limited partnerships.

14.8 **Severability.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof; and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, the parties to this Agreement hereby waive any provision of law which renders any provision hereof prohibited or unenforceable in any respect.

14.9 **Entire Agreement.** Schedule A and Appendix I are a part of this Agreement. This Agreement, including Schedule A and Appendix I, supersedes any and all oral or written agreements or understandings heretofore made, and contain the entire agreement of the parties hereto, with respect to the subject matter hereof.

14.10 **Waiver of Partition.** Each Partner hereby irrevocably waives and forfeits any and all rights that it may have, whether arising under contract or statute or by operation of law or otherwise, to maintain an action for partition of the Partnership or any of the Partnership's property.

14.11 **Section Headings.** The headings of the various Articles and Sections of this Agreement are for convenience of reference only and do not define, limit or otherwise affect any term or provision of this Agreement. Unless the context otherwise expressly requires, all references herein to Articles, Sections, Schedules and Appendices are to Articles, Sections, Schedules and Appendices of or to this Agreement.

14.12 **No Third Party Beneficiaries.** The provisions of this Agreement are intended solely to benefit the Partners and the Covered Persons and, to the fullest extent permitted by applicable law, shall not be construed as conferring any benefit upon any creditor of the Partnership

or any Partner (and no such creditor shall be a third party beneficiary of this Agreement) or upon any other Person that is neither a Partner nor a Covered Person.

14.13 Confidentiality. Each Limited Partner shall keep confidential and shall not disclose (and shall cause its agents and Affiliates to keep confidential and not disclose), without the prior written consent of the General Partner, any information with respect to the Partnership, the General Partner or any Iota Group Member, provided that a Limited Partner may disclose any such information (i) as has become generally available to the public other than as a result of a breach of this Section 14.13 by such Limited Partner or by any agent, representative or Affiliate of such Limited Partner, (ii) as may be required to be included in any report, statement or testimony required to be submitted to any municipal, state or national regulatory body having jurisdiction over such Limited Partner, (iii) as may be required in response to any summons or subpoena or in connection with any litigation, (iv) to the extent necessary to comply with any law, order, regulation or ruling applicable to such Limited Partner (including the Freedom of Information Act (FOIA 5 U.S.C. § 552)), (v) to its employees and professional advisors (including such Limited Partner's auditors and counsel and, for an ERISA Partner, such Persons as are necessary for the proper administration of the applicable ERISA plan), so long as such Persons are advised of the confidentiality obligations contained herein, and (vi) as may be required in connection with an audit by any taxing authority. In the event that a Limited Partner (or anyone to whom such Limited Partner has transmitted such information) becomes legally required (or reasonably determines that it is legally required) to disclose any such information, to the extent permitted by applicable law, such Limited Partner shall promptly notify the General Partner in writing of such requirement prior to any such disclosure so that the General Partner and/or the Partnership may seek a protective order or other appropriate remedy. In the event that such protective order or other remedy is not obtained, or that the General Partner waives compliance with the provisions of this Section 14.13, such Limited Partner may disclose such information as it is legally required to disclose (or that it reasonably determines it is legally required to disclose), and such Limited Partner agrees to use reasonable efforts to obtain assurance that confidential treatment will be accorded the information so disclosed.

(b) The General Partner may disclose any information concerning the Partnership or any Partner necessary to comply with applicable laws and regulations, including any anti-money laundering or anti-terrorist laws or regulations, and each Limited Partner shall provide the General Partner, promptly upon request, with all information that the General Partner reasonably deems necessary to comply with such laws and regulations.

14.14 Arbitration. Any dispute or claim arising out of or in connection with this Agreement shall be settled by confidential, binding arbitration in accordance with the then-current rules of the American Arbitration Association applying the substantive law of the State of Arizona. The arbitration shall be conducted by one arbitrator appointed in accordance with said rules. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator may be empowered to award the prevailing party all costs and expenses directly related to the arbitration, including but not limited to reasonable attorneys' fees. The arbitration will be held in Maricopa County, Arizona.

[Signature Page to Follow]

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

GENERAL PARTNER:

IOTA SPECTRUM HOLDINGS, LLC

By: Rob Somers

Name: Rob Somers

Title: General Manager

INITIAL LIMITED PARTNER:

Rob Somers

ROB SOMERS

LIMITED PARTNER:

(Name of Limited Partner)
(Please type or print)

By: _____
(Please sign)

(If individual signing is acting for a trustee or other representative signing on behalf of the Limited Partner, please print the full name of the trustee or other representative above the individual's signature)

To be completed by signatories signing on behalf of an entity:

Name: _____
Title or
Capacity: _____

DEFINITIONS

For purposes of this Agreement, the following terms shall have the meanings set forth below (such meanings to be equally applicable to both singular and plural forms of the terms so defined):

“**Acquired MHz-Pops**” means the MHz-Pops acquired by the Partnership from time to time (whether pursuant to the Contribution Agreements or otherwise).

“**Additional Partner**” means any Person that, in the sole discretion of the General Partner, is permitted to make a Contribution to the Partnership pursuant to Section 5.2 and be admitted to the Partnership as a Limited Partner after the Effective Date.

“**Administration Expenses**” has the meaning set forth in Section 3.5(d).

“**Administrative Expenses Agreement**” means that certain Administrative Expenses Agreement, dated on or about the date hereof, by and between the Partnership and the General Partner, in substantially the form of Exhibit A, as the same may be amended, supplemented or otherwise modified from time to time.

“**Advisers Act**” means the Investment Advisers Act of 1940 and the rules and regulations promulgated thereunder, in each case as amended from time to time, or any successor statute thereto.

“**Affiliate**” means, when used with respect to a specified Person, any Person that directly or indirectly controls, is controlled by or is under common control with such specified Person. Notwithstanding the foregoing, (a) the Limited Partners, in their capacity as such, shall not be deemed to constitute Affiliates of the Partnership, the General Partner or any other Iota Group Member, and (b) the Partnership shall not be deemed to constitute an Affiliate of the General Partner or any other Iota Group Member. For purposes of this definition, “**control**,” as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

“**Agreement**” means this Amended and Restated Limited Partnership Agreement (including all Schedules and Appendices hereto), as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof.

“**Allocation Period**” means a Fiscal Year or, in the discretion of the General Partner, a portion of a Fiscal Year (in which case, the applicable Fiscal Year shall be divided into two or more Allocation Periods).

“**Amended Drag-Along Notice**” has the meaning set forth in Section 9.6(d).

“**Amended Sale Notice**” has the meaning set forth in Section 9.7(a)(i).

“**Arizona Act**” means the Revised Arizona Uniform Partnership Act, Title 29 (Arizona Revised Statutes A.R.S. Sections 29-301 *et. seq.*), as amended from time to time, or any successor statute thereto.

“**Available Cash**” means, as of any time of determination, the amount of (a) the Partnership’s cash and cash equivalents at such time, including all Temporary Investments then held by the Partnership, minus (b) the sum of (i) funds reserved by the General Partner for claims against and obligations of the Partnership (including indemnification obligations which could arise following the Partnership’s dissolution in respect of claims that are not pending or threatened at the time such funds are so reserved), and (ii) funds determined by the General Partner to constitute a reasonable provision for expenses yet to be paid by the Partnership.

“**Bad Faith**” means, with respect to any determination, action or omission, of any Person, board or committee, that such Person, board or committee reached such determination, or engaged in such act or omission, with the belief that such determination, action or omission was materially adverse to the interests of the Partnership.

“**Bankruptcy**” means, with respect to a Person, that such Person shall (i) have applied for or consented to the appointment of a receiver, trustee or liquidator of all or substantially all of its assets; (ii) have filed a voluntary petition in bankruptcy under the United States Bankruptcy Code; (iii) have had an involuntary petition in bankruptcy commenced against such Person, which petition shall have remained unstayed or undismissed for a period of 60 days; (iv) have had entered an order for relief in bankruptcy with respect to such Person; or (v) have failed generally, or have admitted in writing to its failure to pay generally, its debts when they come due.

“**Bipartisan Budget Act**” means the Bipartisan Budget Act of 2015.

“**Board of Directors**” means any board of directors (or similar governing body) of the General Partner that may be established from time to time pursuant to the constitutive documents of the General Partner.

“**Book Value**” means with respect to any Partnership asset, the adjusted basis of the asset for U.S. federal income tax purposes, except as follows:

(a) the initial Book Value of any asset contributed by a Partner to the Partnership shall be the gross Fair Market Value of such asset, as determined by the General Partner;

(b) the Book Values of all Partnership assets may, at the sole discretion of the General Partner, be adjusted to equal their respective Fair Market Values (as determined by the General Partner), in accordance with the rules set forth in Treasury Regulations Section 1.704-1(b)(2)(iv)(f), as provided in Article 7;

(c) the Book Value of any Partnership asset distributed to a Partner shall be the gross Fair Market Value of such asset on the date of Distribution; and

(d) the Book Values of Partnership assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in

determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m); provided, however, that Book Values shall not be adjusted pursuant to this clause (d) to the extent that the General Partner reasonably determines that an adjustment pursuant to Article 7 is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this clause (d).

In the case of any Partnership asset that has a Book Value that differs from its adjusted tax basis, the Book Value shall be adjusted by the amount of depreciation, depletion and amortization calculated for purposes of the definitions of "Net Income" and "Net Loss" rather than the amount of depreciation, depletion and amortization determined for U.S. federal income tax purposes.

"Business Day" means any day excluding Saturday, Sunday and any other day on which banking institutions located in the State of New York or Arizona are authorized or required by law or other governmental action to be closed.

"Capital Account" has the meaning specified in Section 7.1(a).

"Certificate" means the Certificate of Limited Partnership of the Partnership as filed with the Office of the Secretary of State of the State of Arizona on or about April 25, 2019, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the provisions of the Arizona Act.

"Code" means the Internal Revenue Code of 1986, as amended.

"Contribution Agreements" means, collectively, the Contribution and Exchange Agreements, as attached hereto in substantially the form of Exhibit B, entered into from time to time on or after the Effective Date (a) by and between the General Partner and the Partnership, in the case of the License Contribution contemplated by Section 5.1(b) or any subsequent License Contribution by the General Partner, or (b) by and between any Limited Partner making a License Contribution on or after the Effective Date and the Partnership, pursuant to which the Limited Partners or the General Partner, as applicable, contribute existing FCC Licenses to the Partnership in exchange for Units on the terms contained therein, in each case, together with any additional conveyance documents and instruments contemplated thereby, as the same may be amended, supplemented or otherwise modified from time to time.

"Contributions" means, with respect to any Partner as of any time of determination, the aggregate amount of cash and the initial Book Value of any property (net of liabilities assumed or taken subject to by the Partnership, without duplication) contributed by or in the name of such Partner to the Partnership t or prior to such time in connection with the issuance of Units to such Partner.

"Covered Persons" means, collectively, (i) each current or former General Partner, (ii) each current or former member, manager, officer, director, employee, agent or Affiliate of any current or former General Partner or Iota Group Member (in each case other than in such person's capacity as a Partner) and (iii) any Person the General Partner designates as an "Covered Person" for purposes of this Agreement because such Person's service, status or relationship exposes such Person to potential claims, demands, actions, suits or proceedings relating to the Iota Group's business or affairs.

"Depreciation" means, with respect to any asset for each Allocation Period or other period, an amount equal to the depreciation, amortization or other cost recovery deduction, as computed for U.S. federal income tax purposes, allowable with respect to such asset for such period, except that if the Book Value of such asset differs from its adjusted tax basis for U.S. federal income tax purposes at the beginning of such year period, Depreciation shall be an amount which bears the same ratio to such beginning book value as the U.S. federal income tax depreciation, amortization or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis, provided, however, that if the adjusted tax basis for U.S. federal income tax purposes of an asset at the beginning of such period is zero, then Depreciation is to be determined with reference to such beginning book value using any reasonable method determined by the General Partner.

"Distribution" means any distribution of cash, cash equivalents (including Temporary Investments), FCC Licenses or other assets or property made by the Partnership to a Partner (including the General Partner) pursuant to this Agreement. For purposes of this Agreement, the dollar amount of any Distribution consisting of FCC Licenses or other property shall equal the Fair Market Value of such FCC Licenses or other property as of the date of such distribution.

"Drag-Along Co-Seller" has the meaning set forth in [Section 9.6\(a\)\(i\)](#).

"Drag-Along Notice" has the meaning set forth in [Section 9.6\(d\)](#).

"Drag-Along Rights" has the meaning set forth in [Section 9.6\(a\)\(i\)](#).

"Drag-Along Sale" has the meaning set forth in [Section 9.6\(a\)](#).

"Drag-Along Transferee" has the meaning set forth in [Section 9.6\(a\)](#).

"Economic Area" means, with respect to any FCC License, the economic area market (as defined by the FCC) in which such FCC License is located.

"Effective Date" has the meaning set forth in the introductory paragraph of this Agreement.

"Eligibility Certificate" has the meaning set forth in [Section 10.2\(b\)](#).

"Eligible Holder" means a Person that satisfies the eligibility requirements established by the General Partner for Limited Partners pursuant to [Section 10.2](#).

"Exchange Act" means the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder, in each case as amended from time to time, or any successor statute thereto.

"Fair Market Value" means fair market value as determined in good faith by the General Partner.

"FCC" means the Federal Communications Commission or any successor agency or entity performing substantially the same functions.

“**FCC Licenses**” means spectrum licenses allocated under the FCC’s Part 90 rules in the 800 MHz and 900 MHz spectrum bands that are compatible with the Iota Group’s network.

“**Fiscal Year**” means the Partnership’s fiscal year, as determined pursuant to Section 12.1(c).

“**General Partner**” means Iota Spectrum Holdings, LLC.

“**General Partner Designee**” has the meaning set forth in Section 10.2(c).

“**Good Faith**” means with respect to any determination, action or omission of any Person, board or committee, that such determination, action or omission was not taken in Bad Faith

“**GP Tag-Along Notice**” has the meaning set forth in Section 9.6(a)(ii).

“**GP Units**” means a Unit representing, when outstanding, a fractional part of the Interest of the General Partner, and having the rights and obligations specified with respect to GP Units in this Agreement.

“**ICI**” means Iota Communications, Inc., a Delaware corporation.

“**ICS**” means Iota Commercial Solutions, LLC, an Arizona limited liability company.

“**Initial Limited Partner**” has the meaning set forth in the introductory paragraph of this Agreement.

“**Initial Offering Period**” means the period from and including the Effective Date through and including the earlier of (a) the first date as of which 700 million LP Units have been issued and (b) such other date as the General Partner may determine in its sole discretion.

“**Interest**” means, with respect to any Partner as of any time of determination, the entire general or limited partner interest of such Partner in the Partnership as of such time, including such Partner’s rights to receive allocations and distributions hereunder.

“**Investment Company Act**” means the Investment Company Act of 1940 and the rules and regulations promulgated thereunder, in each case as amended from time to time, or any successor statute thereto.

“**Involuntary Acquisition Notice**” has the meaning specified in Section 10.2(c)(i).

“**Involuntary Redemption Event**” has the meaning specified in Section 10.2(a).

“**Involuntary Transfer Price**” has the meaning specified in Section 10.3(a).

“**Iota Group**” means, collectively, ICI, Iota Networks and ICS and their respective majority-owned subsidiaries (other than the Partnership, if applicable).

“**Iota Group Member**” means, as of any date of determination, any Person that is a member of the Iota Group as of such date.

“**Iota Networks**” means Iota Networks, LLC, an Arizona limited liability company.

“**License Application and Construction Services Agreement**” means that certain License Application and Construction Services Agreement, as attached hereto in substantially the form of Exhibit C, to be dated on or about the date hereof, by and between ICI and the Partnership, as the same may be amended, supplemented or otherwise modified from time to time.

“**License Contribution**” means, with respect to any Partner, a Contribution of one or more FCC Licenses to the Partnership by or on behalf of such Partner pursuant to a Contribution Agreement.

“**Limited Partners**” means those persons listed in Schedule A (as in effect on the date hereof) and shall also include any Additional Partner or Substitute Partner admitted to the Partnership after the date hereof in accordance with this Agreement, in each case in such Person’s capacity as a limited partner of the Partnership.

“**Liquidity Event**” means any transaction or series of related transactions resulting in (a) a Sale of the Partnership, (b) a liquidation of the Partnership pursuant to Article 13, or (c) a leveraged recapitalization of the Partnership.

“**Losses**” means any and all claims, damages, judgments, settlement costs, penalties, fines, deficiencies, losses, taxes, expenses or other liabilities of any nature whatsoever (whether known or unknown, or liquidated or unliquidated), including attorneys’ fees and expenses.

“**LP Tag-Along Notice**” has the meaning set forth in Section 9.7(a)(ii).

“**LP Unit**” means a Unit representing, when outstanding, a fractional part of the aggregate Interests of all Limited Partners, and having the rights and obligations specified with respect to LP Units in this Agreement.

“**Majority-in-Interest of the Limited Partners**” means, at any time of determination, Limited Partners whose aggregate Unit Percentages represent more than 50% of the aggregate Unit Percentages of all Limited Partners as of such time.

“**Master Lease Agreement**” means that certain Master Long-Term Spectrum Lease Agreement, as attached hereto in substantially the form of Exhibit D, to be dated on or about the date hereof, by and between the Partnership and Iota Networks, as the same may be amended, supplemented or otherwise modified from time to time.

“**MHz-Pops**” means a unit of measure that is the product of (a) the MHz (bandwidth) of spectrum assigned to a FCC License, multiplied by (b) the Pops (population) of the Economic Area market in which the FCC License is located.

“**Monetization Proceeds**” means all cash and non-cash proceeds (including securities), commissions and similar fees received by the Partnership from the disposition or other monetization of the Acquired MHz-Pops or from any other business activities of the Partnership, but excluding “Operating Proceeds” as defined herein.

“**Net Income**” and “**Net Loss**” means for each Fiscal Year or other period, the taxable income or loss of the Partnership, or particular items thereof, determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be included in taxable income or loss), with the following adjustments (without duplication):

(a) any income of the Partnership that is exempt from United States federal income taxation and not otherwise taken into account in computing Net Income and Net Loss shall be included;

(b) any expenditures of the Partnership that are described in Section 705(a)(2)(B) of the Code or are treated as such pursuant to Treasury Regulations section 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Net Income and Net Loss shall be subtracted;

(c) if the Book Value of any Partnership asset is adjusted as provided herein, the amount of such adjustment shall be taken into account as gain (if the adjustment increases the Book Value of such asset) or loss (if the adjustment decreases the Book Value of such asset) from the disposition of such asset and shall be taken into account for purposes of computing Net Income or Net Loss;

(d) if the Book Value of any asset differs from its adjusted tax basis for United States federal income tax purposes, any gain or loss resulting from a disposition of such asset shall be calculated with reference to such Book Value notwithstanding that the adjusted tax basis of such asset differs from its Book Value;

(e) in lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or loss, Depreciation is to be taken into account for such Fiscal Year or other period, computed in accordance with the definition thereof;

(f) to the extent an adjustment to the adjusted tax basis of any Partnership asset pursuant to Section 734(b) of the Code is required pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a Distribution other than in complete liquidation of a Partner's Interest, the amount of such adjustment is to be treated as an item of gain (if the adjustment increases the basis of such asset) or loss (if the adjustment decreases the basis of such asset) from the disposition of such asset and is to be taken into account for purposes of computing Net Income or Net Loss; and

(g) notwithstanding any other provision of this definition, any items that are specially allocated pursuant to Section 8.5(a) shall not be taken into account in computing Net Income or Net Loss.

The amounts of the items of Partnership income, gain, loss or deduction available to be specially allocated pursuant to Section 8.5(a) shall be determined by applying rules analogous to those set forth in clauses (a) through (f) above.

“**Noncompensatory Option**” means a “noncompensatory option” within the meaning of Treasury Regulations Sections 1.721-2(f) and 1.761-3(b)(2).

“**Non-consenting Partner**” has the meaning specified in Section 14.3(b).

“**Operating Proceeds**” means all cash and non-cash proceeds (including securities), commissions and similar fees received by the Partnership pursuant to the Master Lease Agreement.

“**Organizational Expenses**” has the meaning set forth in [Section 3.5\(b\)\(i\)](#).

“**Original Agreement**” has the meaning set forth in the recitals hereto.

“**Original Partners**” has the meaning specified in [Section 5.1\(d\)](#).

“**Partner Nonrecourse Debt Minimum Gain**” means the amount determined in accordance with the principles of Treasury Regulations Section 1.704-2(i)(3) pertaining to “partner nonrecourse debt minimum gain.”

“**Partners**” means, collectively, the General Partner and the Limited Partners.

“**Partnership**” has the meaning set forth in introductory paragraph of this Agreement.

“**Partnership Expenses**” has the meaning set forth in [Section 3.5\(b\)](#).

“**Partnership Minimum Gain**” has the meaning assigned to the term “partnership minimum gain” in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

“**Partnership Representative**” means the “partnership representative” pursuant to Section 6223(a) of the Code.

“**Person**” or “**person**” means any individual, general partnership, limited partnership, corporation, limited liability company, joint venture, trust, business trust, association, unincorporated organization, country, state, city or other political subdivision, governmental agency or instrumentality, or other entity.

“**Plan Assets Regulations**” means the regulations concerning the definition of “plan assets” under ERISA adopted by the United States Department of Labor and codified at 29 C.F.R. § 2510.3-101, as amended from time to time, and as modified by the Pension Protection Act of 2006.

“**Proceeds**” means, collectively, Monetization Proceeds and Operating Proceeds.

“**Proposed Sale**” has the meaning set forth in [Section 9.7\(a\)](#).

“**Proposed Transferee**” has the meaning set forth in [Section 9.7\(a\)](#).

“**Redeemable Interests**” shall have the meaning set forth in [Section 10.2\(c\)](#).

“**Redeeming Partner**” means, with respect to any redemption of Interests by the Partnership or sale of Interests to a General Partner Designee pursuant to [Section 10.2](#), the Limited Partner whose Interest is redeemed or sold in such redemption or sale.

“**Sale Notice**” has the meaning set forth in [Section 9.7\(a\)\(i\)](#).

“Sale of the Partnership” means any transaction or series of related transactions pursuant to which any Person or group of related Persons who, immediately prior to the contemplated transaction, is not an Affiliate of the Partnership or any Partner, in the aggregate acquires (a) a majority of all Units then outstanding (whether by merger, consolidation, reorganization, combination, or Transfer of Units), provided that the General Partner determines in its sole discretion that the application of Section 8.3(b) is necessary or appropriate in connection with such transaction or series of related transactions, or (b) all or substantially all of the Partnership’s assets.

“Securities Act” means the Securities Act of 1933 and the rules and regulations promulgated thereunder, in each case as amended from time to time, or any successor statute thereto.

“Selling Partners” has the meaning set forth in Section 9.6(a).

“Subscription Agreements” means, collectively, the Subscription Agreements, as attached hereto in substantially the form of Exhibit E, executed from time to time on or after the Effective Date by Limited Partners making a cash Contribution on or after the Effective Date, in each case as the same may be amended, supplemented or otherwise modified from time to time.

“Subsequent Closing” shall have the meaning set forth in Section 5.2(a).

“Subsequent Closing Date” shall have the meaning set forth in Section 5.2(a).

“Substitute Partner” means any Person admitted to the Partnership as a Partner pursuant to Section 9.3.

“Tag-Along Co-Seller” has the meaning set forth in Section 9.7(a)(ii).

“Temporary Investments” means (a) any fixed income securities, (b) any certificates of deposit or other interest-bearing obligations of any bank or trust company that is organized or licensed under the laws of the United States or any state thereof and that has a combined capital and surplus in excess of \$100,000,000, maturing within one year after the Partnership’s acquisition thereof or (c) investments in any money market fund having a net asset value of not less than \$250,000,000.

“Transfer”, “Transferred” or “Transferring” means, with respect to any Interest or Unit, a sale, transfer, assignment, participation, pledge, hypothecation or other disposition or encumbrance of any nature of or on such Interest or Unit or any beneficial interest therein (including a transfer as a result of a merger, consolidation or sale of all or substantially all of the Transferor’s assets), and, in the case of an individual, whether during his or her life or at or following his or her death.

“Transferee” means, with respect to any Interest or Unit, the Person to whom such Interest or Unit or any beneficial interest therein is Transferred (or is to be Transferred) for any reason by any means.

“Transferor” means, with respect to any Interest or Unit, the Partner or other Person who Transfers (or desires to Transfer) such Interest or Unit or any beneficial interest therein for any reason by any means.

“Treasury Regulations” means the regulations promulgated by the United States Treasury Department under the Code (including temporary regulations and corresponding provisions of succeeding regulations), as such regulations may be amended from time to time.

“Unit” means a notional unit of partnership interest in the Partnership, representing a fractional part of the aggregate Interests in the Partnership of all partners.

“Unit Percentage” means, as of any time of determination with respect to any Partner, the percentage obtained by multiplying 100% by a fraction, the numerator of which is the aggregate number of Units held by such Partner as of such time and the denominator of which is the aggregate amount of Units held by all Partners as of such time.

* * * * *

Schedule A

Partners, Contributions, Units and Unit Percentages

[To be kept with the books and records of the Partnership.]

Exhibit A

Administrative Expenses Agreement

(Attached)

ADMINISTRATIVE EXPENSES AGREEMENT

ADMINISTRATIVE EXPENSES AGREEMENT (the "Agreement") dated as of November 5, 2019 by and between Iota Spectrum Holdings, LLC, an Arizona limited liability company (the "Administrator"), and Iota Spectrum Partners, LP, an Arizona limited partnership (the "Partnership").

WITNESSETH

WHEREAS, in connection with the admission to the Partnership of certain Limited Partners, the General Partner and the Limited Partners entered into that certain Amended and Restated Limited Partnership Agreement of the Partnership, dated as of November 5, 2019 (as the same may be amended, supplemented or otherwise modified from time to time, the "Partnership Agreement") (capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Partnership Agreement);

WHEREAS, pursuant to the Partnership Agreement, the Administrator is authorized and empowered, in its capacity as the General Partner of the Partnership, to manage and conduct the business, property and affairs of the Partnership and, in connection therewith, to provide certain administrative services to the Partnership; and

WHEREAS, this Agreement and the engagement of the Administrator by the Partnership is authorized by the Partnership Agreement, and the Partnership and the Administrator desire to enter into this Agreement, pursuant to which the Administrator will provide to the Partnership certain administrative and management services on the terms set forth therein and herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Administrative Services.

1.1 *Services to be Provided by the Administrator.*

(a) The Administrator, through its Affiliates, its own personnel, and, to the extent it determines (in its sole discretion) that the same is necessary or advisable in order to perform the services for the Partnership that are required hereunder, by arranging for and coordinating services of other professionals, experts and consultants, shall provide the following services to the Partnership (collectively, the "Administrative Services"):

- i. accounting and financial reporting services, including preparation of audited and unaudited financial statements and managing the bank accounts, books and records, accounts payable and accounts receivable of the Partnership;
- ii. tax preparation services, including assisting with outsourced tax preparation processes, distributing K-1s and providing information for tax filings made by the Partners;

- iii. making distributions to the Limited Partners;
- iv. logistical support for marketing of the LP Units subsequent to the end of the Initial Offering Period, including arranging seminars and meetings with potential investors;
- v. routine FCC license administration services, including renewal applications and coordinating with the FCC and other Iota Group Members;
- vi. assistance (other than the rendering professional advice) with the Partnership's compliance with its routine legal and regulatory requirements; and
- vii. such other administrative services with respect to the Partnership as the Administrator reasonably determines are necessary or advisable in connection with the provision of its services described in the foregoing clauses.

(b) The Administrative Services are limited to those specific duties stated in this Agreement. The Administrator may, as part of the Administrative Services, (i) perform incidental matters that arise from time to time that are directly related to the Administrative Services and (ii) add to its existing Administrative Services or perform additional matters not specifically described herein; provided, that the Administrator shall not be obligated to materially change or add to its existing Administrative Services in any respect.

(c) Notwithstanding anything in the Partnership Agreement or herein to the contrary, the Administrator warrants that the Administrative Services will be performed using reasonable diligence and consistent with industry standards for the same kind of services. Other than the foregoing warranty, the Administrator disclaims all other warranties, express or implied, and the sole remedy for breach of warranty by the Administrator under this Agreement is the re-performance of the applicable Administrative Services.

(d) Performance of the Administrative Services will depend to a great degree upon the Administrator receiving from the Partnership and the Limited Partners certain data, supporting documentation and other information relevant to the Administrative Services (the "**Partnership Data**"), as well as the Administrator's ability to obtain answers related to questions raised by the Partnership Data. The Partnership acknowledges that if Partnership Data is not provided in a timely manner, a delay in the performance of Administrative Services may occur. The Partnership agrees that while the Administrator will use commercially reasonable efforts to notify the Limited Partners of any errors, questions or incomplete information, the Administrator is not responsible for the accuracy of the Partnership Data provided by the Limited Partners.

SECTION 2. Administrative Expenses.

2.1 Payment and Reimbursement.

(a) The Administrator shall pay (and the Partnership shall reimburse the Administrator for) the fees, costs and expenses (collectively the "**Administrative Expenses**")

incurred by the Administrator in connection with the administration of the Partnership's business and affairs, including (without limitation):

i. the Partnership's allocable share (as determined pursuant to the Partnership Agreement) of all fees, costs and expenses the Administrator incurs for salaries, rent, office equipment, and other similar overhead that are attributable to the Administrator's performance of the Administrative Services;

ii. all ongoing out-of-pocket record-keeping, accounting, auditing, administrative, reporting and tax return preparation fees, costs and expenses relating to the Partnership (to the extent that the same, for the avoidance of doubt, are not Organizational Expenses);

iii. all out-of-pocket fees, costs and expenses related to making Distributions;

iv. all out-of-pocket fees, costs and expenses (for example, costs of arranging seminars and meetings with prospective investors) attributable to the Administrator's provision of logistical support for the Partnership's capital-raising activities subsequent to the end of the Initial Offering Period;

v. with respect to the FCC Licenses, all out-of-pocket fees, costs and expenses incurred in connection with routine administration of the FCC Licenses, including renewal applications and coordinating with the FCC and Iota Group Members; and

vi. all out-of-pocket fees, costs and expenses incurred for compliance with routine legal and regulatory requirements arising from the activities of the Partnership (it being understood that all costs and expenses for the General Partner's compliance with legal and regulatory requirements arising from its own activities shall not constitute Partnership Expenses).

Except for the Administrative Expenses, all Partnership Expenses shall be paid (or reimbursed, as applicable) in accordance with the terms of the Partnership Agreement. The Administrator, in its capacity as such, shall not be entitled to receive from the Partnership additional compensation or expense reimbursement for the performance of its Administrative Services hereunder except as set forth herein.

(b) Except as otherwise provided in Section 2.1(c), during the term of this Agreement, the Partnership shall pay all amounts owed to the Administrator pursuant to Section 2.1(a) in respect of any fiscal quarter of the Partnership to be paid within 30 days after the end of such fiscal quarter; provided, however, that any such payment that would otherwise be due before the fifth anniversary of the Effective Date shall instead be due and payable on such fifth anniversary. Notwithstanding the immediately preceding sentence, in the event that prior to such fifth anniversary, there is a sale of all or substantially all Partnership assets or the Partnership is dissolved, then all such deferred payments shall be due and payable to the Administrator immediately upon the occurrence of such event. The Partnership shall make each payment required to be made to the Administrator hereunder in immediately available funds by wire transfer. Promptly following the end of each fiscal quarter of the Partnership, the Administrator shall deliver an invoice to the Partnership showing the aggregate amount of Administrative

Expenses payable by the Partnership with respect to such fiscal quarter, and the Administrator shall provide reasonably detailed supporting documentation for any such invoice as may be reasonably requested by the Partnership.

(c) In the event this Agreement terminates prior to the end of a fiscal quarter of the Partnership, the Partnership shall pay all amounts owed to the Administrator pursuant to Section 2.1(a) in respect of such fiscal quarter within 30 days following the date on which the Administrator delivers its final invoice setting forth its Administrative Expenses for such period.

(d) The Administrator and the Partnership shall use commercially reasonable efforts to promptly notify each other of any amount erroneously paid or owed to the Administrator, as applicable.

SECTION 3. Term; Survival.

(a) Except as otherwise provided in the next succeeding sentence, the term of this Agreement shall be the same as the term of the Partnership, together with the period of its winding up and liquidation, and shall terminate on the date on which a certificate of cancellation of the Certificate is filed with the Secretary of State of the State of Arizona pursuant to Section 13.5 of the Partnership Agreement or, if earlier, upon the mutual written consent of the parties hereto. Notwithstanding the immediately preceding sentence, the term of this Agreement shall automatically expire upon (and concurrently with) any cessation on the part of the General Partner to serve as the general partner of the Partnership (whether by operation of the Arizona Act or otherwise).

(b) Notwithstanding anything in this Agreement to the contrary, no termination of this Agreement shall affect the provisions of SECTION 5, SECTION 6 or, to the extent that a period of service has occurred or any fees, costs or expenses have been incurred prior to termination, the provisions of SECTION 2, each of which shall survive such termination and remain in full force and effect in accordance with its terms, and the rights provided for in SECTION 2 and SECTION 5 shall be in addition to any rights to which any Covered Person or the Administrator, as the case may be, may be entitled by contract or as a matter of law or otherwise, and shall inure to the benefit of the Administrator's heirs, executors, administrators, personal representatives, successors and assigns.

SECTION 4. Notices. Except as otherwise specified herein, any notice, request, demand, consent, approval or other communication required or permitted to be given by or to either party hereto pursuant to this Agreement shall be in writing and shall be deemed to have been duly given or delivered for all purposes hereof (a) when personally delivered to the intended recipient, (b) on the date of delivery, if sent by facsimile transmission or e-mail, or (c) on the third Business Day after transmittal thereof to a reputable express courier service for overnight (or two-day) delivery to the intended recipient. All such notices, demands, requests, consents, approvals and other communications shall be addressed, in each case, to the following addresses or facsimile numbers of the parties hereto or to such other address or facsimile number as either such party may have specified by written notice to the other party hereto:

The Administrator:

Iota Spectrum Holdings, LLC
2111 E. Highland Avenue, Suite 305
Phoenix, AZ 85016
Fax: (602) 224-1099
Attn: Legal Department
E-mail: RSomers@iotacommunications.com

The Partnership:

Iota Spectrum Partners, LP
2111 E. Highland Avenue, Suite 305
Phoenix, AZ 85016
Fax: (602) 224-1099
Attn: Legal Department
E-mail: RSomers@iotacommunications.com

SECTION 5. Liability and Indemnification.

5.1 *Limitation on Liability of Covered Persons.*

(a) To the maximum extent permitted by applicable law, none of the Administrator or any current or former director, officer, member, manager, employee, agent, representative or Affiliate of the Administrator (collectively, the "**Covered Persons**") shall be liable for any Losses (including monetary damages) to which the Partnership or any Limited Partner may become subject in connection with or arising out of or related to this Agreement, the operations or affairs of the Partnership or any other action or omission of any Covered Person in relation to the affairs of the Partnership, unless and to the extent that it is determined by a final decision (after all appeals and the expiration of time to appeal) of a court of competent jurisdiction or an arbitrator, appointed in accordance with Section 6.9, that such Losses resulted from (i) such Covered Person's own fraud, gross negligence or willful misconduct, (ii) a material breach by such Covered Person of any provision of this Agreement applicable to such Covered Person or (iii) a criminal violation by such Covered Person (as evidenced by such Covered Person's having been convicted or having plead nolo contendere) of a material U.S. federal, state or other applicable securities law.

(b) Each Covered Person shall be entitled to rely in good faith on the advice of counsel, public accountants and other independent advisors experienced in the matter at issue and selected, employed or engaged with reasonable care by or on behalf of such Covered Person or the Partnership, and (notwithstanding anything in Section 5.1(a) to the contrary) any act or omission of any Covered Person in reliance on such advice shall in no event subject any Covered Person to liability to the Partnership or any Limited Partner.

(c) The parties hereto hereby acknowledge and agree that the provisions of this Agreement, to the extent that they purport to limit or otherwise modify the duties (including fiduciary duties) and liabilities of a Covered Person otherwise existing at law or in equity, shall

to the maximum extent permitted by applicable law, be deemed to limit or otherwise modify such duties and liabilities to such extent. Without limiting the generality of the foregoing (and notwithstanding anything in Section 5.1(a) to the contrary), to the extent that any Covered Person has duties (including fiduciary duties) under applicable law, in equity or otherwise to the Partnership or any Limited Partner, such Covered Person shall not be liable to the Partnership or any Limited Partner for any action or omission of such Covered Person in reliance on the provisions of this Agreement.

5.2 Indemnification of Covered Persons.

(a) To the maximum extent permitted by applicable law, the Partnership shall indemnify and hold harmless each Covered Person from and against any and all Losses to which such Covered Person may become subject in connection with or arising out of or related to this Agreement, the operations or affairs of the Partnership or any other action or omission of any Covered Person in relation to the Partnership; provided, however, that the foregoing indemnification shall not apply to any Losses to the extent that such Losses (1) are determined by a final decision (after all appeals and the expiration of time to appeal) of a court of competent jurisdiction or an arbitrator, appointed in accordance with Section 6.9, to have resulted from (i) such Covered Person's own fraud, gross negligence or willful misconduct, (ii) a material breach by such Covered Person of any provision of this Agreement applicable to such Covered Person or (iii) a criminal violation by such Covered Person (as evidenced by such Covered Person having been convicted or having plead nolo contendere) of a material U.S. federal, state or other applicable securities law or (2) arise out of any action or proceeding that relates to a controversy or dispute that is solely between or among two or more of the Administrator and its respective Affiliates (other than the Partnership), members, officers or employees.

(b) In the event that any Covered Person becomes involved in any capacity in any action, proceeding or investigation in connection with any matter arising out of or related to this Agreement, the operations or affairs of the Partnership or any other action or omission of any Covered Person in relation to the Partnership, the Partnership shall, to the fullest extent permitted by law, periodically advance funds to or reimburse such Covered Person for its legal and other expenses (including the cost of any investigation and preparation) as incurred in connection therewith; provided, however, that (i) such Covered Person shall be required to execute an appropriate instrument pursuant to which it agrees that it shall promptly repay to the Partnership the amount of any such advance or reimbursement received by it, to the extent that it is determined by a final decision (after all appeals and the expiration of time to appeal) of a court of competent jurisdiction or an arbitrator, appointed in accordance with Section 6.9, that such Covered Person is entitled to indemnification by the Partnership pursuant to Section 5.2(a) in connection with such action or proceeding, and (ii) such Covered Person shall promptly repay to the Partnership the amount of any such advance or reimbursement paid to it to the extent that it is determined by a final decision (after all appeals and the expiration of time to appeal) of a court of competent jurisdiction or an arbitrator, appointed in accordance with Section 6.9, that such Covered Person is not entitled to indemnification by the Partnership pursuant to Section 5.2(a) in connection with such action, proceeding or investigation.

(c) If for any reason the indemnification provided for in Section 5.2(a) is unavailable to any Covered Person (other than by reason of the proviso contained in such

Section), or is insufficient to hold any Covered Person harmless from all applicable Losses, then the Partnership shall contribute to the amount paid or payable by such Covered Person in respect of the applicable Losses in such proportion as is appropriate to reflect the relative benefits received by the Partnership, on the one hand, and such Covered Person, on the other hand, with respect to the matters in question or, if such allocation is not permitted by applicable law, to reflect not only the relative benefits referred to above but also any other relevant equitable considerations.

(d) The Administrator may exercise any of the powers granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through its agents, and the Administrator shall not be responsible for any misconduct or negligence on the part of any such agent appointed by the Administrator if such appointment was not made in Bad Faith.

(c) The Partnership may enter into additional indemnification agreements with any Covered Person.

(f) The indemnity, reimbursement and contribution obligations of the Partnership under this Section 5.2 shall:

- i. survive the dissolution of the Partnership;
- ii. be in addition to (A) any other obligations or liabilities which the Partnership may have with respect to the matters in question, whether by contract, under applicable law, in equity or otherwise, and (B) any other rights to which a Covered Person may be entitled under any other agreement, under applicable law, in equity or otherwise, both as to actions and omissions in the Covered Person's capacity as an Covered Person and as to actions and omissions in any other capacity (including any capacity under the License Application and Construction Services Agreement, the Master Lease Agreement or the Partnership Agreement);
 - i. be enforceable by, and inure to the benefit of, the successors, assigns, heirs, executors, administrators, personal representatives and other authorized representatives of each Covered Person;
 - ii. be satisfied only out of the assets of the Partnership, it being understood that the General Partner (in its capacity as such) shall not be personally liable for such indemnification; and
 - iii. not be denied to any Covered Person in whole or in part because the Covered Person had an interest in a transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement or the Partnership Agreement.

5.3 **Limitation by Law.** If the Partnership is subject to any U.S. federal or state law, rule or regulation which restricts the extent to which any Covered Person may be exonerated or indemnified by the Partnership pursuant to this Agreement, then the indemnification provisions set forth in this SECTION 5 shall be deemed to be amended, automatically and without further

action by the Administrator or the Partnership, solely to the extent necessary to conform to such restrictions on exoneration or indemnification as are set forth in such law, rule or regulation

5.4 **Amendments.** No amendment, modification or repeal of this SECTION 5 or any provision hereof shall in any manner terminate, reduce or impair the right of any past, present or future Covered Person to be indemnified by the Partnership, nor the obligations of the Partnership to indemnify any such Covered Person under and in accordance with the provisions of this SECTION 5 as in effect immediately prior to such amendment, modification or repeal, with respect to Losses arising from or relating to events occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such Losses may be incurred or claims for indemnification in respect of such Losses may be asserted.

SECTION 6. Miscellaneous.

6.1 **Defined Terms; Captions.** Capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Partnership Agreement. Captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit or otherwise affect any term or provision of this Agreement. Unless the context otherwise expressly requires, all references herein to Sections are to Sections of this Agreement.

6.2 **Interpretation.** Unless the context of this Agreement otherwise requires, (a) each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, the feminine and the neuter, (b) the terms "hereof," "herein," "hereby" and "hereunder," and words of similar import, refer to this Agreement as a whole and not to any particular Article, Section or provision, and (c) the words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation."

6.3 **Counterparts.** This Agreement may be executed by the parties hereto in any number of separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

6.4 **Choice of Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona, without regard to any rules or principles of conflicts of laws that would cause the application of the laws of any jurisdiction other than the State of Arizona.

6.5 **Successors and Assigns.** This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and each of their respective successors and permitted assigns; provided, however, that the Partnership may not assign any of its rights or obligations under this Agreement without the prior written consent of the Administrator.

6.6 **Severability.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable

law, the parties to this Agreement hereby waive any provision of law which renders any provision hereof prohibited or unenforceable in any respect.

6.7 **Third Party Beneficiaries.** The provisions of this Agreement are intended solely to benefit the parties hereto and the Covered Persons and, to the fullest extent permitted by applicable law, shall not be construed as conferring any benefit upon any Limited Partner or any creditor of the Partnership or the Administrator (and no such Limited Partner or creditor shall be a third party beneficiary of this Agreement) or upon any other person that is neither a party hereto nor a Covered Person.

6.8 **Amendment.** This Agreement may be amended or modified only by a written instrument signed by the parties hereto.

6.9 **Arbitration.** Any dispute or claim arising out of or in connection with this Agreement shall be settled by confidential, binding arbitration in accordance with the then-current rules of the American Arbitration Association applying the substantive law of the State of Arizona. The arbitration shall be conducted by one arbitrator appointed in accordance with said rules. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator may be empowered to award the prevailing party all costs and expenses directly related to the arbitration, including but not limited to reasonable attorneys' fees. The arbitration will be held in Maricopa County, Arizona.

6.10 **Force Majeure.** Notwithstanding any provision in this Agreement to the contrary, no party to this Agreement shall be responsible or liable for its failure or delay in performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation: any interruption, loss or malfunction of the internet, or of any utility, transportation, computer (hardware or software) or communication service; any inability to obtain labor, material, equipment or transportation, or a delay in mails; any governmental or exchange action, statute, ordinance, rulings, regulations or direction; any war, strike, riot, emergency, civil disturbance, terrorism, explosions, labor disputes, freezes, floods, fires, tornados, acts of God or public enemy, revolutions, insurrection or similar event; or any other cause, contingency, circumstance or delay not subject to that party's reasonable control which prevents or hinders that party's performance hereunder.

6.11 **Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes any and all oral or written agreements or understandings heretofore made between the parties hereto with respect to such subject matter (it being understood that this Agreement does not supersede any provision of the Partnership Agreement in any respect).

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their representatives thereunto duly authorized as of the day and year first above written.

ADMINISTRATOR:

IOTA SPECTRUM HOLDINGS, LLC

By: _____

Name: Rob Somers

Title: General Manager

PARTNERSHIP:

IOTA SPECTRUM PARTNERS, LP

By: IOTA SPECTRUM HOLDINGS, LLC,
its General Partner

By: _____

Name: Rob Somers

Title: General Manager

[Signature Page to Administrative Expenses Agreement]

Exhibit B

Contribution and Exchange Agreement

(Attached)

CONTRIBUTION AND EXCHANGE AGREEMENT

THIS CONTRIBUTION AND EXCHANGE AGREEMENT (this "Agreement"), dated as of the 5th day of November, 2019, is entered into by and among Iota Spectrum Partners, LP, an Arizona limited partnership (the "Partnership"), Iota Spectrum Holdings, LLC, an Arizona limited liability company and the general partner of the Partnership (the "General Partner"), Iota Networks, LLC, an Arizona limited liability company ("Iota Networks"), Iota Communications, Inc., a Delaware corporation ("ICI"), and the person whose name is set forth opposite "Exchange Investor" on the signature page and in Schedule I hereto (the "Exchange Investor" and, collectively with the Partnership, the General Partner and Iota Networks, the "Parties"). Certain capitalized terms used in this Agreement are defined in Section 1 below.

WHEREAS, the Exchange Investor is the holder of one or more licenses and authorizations issued by the Federal Communications Commission (the "FCC") for the use of certain bandwidth of spectrum (the "MHz-Pops") assigned to such license (such licenses and authorizations being referred to as "FCC Licenses", and the FCC Licenses so held by the Exchange Investor, the "Investor FCC Licenses"), as set forth on Schedule I;

WHEREAS, the Exchange Investor currently leases the MHz-Pops to Iota Networks pursuant to one or more Long-Term *De Facto* Spectrum Lease Agreements (each, an "Existing Lease"), as set forth on Schedule I;

WHEREAS, the Partnership has been formed to, among other things, (a) acquire, hold, dispose of and otherwise effect transactions of any kind with respect to FCC Licenses, including acquiring the Investor FCC Licenses and certain other existing FCC Licenses, and (b) raise debt and equity capital for the purpose of acquiring new or additional FCC Licenses;

WHEREAS, on the Closing Date, the Exchange Investor desires to contribute and transfer the Investor FCC Licenses to the Partnership, and in exchange, the Partnership desires to accept the contribution of and acquire the Investor FCC Licenses and grant to the Exchange Investor certain limited partnership interests (the "Interests"), all on the terms and subject to the conditions set forth in this Agreement (the "Exchange");

WHEREAS, the Exchange Investor and the Partnership desire that the Exchange Investor be admitted as a Limited Partner, and the Exchange Investor will receive one LP Unit for each MHz-Pop contributed, as set forth on Schedule I, for all purposes under the Limited Partnership Agreement;

WHEREAS, concurrently with the contribution of the Investor FCC Licenses, the Exchange Investor and Iota Networks will terminate any Existing Leases; and

WHEREAS, the contribution and transfer of the Investor FCC Licenses by the Exchange Investor to the Partnership requires the consent of the FCC.

NOW, THEREFORE, in consideration of the mutual agreements, covenants, representations, warranties and indemnities contained in this Agreement, the Parties hereby agree as follows:

1. **Definitions.** Capitalized terms used but not otherwise defined herein have the respective meanings ascribed to them in the Limited Partnership Agreement. In addition, as used in this Agreement:

“**Lien**” with respect to the FCC Licenses, means any lien, pledge, mortgage, adverse claim, security interest, charge, restriction or other encumbrance of any kind, whether arising by agreement, operation of law or otherwise (excluding, however, any restriction on transfer under the Existing Leases or any applicable FCC rule or regulation).

“**Limited Partnership Agreement**” means that certain Amended and Restated Limited Partnership Agreement of the Partnership, as in effect on the Closing Date (as defined in Section 2.3 below), as amended, supplemented or otherwise modified from time to time.

“**Securities Act**” shall mean the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, as in effect from time to time.

“**Transactions**” means, collectively, the transactions contemplated by this Agreement, including but not limited to, the Exchange and the termination of the Existing Lease(s).

2. **The Exchange; Closing; Termination of Existing Leases.**

2.1 **Agreement to Sell.** The Exchange Investor acknowledges that this Agreement will become effective upon each Party signing and delivering this Agreement to the other party. The General Partner reserves the right to reject the Exchange Investor’s contribution, in whole or in part, for whatever reason in its sole discretion. Upon the terms and subject to all of the terms and conditions contained herein, the Exchange Investor hereby agrees to contribute and transfer to the Partnership, and the Partnership hereby agrees to purchase and accept from the Exchange Investor on the Closing Date, the Investor FCC Licenses, free and clear of all Liens. Concurrently with such contribution and transfer, the Exchange Investor shall become bound by and agree to the terms and provisions of the Limited Partnership Agreement.

2.2 **Consideration.** As full consideration for the contribution and transfer of the Investor FCC Licenses to the Partnership, and upon the terms and conditions contained herein, (a) the Partnership shall issue to the Exchange Investor the aggregate number of LP Units set forth on Schedule I (it being understood that the Exchange Investor shall receive one LP Unit for each MHz-Pop contributed to the Partnership), and (b) Iota Networks shall make the payments required to be made by it pursuant to Section 2.4(b).

2.3 **Closing.** The consummation of the Transactions and the issuance of the LP Units to the Exchange Investor pursuant to this Agreement (the “**Closing**”) shall take place promptly following the satisfaction or waiver of the conditions to the Closing in Section 2.5 below (other than those deliveries to take place on the Closing Date) at the principal administrative offices of the Partnership, or at such other time or place as determined by the General Partner (such date, the “**Closing Date**”). By mutual agreement of the General Partner and the Exchange Investor, the Closing may take place by conference call, telecopy or electronic mail/PDF with the exchange of original signatures, as requested, by overnight mail. To the extent permitted by law and GAAP, for all purposes under the Limited Partnership Agreement, the contribution and transfer of the

Investor FCC Licenses and the admission of the Exchange Investor as a Limited Partner shall be deemed to be effective as of 12:01 a.m. (Arizona time) on the Closing Date.

2.4 Termination of Existing Lease.

(a) The Exchange Investor and Iota Networks acknowledge and agree that, effective as of the Closing Date, each Existing Lease shall be and hereby is fully and irrevocably terminated and of no further force or effect, without the further action of any Party (it being understood that the Exchange Investor shall be entitled to receive the payments required to be made to it under Section 2.4(b) in respect of such Existing Lease notwithstanding such termination). Promptly following such termination, Iota Networks shall notify the FCC that each Existing Lease is no longer in effect.

(b) Following the Closing, the Exchange Investor shall be entitled to receive the following payments to account for the timing differences between the Existing Lease payment schedule (which is based on a calendar quarter system as per the terms of the Existing Lease (referred to as "calendar quarters" below)), and the Distribution schedule under the Limited Partnership Agreement (which is based on the Partnership's fiscal quarters (referred to as "fiscal quarters" below):

(i) *If the Closing occurs in the second or third month of a fiscal quarter* – the Exchange Investor shall receive its full quarterly payment due under its Existing Lease for the most recent calendar quarter preceding the month in which the Exchange Investor becomes a Limited Partner. Such quarterly payment shall be paid by Iota Networks to the Exchange Investor, as per the terms of its Existing Lease, at the end of the calendar quarter in which the Exchange Investor becomes a Limited Partner. Following the making of such payment, the Exchange Investor shall be entitled to no further payments in respect of its Existing Lease. At the end of the first full fiscal quarter following the Exchange Investor's admission to the Partnership (e.g., the fiscal quarter ending November 30, if the Exchange Investor becomes a Limited Partner in July or August), the Partnership shall pay to the Exchange Investor, in respect of its LP Units, its first quarterly Distribution from the Partnership (as reduced by the amount received by the Exchange Investor from Iota Networks in respect of its Existing Lease in respect of the first month of such fiscal quarter). Thereafter, the Exchange Investor shall be entitled to receive Distributions from the Partnership in respect of its LP Units at the end of each subsequent fiscal quarter, in accordance with the terms of the Limited Partnership Agreement.

(ii) *If the Closing occurs in the first month of a fiscal quarter* – the Exchange Investor shall receive its full quarterly payment due under its Existing Lease for the most recent calendar quarter preceding the month in which the Exchange Investor becomes a Limited Partner (e.g., the calendar quarter ending June 30, if the Exchange Investor is admitted to the Partnership in September). Such quarterly payment shall be paid by Iota Networks to the Exchange Investor, as per the terms of its Existing Lease, at the end of the calendar quarter in which the Exchange Investor becomes a Limited Partner. The Partnership shall pay the Exchange Investor for amounts that would have been payable under its Existing Lease in respect of the two calendar months preceding the month in which the Exchange Investor is admitted to the Partnership (e.g., for July and August, if the Exchange Investor is admitted to the Partnership in September). Such payment shall be made at the end of the fiscal quarter in which the Exchange

Investor is admitted to the Partnership (e.g., the fiscal quarter ending November 30, if the Exchange Investor becomes a Limited Partner in September). Following the making of such payment, the Exchange Investor shall be entitled to no further payments in respect of its Existing Lease. Thereafter, the Exchange Investor shall be entitled to receive Distributions from the Partnership in respect of its LP Units at the end of each subsequent fiscal quarter, in accordance with the terms of the Limited Partnership Agreement.

2.5 Conditions to Closing. Unless otherwise waived in a signed writing by the General Partner, the Exchange shall be contingent upon the satisfaction of the following conditions precedent:

(a) the FCC shall have approved the transfer of control of the Investor FCC Licenses to the Partnership;

(b) each of ICI and the Partnership shall have executed and delivered the License Application and Construction Services Agreement;

(c) each of the Partnership and Iota Networks shall have executed and delivered the Master Lease Agreement; and

(d) the Exchange Investor shall have executed and delivered its counterpart signature page to the Limited Partnership Agreement.

2.6 Acceptance of Units. The Exchange Investor hereby: (a) accepts the LP Units and (b) agrees to comply with, and be bound as a Limited Partner by and under, all provisions of the Limited Partnership Agreement. The Investor FCC Licenses shall become a part of the assets of the Partnership and, from and after the Closing Date, shall be held by the Partnership pursuant to and in accordance with the terms of the Limited Partnership Agreement. Concurrently with the execution of this Agreement, the Exchange Investor has delivered an executed counterpart signature page to the Limited Partnership Agreement, which shall become effective on the Closing Date.

3. Representations and Warranties of the Exchange Investor. The Exchange Investor hereby represents and warrants to the Partnership, the General Partner and Iota Networks that the following statements are true and correct as of the date hereof and will be true and correct as of the Closing Date (except in each case to the extent that any such statement expressly specifies another date, in which case such statement shall be true and correct only as of such date):

3.1 Organization; Qualification; Authorization. The Exchange Investor (a) is the type of Person (individual, corporation, limited liability company, etc.) set forth under its name in Schedule I hereto, and is duly organized, validly existing and in good standing under the laws of the jurisdiction set forth under its name in Schedule I hereto and (b) is duly qualified, licensed or domesticated as a foreign corporation (or other entity, as applicable) in good standing in each jurisdiction wherein the nature of its activities or its properties owned or leased with respect to the Investor FCC Licenses requires such qualification, licensing or domestication. The Exchange Investor has all requisite power and authority to enter into, execute and deliver this Agreement and each of the other documents and instruments executed and delivered by it in connection with this Agreement (the "Ancillary Documents") and to perform all of the obligations required to be

performed by it hereunder and thereunder. This Agreement and each of the Ancillary Documents have been duly authorized, executed and delivered by the Exchange Investor on or prior to the Closing Date. From and after the execution and delivery thereof by the Exchange Investor, each of this Agreement and the Ancillary Documents constitutes the valid and binding obligation of the Exchange Investor, enforceable against the Exchange Investor in accordance with its terms.

3.2 Accredited Investor. The Exchange Investor is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D of the Securities Act. One or more of the categories set forth in the Accredited Investor Representation attached hereto as Annex A correctly describe the Exchange Investor, and the Exchange Investor has so indicated by signing or having its authorized representative sign on the blank line following each and every category that so describes it.

3.3 No Conflicts; Consents. Neither the execution and delivery by the Exchange Investor of this Agreement and the Ancillary Documents, nor the performance by it of its obligations hereunder or thereunder: (a) conflicts with, results in a breach, suspension, cancellation or revocation of, constitutes a default under, accelerates any performance required by the terms of, or results in the creation of any Lien upon the Investor FCC Licenses pursuant to (i) any law, rule or regulation of any government, governmental authority or regulatory agency to which it is subject (including the FCC), (ii) any judgment, order, writ, decree, permit or license of any court or other governmental authority or regulatory agency to which it is subject (including the FCC), (iii) any material contract, agreement, commitment or instrument to which it is a party or by which it or any of its assets is bound or affected, or (iv) its certificate of incorporation, bylaws or other constituent or governing documents; or (b) constitutes an event which, with the passage of time or action by a third party or both, would result in any such breach, default, acceleration or Lien. The execution and delivery by the Exchange Investor of this Agreement and the Ancillary Documents, and the performance by the Exchange Investor of its obligations hereunder and thereunder, do not require any registration, filing, notice, consent or approval under any such law, rule, regulation, judgment, order, writ, decree, permit, license, contract, agreement, commitment, instrument or constituent or governing document (except for any FCC approval contemplated under Section 2.5(a)).

3.4 FCC Licenses. The Exchange Investor is the legal and rightful owner of the Investor FCC Licenses and holds all right, title and interest in and to the Investor FCC Licenses, free and clear of all Liens. The Exchange Investor has not assigned, sold encumbered or otherwise transferred or disposed of all or any portion of the Investor FCC Licenses to any other Person (except under the Existing Leases).

3.5 Compliance with Law. The Exchange Investor's ownership of the Investor FCC Licenses has complied in all material respects with all applicable laws, rules, regulations and other requirements of all governmental authorities or regulatory agencies having jurisdiction over the Exchange Investor (including the FCC).

3.6 Litigation. There is no action, suit, claim, proceeding, arbitration or governmental investigation pending or, to the Exchange Investor's knowledge, threatened, against or affecting it or the Investor FCC Licenses, at law or in equity, which, if adversely determined, would call into question the validity of, or prevent the consummation of, the Transactions.

3.7 Brokers and Finders. The Exchange Investor has not, directly or indirectly, dealt with any person acting in the capacity of a finder or broker, and has not incurred any obligation for any finder's or broker's fee or commission, in connection with the Transactions.

3.8 Independent Review; Disclosure of Information. The Exchange Investor understands that the Transactions involve substantial risk and has conducted its own independent review and analysis of the Transactions. The Exchange Investor has had access to all information, including, without limitation, (i) communications from the General Partner and the Partnership received by the Exchange Investor on or prior to the date hereof and (ii) other information concerning the Transactions and the Partnership, and to all advice from its own tax, investment, legal and other advisors, which the Exchange Investor considers necessary or appropriate to make an informed decision with respect to the Transactions, it being understood that none of the Partnership, the General Partner, Iota Networks or their respective Affiliates has any duty or obligation to provide the Exchange Investor with any other information in connection with the Transactions or to update or supplement any information previously provided to the Exchange Investor. The Exchange Investor acknowledges that it has not been provided with any estimates or projections upon which it is relying with respect to the future performance of the Partnership.

4. Representations and Warranties of the General Partner. The General Partner hereby represents and warrants to the Exchange Investor that the following statements are true and correct as of the date hereof and will be true and correct as of the Closing Date (except in each case to the extent that any such statement expressly relates to another date, in which case such statement shall be true and correct only as of such date):

4.1 Organization; Authorization. The Partnership is a duly constituted and validly existing limited partnership under the laws of the State of Arizona, and the General Partner is a duly constituted and validly existing limited liability company under the laws of Arizona. Each of the Partnership and the General Partner has all requisite power and authority to enter into, execute and deliver this Agreement and each of the Ancillary Documents to which it is a party, to perform all of their respective obligations required to be performed by the Partnership and the General Partner hereunder and thereunder, and, with respect to the Partnership, to own and hold FCC Licenses, including the Investor FCC Licenses. Each of this Agreement and the Ancillary Documents has been duly authorized, executed and delivered by the Partnership and the General Partner, as applicable, on or prior to the Closing Date and, from and after the execution and delivery thereof by the Partnership and the General Partner, constitutes the valid and binding obligation of the Partnership and the General Partner, enforceable against each in accordance with the terms hereof and thereof.

4.2 No Conflicts; Consents. Neither the execution and delivery by the Partnership or the General Partner of this Agreement and the Ancillary Documents to which it is a party, nor the performance by either of its respective obligations hereunder or thereunder: (a) conflicts with, results in a breach, suspension, cancellation or revocation of, constitutes a default under, accelerates any performance required by the terms of, or results in the creation of any Lien upon the Investor FCC Licenses pursuant to (i) any law, rule or regulation of any government, governmental authority or regulatory agency to which it is subject (including the FCC), (ii) any judgment, order, writ, decree, permit or license of any court or other governmental authority or regulatory agency to which it is subject (including the FCC), (iii) any material contract, agreement,

commitment or instrument to which it is a party or by which it or any of its assets is bound or affected, or (iv) its certificate of incorporation, bylaws or other constituent or governing documents; or (b) constitutes an event which, with the passage of time or action by a third party or both, would result in any such breach, default, acceleration or Lien. The execution and delivery by the Partnership and the General Partner of this Agreement and the Ancillary Documents to which it is a party, and the performance by the Partnership and the General Partner of its obligations hereunder and thereunder, do not require any registration, filing, notice, consent or approval under any such law, rule, regulation, judgment, order, writ, decree, permit, license, contract, agreement, commitment, instrument or constituent or governing document (except for any FCC approval contemplated under [Section 2.5\(a\)](#)).

4.3 Litigation. There is no action, suit, claim, proceeding, arbitration or governmental investigation pending or, to the General Partner's knowledge, threatened, against or affecting it or the Partnership, at law or in equity, which, if adversely determined, would call into question the validity of, or prevent the consummation of, the Transactions.

4.4 Brokers and Finders. Each of the Partnership and General Partner has not, directly or indirectly, dealt with any person acting in the capacity of a finder or broker, and has not incurred any obligation for any finder's or broker's fee or commission, in connection with the Transactions.

5. Representations and Warranties of Iota Networks. Iota Networks hereby represents and warrants to the Exchange Investor that the following statements are true and correct as of the date hereof and will be true and correct as of the Closing Date (except in each case to the extent that any such statement expressly relates to another date, in which case such statement shall be true and correct only as of such date):

5.1 Organization; Authorization. Iota Networks is a duly constituted and validly existing limited liability company under the laws of the State of Arizona. Iota Networks has all requisite power and authority to enter into, execute and deliver this Agreement and each of the Ancillary Documents to which it is a party and to perform all of the obligations required to be performed by it hereunder and thereunder. Each of this Agreement and the Ancillary Documents to which Iota Networks is a party has been duly authorized, executed and delivered by Iota Networks, on or prior to the Closing Date and, from and after the execution and delivery thereof by Iota Networks, constitutes the valid and binding obligation of Iota Networks, enforceable against it in accordance with the terms hereunder and thereunder.

5.2 No Conflicts; Consents. Neither the execution and delivery by the Iota Networks of this Agreement, nor the performance by it of its obligations hereunder or thereunder: (a) conflicts with, results in a breach, suspension, cancellation or revocation of, constitutes a default under, accelerates any performance required by the terms of, or results in the creation of any Lien upon the Investor FCC Licenses pursuant to (i) any law, rule or regulation of any government, governmental authority or regulatory agency to which it is subject (including the FCC), (ii) any judgment, order, writ, decree, permit or license of any court or other governmental authority or regulatory agency to which it is subject (including the FCC), (iii) any material contract, agreement, commitment or instrument to which it is a party or by which it or any of its assets is bound or affected, or (iv) its certificate of incorporation, bylaws or other constituent or governing

documents; or (b) constitutes an event which, with the passage of time or action by a third party or both, would result in any such breach, default, acceleration or Lien. The execution and delivery by Iota Networks of this Agreement and the Ancillary Documents to which it is a party, and the performance by Iota Networks of its obligations hereunder and thereunder, do not require any registration, filing, notice, consent or approval under any such law, rule, regulation, judgment, order, writ, decree, permit, license, contract, agreement, commitment, instrument or constituent or governing document (except for any FCC approval contemplated under Section 2.5(a)).

6. Certain Acknowledgements and Agreements.

6.1 **No Reliance.** The Exchange Investor acknowledges and agrees that (a) it has not been induced to enter into this Agreement or the Transactions by the General Partner, the Partnership, Iota Networks or any of their respective Affiliates and (b) except as otherwise expressly provided in herein, none of the Partnership, the General Partner, Iota Networks nor any of their respective Affiliates nor any Person acting on behalf of such Parties has made any representation or warranty of any kind to it (or for its benefit) regarding the Partnership, the General Partner, the LP Units, the Transactions or any other investors' contributions to the Partnership.

6.2 **Confidentiality.** Except as required by applicable law, without the prior written consent of the other Parties, no Party shall (or shall permit its representatives to) directly or indirectly make any public comment, statement or communication with respect to the Transactions or any aspect thereof, or otherwise disclose information regarding the Transactions to any person other than the Parties (including, without limitation, information as to the identity of any other Party or any investor of the Partnership or as to any of the terms of this Agreement or the Ancillary Documents); provided, however that each of the Parties may disclose information regarding the Transactions to persons other than the Parties (a) if required to do so by any law, rule, regulation, subpoena or other legal process of any court or other governmental authority or regulatory agency, (b) in the case of the Partnership, if requested to do so by any governmental or regulatory authority having jurisdiction over it, (c) if it has a legal obligation to do so, including in connection with any disclosure requirements of the SEC or similar body, (d) to its Affiliates, partners, members, officers, directors, employees, professional advisors, auditors and other representatives (collectively, "Representatives"), but only to the extent necessary to evaluate, negotiate and consummate the Transactions, provided that each such Representative to whom disclosure is so made agrees to be bound by the provisions of this Section 6.2; provided further, however, that each Party agrees and acknowledges that (i) the Partnership, the General Partner, Iota Networks and their respective Representatives may make public comments, statements and communications of a general nature regarding the Transactions (including with respect to the aggregate size of the Transactions) and may describe the Transactions in offering documents provided to prospective investors in the Partnership and to placement agents, brokers or similar agents in connection with such offering, provided that the Exchange Investor's identity shall not be disclosed pursuant to this clause (i) without its written consent, and (ii) each of the Parties may disclose to any and all Persons the tax treatment and tax structure of the Transactions and all materials provided to such Party relating to such tax treatment or tax structure.

6.3 **Tax Forms.** Not less than two Business Days prior to the Closing Date, the Exchange Investor shall provide the General Partner or Iota Networks with a properly completed

and executed IRS Form W-8 or W-9, as applicable. The Partnership and Iota Networks shall be permitted to withhold on payments made to the Exchange Investor pursuant to the terms of the Limited Partnership Agreement.

7. Exculpation and Indemnification.

7.1 Exculpation. None of the Partnership, the General Partner, Iota Networks, ICI or any of their respective officers, directors, employees or Affiliates (each, a "Covered Person") shall be liable to the Exchange Investor or its Affiliates for any losses, claims, damages, penalties, fines, deficiencies, taxes, expenses or other liabilities of any nature whatsoever or other adverse consequences of any kind (including, without limitation, judgments or amounts paid or to be paid in settlement) and attorneys' fees and expenses (collectively, "Losses") arising out of or relating to the contribution and transfer of the Investor FCC Licenses pursuant to this Agreement, the Ancillary Documents or the other Transactions, unless and to the extent that it is determined by a final decision (after all appeals and the expiration of time to appeal) of a court of competent jurisdiction that such Losses resulted from such Covered Person's (i) own fraud, gross negligence or willful misconduct, (ii) material breach of the terms of this Agreement or (iii) a criminal violation of a material U.S. federal, state or other applicable law; provided, that, to the maximum extent permitted by applicable law, in no event shall the Covered Persons be liable for incidental, indirect, treble, remote, special, exemplary, opportunity cost, consequential or punitive damages relating to a breach of this Agreement.

7.2 Release by Exchange Investor. The Exchange Investor hereby absolutely, unconditionally and irrevocably releases and forever discharges the Covered Persons of and from any and all causes of action, claims, suits, demands, actions, damages (including, but not limited to, compensatory damages, tort damages, contract damages, statutory penalties and punitive damages), complaints, controversies, warranties (whether express or implied), covenants, promises, duties, debts, and any and all other liabilities and obligations of any nature whatsoever (whether known or unknown, accrued or unaccrued, or at law or in equity) (collectively, "Claims") which the Exchange Investor or any of its successors, assigns or other legal representatives may now or hereafter own, hold, have or claim to have against the Covered Persons or any of them for or by reason of any event, cause or thing whatsoever which arose at any time on or prior to the Closing Date relating in any manner to the Investor FCC Licenses and Existing Leases, including, without limitation, Claims arising from (i) the original acquisition by Iota Networks of interests in the Investor FCC Licenses through the Existing Leases and (ii) the subsequent lease and revenue sharing arrangements among and between the Exchange Investor, Iota Networks and each of their respective Affiliates made prior to the Closing Date.

7.3 Release by Iota Networks. Iota Networks hereby absolutely, unconditionally and irrevocably releases and forever discharges the Exchange Investor of and from any and all Claims which Iota Networks or any of its successors, assigns or other legal representatives may now or hereafter own, hold, have or claim to have against the Exchange Investor for or by reason of any event, cause or thing whatsoever which arose at any time on or prior to the Closing Date relating in any manner to the Investor FCC Licenses and Existing Leases, including, without limitation, Claims arising from (i) the original acquisition by Iota Networks of interests in the Investor FCC Licenses through the Existing Leases and (ii) the subsequent lease

and revenue sharing arrangements among and between the Exchange Investor, Iota Networks and each of their respective Affiliates made prior to the Closing Date.

7.4 Indemnification by the Exchange Investor. The Exchange Investor hereby agrees to indemnify and hold harmless each Covered Person from and against any and all Losses arising out of or relating to: (a) any act or omission on the part of the Exchange Investor in connection with the contribution and transfer of the Investor FCC Licenses pursuant to this Agreement and the other Transactions; provided that the indemnification provided in this clause (a) shall not apply to any Losses to the extent that it is determined by a final decision (after all appeals and the expiration of time to appeal) of court of competent jurisdiction that such Losses resulted from such Covered Person's (i) own fraud, gross negligence or willful misconduct, (ii) material breach of the terms of this Agreement or (iii) a criminal violation of a material U.S. federal, state or other applicable law; or (b) any breach by the Exchange Investor of any of its representations, warranties, covenants or agreements set forth in this Agreement (including the forms attached hereto).

7.5 Remedies Cumulative. The remedies provided in Section 7.4 shall be cumulative and shall not preclude the assertion by any Party of any other rights, or the seeking by such Party of any other remedies, available to it (whether at law, in equity or otherwise).

8. Miscellaneous.

8.1 Termination. This Agreement may be terminated at any time prior to the Closing:

(a) by the mutual written consent of the Parties; or

(b) by the General Partner if (i) any of the conditions set forth in Section 2.5 shall not have been fulfilled in a reasonably timely manner, unless such failure shall be due to the failure of the Partnership, the General Partner or Iota Networks to perform or comply with any of their respective covenants, agreements or conditions hereunder prior to the Closing Date or (ii) there shall be any law or action by a governmental authority (including the FCC) that makes consummation of the Transactions illegal or otherwise prohibited.

8.2 Additional Documents. At any time and from time to time, upon the written request of the General Partner, the Exchange Investor shall promptly and duly execute and deliver, or cause to be duly executed and delivered on its behalf, such further instruments and documents, and take such further action, as the Partnership may reasonably request in order to more fully evidence or give effect to the Transactions.

8.3 Notices. All notices, consents, waivers and other communications hereunder shall be in writing and shall be deemed to have been duly given and received (a) when delivered in person or by e-mail on the date of such delivery, (b) when received by facsimile transmission, on generation of confirmation, or (c) three (3) Business Days after the date of postmark if sent by certified or registered mail (airmail, if overseas) or the equivalent, return receipt requested, addressed in each case as follows:

- (i) **to the Exchange Investor:** the address set forth under its name in Schedule I hereto; and
- (ii) **to the Partnership, the General Partner, Iota Networks or ICI:**
2111 E. Highland Avenue
Suite 305
Phoenix, Arizona 85016
Attn: Legal Department

with a copy to:

Reed Smith LLP
599 Lexington Avenue
New York, New York 10022
Attn: Herbert F. Kozlov

or, in each case, to such other address as any such Party may from time to time designate by written notice to the other Parties.

8.4 Assignment. Neither this Agreement nor any of the rights, interests or obligations under this Agreement shall be assigned by any Party without the prior written consent of the Parties. Any purported assignment made without the consent required by the immediately preceding sentence shall be null and void for all purposes. This Agreement shall be binding upon, and inure to the benefit of, and may be enforced by, each Party and its successors and permitted assigns.

8.5 Entire Agreement. This Agreement, the Partnership Agreement, and all documents delivered in connection herewith and therewith, (i) are a final, complete, and exclusive statement of the agreement and understanding of the Parties with respect to the subject matter hereof, (ii) collectively constitute the entire agreement of the Parties with respect to the subject matter hereof, and (iii) supersede, merge, and integrate herein any prior and contemporaneous negotiations, discussions, representations, understandings, and agreements between the Parties, whether oral or written, with respect to the subject matter hereof.

8.6 Integration. Annex A attached hereto, including without limitation the representations and warranties contained therein, is an integral part of this Agreement and shall be deemed incorporated by reference herein.

8.7 Survival. The representations and warranties made by the Parties in this Agreement, shall survive the Closing of the transactions contemplated hereby.

8.8 Amendments, Supplements, Etc. This Agreement may be amended or supplemented only by a writing signed by each of the Parties specifically referring to this Agreement. No provision of this Agreement, nor performance thereof or compliance therewith, may be waived except by a writing signed by the Party charged with giving such waiver.

8.9 Invalid Provisions. If any portion or provision of this Agreement is held by a court of competent jurisdiction or other authority to be illegal, invalid or unenforceable, (a) such provision will be fully severable, (b) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, and (c) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom.

8.10 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Arizona, without giving effect to conflicts of law principles that would require the application of the laws of any jurisdiction other than the State of Arizona.

8.11 Consent to Jurisdiction and Service of Process. Each of the Parties consents to the jurisdiction of any state or federal court located within the County of Maricopa, State of Arizona, and irrevocably agrees that all actions or proceedings relating to this Agreement may be litigated in such courts. Each of the Parties accept for itself and in connection with its respective properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts and waives any defense of *forum non conveniens*, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. Each of the Parties further irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to it at the address specified in this Agreement, such service to become effective fifteen (15) days after such mailing. Nothing herein shall in any way be deemed to limit the ability of any Party to serve any such legal process in any manner permitted by applicable law.

8.12 Attorneys' Fees. In the event that any suit or action is instituted under or in relation to this Agreement, including without limitation to enforce any provision in this Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

8.13 Binding Effect. This Agreement shall be binding upon, and inure to the benefit of each Party and its estate, executor, administrator, guardian, conservator, other authorized representatives, successors and permitted assigns.

8.14 No Third Party Beneficiaries. Nothing contained in this Agreement is intended to, or shall, confer upon any person other than the parties hereto any rights or remedies hereunder, except for the Covered Persons, which shall be express third party beneficiaries of this Agreement.

8.15 Costs and Expenses. Each Party shall bear its own costs and expenses in connection with this Agreement and the Transactions, including without limitation all legal, accounting, financial advisory and consulting fees and expenses.

8.16 Headings and Captions. The headings and captions in this Agreement are for reference purposes only and shall not affect the construction or interpretation of any provision of this Agreement.

8.17 Currency. All payments required to be made pursuant to this Agreement shall be made in U.S. Dollars.

8.18 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. Delivery by facsimile or electronic mail of an executed counterpart of this Agreement shall have the same effect as delivery of a manually executed counterpart hereof.

8.19 Unregistered Securities: LP Units.

THE LP UNITS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR ANY STATE OR OTHER SECURITIES LAWS, AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND ALL OTHER APPLICABLE SECURITIES LAWS PURSUANT TO REGISTRATION OR AN EXEMPTION THEREFROM. IN ADDITION, THE LP UNITS MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, REDEEMED OR HYPOTHECATED, IN WHOLE OR IN PART, EXCEPT AS PROVIDED IN THE LIMITED PARTNERSHIP AGREEMENT. THERE IS NO OBLIGATION ON THE PART OF THE PARTNERSHIP OR ANY OTHER PERSON TO REGISTER THE LP UNITS UNDER THE SECURITIES ACT OR ANY OTHER SECURITIES LAWS. ACCORDINGLY, (A) THE LP UNITS (AND THE PARTNERSHIP INTERESTS CREATED THEREBY) MUST BE ACQUIRED FOR INVESTMENT ONLY, AS THEY WILL BE SUBJECT TO SIGNIFICANT RESTRICTIONS ON TRANSFERABILITY, AND (B) THE HOLDERS OF SUCH PARTNERSHIP INTERESTS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE RISKS OF THEIR RESPECTIVE INVESTMENTS IN SUCH INTERESTS FOR AN INDEFINITE PERIOD OF TIME.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first above written.

PARTNERSHIP:

By: IOTA SPECTRUM HOLDINGS, LLC, its
General Partner

By: _____
Name: Rob Somers
Title: General Manager

GENERAL PARTNER:

IOTA SPECTRUM HOLDINGS, LLC

By: _____
Name: Rob Somers
Title: General Manager

IOTA NETWORKS:

IOTA NETWORKS, LLC

By: _____
Name: Darren Nichols
Title: SVP and General Manger

ICI:

IOTA COMMUNICATIONS, INC.

By: _____
Name: Terrence DeFranco
Title: Chief Executive Officer

EXCHANGE INVESTOR:

(Name of Limited Partner)
(Please type or print)

By: _____
(Please sign)

(If individual signing is acting for a trustee or other representative signing on behalf of the Limited Partner, please print the full name of the trustee or other representative above the individual's signature)

To be completed by signatories signing on behalf of an entity:

Name: _____
Title or
Capacity: _____

SCHEDULE I

Exchange Investor: Name: _____
Type of Entity: _____
Organized under the laws of: _____

Address for Notices: _____

Fax: _____
E-mail: _____

Investor FCC Licenses: _____

LP Units: _____

ANNEX A

Accredited Investor Representation

The Exchange Investor hereby represents and warrants, pursuant to Section 3.2 of the Agreement, that he, she or it is correctly and in all respects described by the category or categories set forth below directly under which the Exchange Investor, or the authorized representative thereof, has signed his or her name, as of the Closing Date. Capitalized terms used but not defined in this Annex A shall have the respective meanings given to them in the Agreement.

For Individuals Only

1. A director, executive officer, or general partner of the issuer of the securities being offered or sold, or a director, executive officer, or general partner of a general partner of that issuer.

2. A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of purchase, exceeds \$1,000,000. For purposes of calculating net worth (a) do not include your primary residence as an asset and (b) do not include debt secured by your primary residence as a liability, provided, however, you must reduce your net worth by (c) any debt secured by your primary residence that is in excess of the estimated fair market value of your primary residence at the time of purchase and (d) any debt secured by your primary residence that is in excess of the amount of any such debt that was outstanding 60 days prior to the effective date of this Subscription Agreement, other than as a result of the initial acquisition of your primary residence.

3. A natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

For Entities Only

4. A bank as defined in Section 3(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity.

5. A broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934 (the "Exchange Act").

6. An insurance company as defined in Section 2(a)(13) of the Securities Act.

7. An investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that act.

8. A Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958.

9. A plan established and maintained by a state, its political subdivisions, or an agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of \$5,000,000.

10. An employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by Persons that are accredited investors.

11. A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act.

12. An organization described in Section 501(c)(3) of the Internal Revenue Code, a corporation, a Massachusetts or similar business trust, a partnership or a limited liability company, not formed for the specific purpose of acquiring Interests, with total assets in excess of \$5,000,000.

13. A trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring Interests, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the Securities Act.

14. An entity as to which all the equity owners (or, in the case of a trust, all the income beneficiaries) are accredited investors.

NOTE: If the undersigned qualifies as an “accredited investor” under this Category 14 only, a list of equity owners of the undersigned, and the accredited investor category in this Annex A that each such equity owner satisfies, should be listed on the below table as indicated. Please attach additional pages if necessary.

Equity Owners	Accredited Investor Category under <u>Annex A</u> that Equity Owner Satisfies

Exhibit C

License Application and Construction Services Agreement

(Attached)

License Application and Construction Services Agreement

This License Application and Construction Services Agreement ("Agreement") is entered into by and between Iota Communications, Inc. ("Iota") and Iota Spectrum Partners, LP ("Licensee"), effective this 25th day of July, 2019 (the "Effective Date").

RECITALS

WHEREAS, Licensee plans to apply for Federal Communications Commission ("FCC") license(s) from time to time, which licenses shall be listed on the attached Schedule "A" (as may be amended, supplemented or modified from time to time) (the "Licenses"), and wishes to retain Iota to assist with the preparation and submission of such license applications and any associated filings, including application amendments, modifications, waivers, and *de facto* transfer leases; and

WHEREAS, Licensee desires to engage Iota as a service provider to construct the network for the Licenses; operate the network as part of a broader network; manage the regulatory affairs associated with the Licenses; and

WHEREAS, Iota desires to serve as Licensee's service provider and to act as Licensee's exclusive agent with respect to the Licenses for the purposes stated in the preceding paragraph; and

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement, the parties mutually agree as follows:

TERMS AND CONDITIONS

1. Term and Termination.

a. Initial Term. This Agreement shall commence on the Effective Date and shall remain in full force and effect for a period of ten (10) years.

b. Optional Extended Terms. Either party may extend the Initial Term of this Agreement for one (1) additional 5-year term by providing written notice of such intent to the other party at least six (6) months prior to the expiration of the Initial Term.

c. Termination. Either party may terminate this Agreement only upon a breach by the other party which remains uncured for a period of thirty (30) days after the non-breaching party provides written notice of such breach to the breaching party. If any breach is not reasonably capable of being cured within thirty (30) days of such notice, then the breaching party shall have a reasonable time to cure such breach, but not more than ninety (90) days in any event unless the non-breaching party expressly consents to such longer period in writing. Upon termination of this Agreement, Iota shall notify the FCC that the lease is no longer in effect.

LICENSE APPLICATION SERVICES

2. Services. Iota will assist Licensee with the preparation and submission of applications for the appropriate authorizations for the FCC Licenses for each of the Economic Area ("EA") markets

US_ACTIVE-148125187
US_ACTIVE-148125187

and channels described on Schedule "A" (the "Applications"). Schedule "A" may be amended from time to time to add or delete EA markets and/or channels with the mutual agreement of the parties. Iota will assist Licensee with the submission of the completed Applications to a frequency coordinator ("Frequency Coordinator") certified by the FCC. Iota will assist such Frequency Coordinator and perform any actions on behalf of the Licensee that are necessary for the completion of the frequency coordination process, except for those actions that Licensee is required to perform personally. Upon approval from the Frequency Coordinator of each Application, the Frequency Coordinator then will submit that Application to the FCC's Wireless Telecommunications Bureau. Iota will assist with corresponding with the FCC or FCC Coordinator, as applicable, as necessary throughout the application process to obtain the Licenses related to such Application. The services described in this Section 2 are collectively referred to as the "Services".

3. **No Guaranty.** The parties understand that there is no assurance that the Frequency Coordinator will be able to successfully coordinate and approve any Application. Furthermore, the parties understand that there is no assurance that the FCC will approve any Application for any of the Licenses or Leases or any amendment, modification application, or waiver request related thereto. The failure of the FCC to grant any Application to Licensee shall not constitute an event of default for either Licensee or Iota under this Agreement.

4. **Alternative Channels; Refunds.** If the Frequency Coordinator or the FCC denies an Application included in the Services for any reason other than the negligence, gross negligence, willful misconduct, breach of this Agreement, misrepresentation, or personal disqualification of Licensee, then Iota will, at its option: (a) assist the Licensee in re-filing the Application in (1) the same EA market for different frequencies, or (2) another EA market or markets with approximately the same or greater total MHz/Pops, for the same or different frequencies, at no additional cost to Licensee; or (b) refund one hundred percent (100%) of the total Contract Price (as listed on Schedule "A", attached hereto) attributable to such denied Application.

Upon the completion of construction of the networks for the applicable License(s), which shall be established as the date on which the FCC accepts Iota's notification that it has met the construction benchmark for such License(s), one hundred percent (100%) of the Contract Price attributable to those Licenses shall be deemed earned and not refundable.

5. **Licensee Cooperation.** Licensee agrees to from time to time and as requested by Iota timely provide to Iota or the Frequency Coordinator, as requested, complete and accurate information to ensure that the Applications are prepared and processed accurately and as expeditiously as possible. Licensee shall immediately notify Iota of any requests for information issued by the FCC with regard to the License(s) and Lease(s), and shall comply with any such requests if required to personally do so. Iota shall not be liable to Licensee for any inaccuracies or incomplete information on any Application that results from the Licensee's failure to provide Iota with complete and accurate information.

CONSTRUCTION AND MANAGEMENT

6. **Construction and Network Hosting Services.** Licensee acknowledges that for any Licenses granted by the FCC, FCC rules and regulations generally require construction of applicable facilities within twelve (12) months after grant of the applicable License unless a waiver

or other extension of the construction deadline is obtained. If this or other conditions of the Licenses are unfulfilled, the FCC may revoke any granted License(s). In order to meet the FCC's construction requirements, Iota shall provide the following services to construct the networks for the Licenses:

a. Iota will acquire equipment to be used to send and receive signals over the frequencies covered by the Licenses ("Base Stations"). The Base Stations may be existing equipment that is shared by other Iota clients or may belong to third parties. In the case of third-party equipment, Iota will secure rights to use the equipment during the term of this Agreement or acquire replacement Base Stations if third-party equipment becomes unavailable.

b. Iota will secure locations for the Base Stations under the Licenses to serve the licensed coverage areas. Iota will construct facilities or lease space on existing facilities suitable for installing the Base Stations ("Towers").

c. Iota will install the Base Stations on the Towers within the time frame required to test the Base Stations and certify construction of the Licenses with the FCC. If waivers are necessary to complete construction, Iota shall be responsible for applying for such waivers on behalf of Licensee.

d. Iota will connect the Base Stations to sufficient numbers of eligible transceivers ("Remote Stations") to meet construction requirements.

e. Iota will maintain a network of Towers that allows the Base Stations to communicate with Remote Stations and other transmitters and receivers on an ongoing basis using the frequencies assigned to the Licenses ("Network"). At a minimum, the Network shall operate at sufficient intervals to maintain the Licenses in good standing with the FCC.

7. Independent Contractor; Power of Attorney.

a. Licensee hereby acknowledges that Iota is acting as an independent contractor and not an employee of Licensee. Nothing in this Agreement shall be construed to create a partnership, joint venture or employer-employee relationship. Iota is not authorized to make any contract or commitment on behalf of Licensee. The parties agree: (i) Iota will not be obliged to perform work solely for Licensee; (ii) Licensee will not pay Iota or its employees a salary or hourly wage; (iii) Licensee will not dictate the hours during which Iota will perform under this Agreement or in any way dictate the manner in which Iota performs its services; and (iv) the parties will maintain separate business operations.

b. In order to enable Iota to make minor or major modifications to the Licenses during the term of this Agreement, Iota will be required to have power of attorney with respect to the Licenses. Licensee hereby appoints Iota to act in the name and place of Licensee, and as the true and lawful agent for Licensee, with respect to any matters before the FCC related to the Licenses. The authority granted herein specifically permits Iota to add sites to or remove sites from the Licenses, including granting waivers to other Iota clients requiring such waivers to modify their licenses.

8. **Fees.** Iota shall be paid for its performance under this Agreement the amounts shown as the Contract Price for each License on Schedule "A". No services will be performed by Iota until it receives the Contract Price for each particular License.

9. **Representations and Warranties of Licensee.** In the event that Iota has not been retained to acquire the Licenses for Licensee, Licensee represents and warrants that Licensee is either: (a) the legal and rightful owner of the Licenses; or (b) the legal and rightful party to an agreement with a service provider to apply for the Licenses. Licensee represents and warrants that Licensee is legally eligible to be a licensee for the Licenses per applicable FCC rules and regulations, and that Licensee will maintain such eligibility throughout the term of this Agreement.

10. **Representations and Warranties of Iota.** Iota is a valid legal entity and is not prohibited in any way from entering into this Agreement and performing services hereunder.

11. **Compliance with FCC Rules.** The parties agree to abide by all applicable FCC rules and regulations governing the Licenses and Leases and any transactions contemplated by this Agreement. To the extent the performance of any terms of this Agreement would result in a violation of any FCC rules or regulations, such terms shall be deemed to be modified or restricted to the extent necessary to make such provision valid, legal and enforceable. In the event such term or any portion thereof cannot be so modified or restricted, such term or portion thereof shall be deemed to have been excised from this Agreement and the validity, legality and enforceability of the remainder of this Agreement shall not be affected or impaired in any manner. The parties understand that the grant of the Applications may require the waiver of certain FCC rules.

12. **Iota's Duties.** Iota shall use commercially reasonable efforts to obtain value for the Licenses through operating its network and pursuing appropriate partnerships. **Licensee acknowledges that Iota is not a fiduciary of Licensee and owes Licensee no fiduciary duties.**

Initial: _____

13. **Licensee's Duties.** Licensee shall promptly respond to any Iota or FCC request for information relating to the Licenses or Leases.

14. **Default; Remedies.** Subject to the provisions of Section 15.i. hereof, if a party breaches any term of this Agreement, the non-breaching party may provide a written notice of default in accordance with the notice provisions in Section 15.d. of this Agreement. A party may bring an action for breach of this Agreement only after the breach remains uncured for a period of thirty (30) days after the non-breaching party provides written notice of such breach. If any breach is not reasonably capable of being cured within thirty (30) days of such notice but is capable of being cured over a longer period, then the breaching party shall have a reasonable time to cure such breach, but no more than ninety (90) days in any event unless the non-breaching party expressly consents to such longer period in writing. Licensee agrees that any breach of this Agreement by Licensee may result in irreparable and continuing damage to Iota for which there may be no adequate remedy at law. Iota will therefore be entitled to obtain injunctive relief in addition to such other and further relief as may be available to Iota.

15. **General Terms and Conditions.**

a. Confidentiality. Licensee agrees that, without Iota's prior written consent, Licensee shall not disclose, use or make available any confidential information provided by Iota to Licensee, except (i) as required by any governmental authority, (ii) as required by Licensee in connection with any capital raise, or (iii) as required by Licensee in connection with a sale of the Licenses. The foregoing provision shall survive any expiration or termination of this Agreement. The term "confidential information" shall include customer lists or identification, trade secrets, processes, product formulations, developments and designs, business and trade practices, sales or distribution methods and techniques, marketing plans and research, regulatory agreements and business strategies, and other confidential information pertaining to Iota's business or financial affairs which may or may not be patentable, which are developed by Iota at considerable time and expense, and which could be unfairly utilized in competition with Iota. Iota may mark any such confidential information as "Confidential" or "Proprietary", but need not do so to have this provision apply to such information. Upon termination of this Agreement, Licensee shall deliver to Iota all materials that include confidential information, such as customer lists, marketing materials, business plans, product formulations, instruction sheets, drawings, manuals, letters, notes, notebooks, books, reports, and copies thereof, and all other materials of a confidential nature which belong to or relate to the business of Iota whether provided to, or created by, Licensee.

b. Indemnification. Licensee agrees to indemnify, defend and hold harmless Iota, its members, officers, directors, employees, contractors, and their respective successors and assigns (each, an "Indemnitee"), from and against any and all losses, claims, actions, expenses, damages or liabilities, including reasonable attorneys' fees and expenses ("Losses"), arising out of or in connection with the performance of this Agreement, except to the extent such Losses are due to the gross negligence or willful misconduct of Indemnitee.

c. Entire Agreement. This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and contains all of the covenants and agreements between the parties with respect thereto. This Agreement supersedes any and all prior or contemporaneous agreements, either oral or written, between the parties hereto with respect to the subject matter hereof.

d. Notices. Any notices, consents, demands, requests, approvals and other communications to be given under this Agreement by either party to the other shall be deemed to have been duly given if given in writing and personally delivered, sent by facsimile, or sent by mail, registered or certified, postage prepaid with return receipt requested, or by recognized next day delivery service, addressed to the relevant party at the address set forth below (or at such other address as a party may designate by written notice in accordance with this Section 15):

To Iota:

Iota Communications, Inc.
Attn: Terrence DeFranco
2111 E. Highland Ave., Suite 305
Phoenix, Arizona 85016
(602) 224-1099 (Fax)
TMDeFranco@iotacommunications.com

To Licensee:

Iota Spectrum Partners, LP
Attn: Rob Somers
2111 E. Highland Ave., Suite 305
Phoenix, Arizona 85016
(602) 224-1099 (Fax)
RSomers@iotacommunications.com

Notices delivered personally and sent by facsimile shall be deemed communicated as of actual receipt, and mailed notices shall be deemed communicated as of three (3) days after mailing. Notices may be sent via e-mail provided that the recipient confirms receipt via a personally drafted reply e-mail or written notice. Such e-mailed notices shall be deemed communicated as of the date of the e-mail or written notice confirming receipt.

e. Amendments. No change, amendment or modification of this Agreement shall be valid or binding upon the parties hereto, nor shall any waiver of any term or condition in the future be so binding, unless such change, amendment, modification or waiver shall be in writing and signed by each party hereto.

f. Severability. It is intended that all provisions of this Agreement be interpreted and construed in a manner making such provisions valid, legal and enforceable. In the event any provision of this Agreement or portion thereof is found to be wholly or partially invalid, illegal or unenforceable in any judicial proceeding, such provision shall be deemed to be modified or restricted to the extent necessary to make such provision valid, legal and enforceable. In the event such provision or any portion thereof cannot be so modified or restricted, such provision or portion thereof shall be deemed to have been excised from this Agreement and the validity, legality and enforceability of the remainder of this Agreement shall not be affected or impaired in any manner. If the modification, restriction or excising of any term of this Agreement pursuant to this subsection materially alters the intent of the parties or the relative economic benefits of the parties, the materially affected party shall have the right to terminate this Agreement.

g. Survival. All indemnities and reimbursement obligations made hereunder shall survive the termination or expiration of this Agreement until expiration of the longest applicable statute of limitations (including extensions and waivers) with respect to the matter for which a party would be entitled to be indemnified or reimbursed, as the case may be. All obligations for payments of money shall survive the termination or expiration of this Agreement.

h. Choice of Law and Venue. This Agreement shall be governed by, and construed in accordance with, the substantive laws of the State of Arizona without regard to the conflict of law provisions thereof. The state and federal courts located in Maricopa County, Arizona will have sole and exclusive jurisdiction over any disputes arising hereunder, and Licensee hereby expressly consents to the personal jurisdiction of and venue in such courts.

i. Alternative Dispute Resolution. In the event any dispute arises over the interpretation of this Agreement or any party's performance hereunder, the parties agree to first attempt to resolve such dispute in good faith through the use of a private mediator. The parties shall jointly select such mediator and shall be equally liable to share the costs of such mediator. The mediation shall take place as soon as reasonably practical, at such time and place as mutually

agreed upon by the parties. Absent mutual agreement as to location, the place for the mediation shall be determined by the mediator and shall be within ten (10) miles of Iota's main offices at the time of the mediation.

j. No Third-Party Beneficiaries. Nothing contained in this Agreement is intended to, or shall, confer upon any person other than the parties hereto any rights or remedies hereunder, except for Indemnitees, which shall be express third party beneficiaries of this Agreement.

k. Waiver. No waiver by either party of any breach of this Agreement will be a waiver of any other breach, whether preceding or succeeding the waived breach. No waiver by either party of any right under this Agreement will be construed as a waiver of any other right. Neither party will be required to give notice to enforce strict adherence to all terms of this Agreement.

l. Assignment. This Agreement may not be assigned, in whole or in part, by Licensee without Iota's prior written consent, which consent shall not be unreasonably withheld. Any purported assignment made without Iota's prior written consent will, at Iota's option, be void and of no effect. Iota shall have the right to assign this Agreement to its successors or assigns or to any of its subsidiaries or affiliated companies. The terms "successors" and "assigns" shall include but not be limited to any person, corporation, partnership or other entity that buys all or substantially all of Iota's assets or all of its capital stock, or with which Iota merges or consolidates.

m. Attorneys' Fees and Costs. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, and if Iota is the prevailing party in such action, then Iota shall be entitled to recover its reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which it may be entitled.

n. Force Majeure. Neither party shall be liable or deemed to be in default for a delay in or failure of performance of its obligations that results from any of the following causes beyond the reasonable control of such party: strikes, work stoppages, shortages of equipment, supplies or energy, war, terrorism, insurrection, acts of God or the public enemy, or governmental action (whether in its sovereign or contractual capacity). Any delay resulting from any such cause shall extend performance accordingly or excuse performance, in whole or in part, for such time as may be reasonable; provided, however, that (i) such causes shall not excuse payment of any amounts due or owed at the time of such occurrence or thereafter, and (ii) the party asserting any such cause shall promptly commence and diligently pursue action to remedy its inability or failure to perform hereunder. Any party asserting this subsection shall promptly notify the other party of the occurrence and nature of any such cause and thereafter regularly shall inform the other party of the progress of actions to remedy its inability or failure to perform hereunder.

o. Limitation of Liability. THE PARTIES AGREE THAT IT IS IMPOSSIBLE TO DETERMINE WITH ANY REASONABLE ACCURACY THE AMOUNT OF DAMAGES TO LICENSEE UPON THE BREACH OF IOTA'S OBLIGATIONS UNDER THIS AGREEMENT. THEREFORE, THE PARTIES AGREE THAT LICENSEE'S SOLE REMEDY FOR MATERIAL BREACH OF IOTA'S OBLIGATIONS UNDER THIS AGREEMENT WILL BE LIQUIDATED DAMAGES IN THE AMOUNT OF THE CONTRACT PRICE PAID BY LICENSEE TO IOTA PLUS TEN DOLLARS (\$10.00). LICENSEE HEREBY WAIVES ALL OTHER CLAIMS FOR DAMAGES OF ANY KIND AGAINST IOTA, ITS MEMBERS, MANAGERS, SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES,

CONTRACTORS, AGENTS, REPRESENTATIVES OR AFFILIATES, INCLUDING, WITHOUT LIMITATION, ANY CLAIMS FOR ANY LOSS OF USE, INTERRUPTION OF BUSINESS OR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING, WITHOUT LIMITATION LOST PROFITS), INCLUDING ATTORNEYS' FEES, REGARDLESS OF THE FORM OF ACTION WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT PRODUCT LIABILITY OR OTHERWISE. LICENSEE AND IOTA AGREE THAT THE LIQUIDATED DAMAGES SET FORTH ABOVE ARE REASONABLE AND NOT A PENALTY BASED ON THE FACTS AND CIRCUMSTANCES OF THE PARTIES AT THE TIME OF ENTERING INTO THIS AGREEMENT WITH DUE REGARD TO FUTURE EXPECTATIONS.

Initial: _____

p. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which shall constitute one and the same instrument. This Agreement, once executed by a party, may be delivered to the other party by facsimile or electronic PDF transmission of a copy of this Agreement bearing the signature of the party.

[Signature Page Follows]

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

IOTA:

IOTA COMMUNICATIONS, INC.

By:

Name: Terrence M. DeFranco
Its: CEO

LICENSEE:

IOTA SPECTRUM PARTNERS, LP

By: IOTA SPECTRUM HOLDINGS,
LLC, its General Partner

By:

Name: Rob Somers
Its: General Manager

[Signature Page to License Application and Construction Services Agreement]

Schedule "A"
Licenses Covered By This Agreement
As of July 25, 2019

No.	Licensee	Call Sign	BEA	MHz/POPs	Grant Date	Exp Date	Contract Price
1	Iota Spectrum Partners, LP	WQSF853	172 - Honolulu HI	136,030	9/16/2013	9/16/2023	\$0.00
2	Iota Spectrum Partners, LP	WQSH250	115 - Rapid City SD-MT-NE-ND	46,017	9/19/2013	9/19/2023	\$0.00
3	Iota Spectrum Partners, LP	WQTI690	172 - Honolulu HI	272,060	2/11/2014	2/11/2024	\$0.00
4	Iota Spectrum Partners, LP	WQTI691	103 - Cedar Rapids IA	85,376	2/11/2014	2/11/2024	\$0.00
5	Iota Spectrum Partners, LP	WQTI692	103 - Cedar Rapids IA	42,688	2/11/2014	2/11/2024	\$0.00
6	Iota Spectrum Partners, LP	WQTI693	117 - Sioux City IA-NE-SD	63,002	2/11/2014	2/11/2024	\$0.00
7	Iota Spectrum Partners, LP	WQTI695	106 - Rochester MN-IA-WI	51,257	2/11/2014	2/11/2024	\$0.00
8	Iota Spectrum Partners, LP	WQTI696	106 - Rochester MN-IA-WI	85,428	2/11/2014	2/11/2024	\$0.00
9	Iota Spectrum Partners, LP	WQTI697	105 - La Crosse WI-MN	38,606	2/11/2014	2/11/2024	\$0.00
10	Iota Spectrum Partners, LP	WQTI699	105 - La Crosse WI-MN	64,344	2/11/2014	2/11/2024	\$0.00
11	Iota Spectrum Partners, LP	WQTI700	110 - Grand Forks ND-MN	44,514	2/11/2014	2/11/2024	\$0.00
12	Iota Spectrum Partners, LP	WQTI702	110 - Grand Forks ND-MN	55,643	2/11/2014	2/11/2024	\$0.00
13	Iota Spectrum Partners, LP	WQTI704	120 - Grand Island NE	57,585	2/11/2014	2/11/2024	\$0.00
14	Iota Spectrum Partners, LP	WQTI705	121 - North Platte NE-CO	12,318	2/11/2014	2/11/2024	\$0.00
15	Iota Spectrum Partners, LP	WQTI706	121 - North Platte NE-CO	15,398	2/11/2014	2/11/2024	\$0.00
16	Iota Spectrum Partners, LP	WQTI707	142 - Scottsbluff NE-WY	36,628	2/11/2014	2/11/2024	\$0.00
17	Iota Spectrum Partners, LP	WQTI708	142 - Scottsbluff NE-WY	22,893	2/11/2014	2/11/2024	\$0.00
18	Iota Spectrum Partners, LP	WQTI710	112 - Bismarck ND-MT-SD	37,392	2/11/2014	2/11/2024	\$0.00
19	Iota Spectrum Partners, LP	WQTI711	113 - Fargo-Moorhead ND-MN	80,055	2/11/2014	2/11/2024	\$0.00
20	Iota Spectrum Partners, LP	WQTI712	113 - Fargo-Moorhead ND-MN	100,069	2/11/2014	2/11/2024	\$0.00
21	Iota Spectrum Partners, LP	WQTI713	114 - Aberdeen SD	15,908	2/11/2014	2/11/2024	\$0.00
22	Iota Spectrum Partners, LP	WQTI716	115 - Rapid City SD-MT-NE-ND	46,017	2/11/2014	2/11/2024	\$0.00
23	Iota Spectrum Partners, LP	WQTI717	115 - Rapid City SD-MT-NE-ND	46,017	2/11/2014	2/11/2024	\$0.00

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24	Iota Spectrum Partners, LP	WQTI718	115 - Rapid City SD-MT-NE-ND	57,522	2/11/2014	2/11/2024	\$0.00
25	Iota Spectrum Partners, LP	WQTI719	116 - Sioux Falls SD-IA-MN-NE	139,662	2/11/2014	2/11/2024	\$0.00
26	Iota Spectrum Partners, LP	WQTI721	116 - Sioux Falls SD-IA-MN-NE	391,053	2/11/2014	2/11/2024	\$0.00
27	Iota Spectrum Partners, LP	WQTI722	171 - Anchorage AK	177,559	2/11/2014	2/11/2024	\$0.00
28	Iota Spectrum Partners, LP	WQTI723	171 - Anchorage AK	177,559	2/11/2014	2/11/2024	\$0.00
29	Iota Spectrum Partners, LP	WQTI724	171 - Anchorage AK	248,582	2/11/2014	2/11/2024	\$0.00
30	Iota Spectrum Partners, LP	WQTI726	143 - Casper WY-ID-UT	163,729	2/11/2014	2/11/2024	\$0.00
31	Iota Spectrum Partners, LP	WQTI727	172 - Honolulu HI	204,045	2/11/2014	2/11/2024	\$0.00
32	Iota Spectrum Partners, LP	WQTI728	100 - Des Moines IA-IL-MO	263,253	2/11/2014	2/11/2024	\$0.00
33	Iota Spectrum Partners, LP	WQTI733	107 - Minneapolis - St Paul MN-WI-IA	1,468,617	2/11/2014	2/11/2024	\$0.00
34	Iota Spectrum Partners, LP	WQTI734	141 - Denver-Boulder CO-KS-NE	1,405,561	2/11/2014	2/11/2024	\$0.00
35	Iota Spectrum Partners, LP	WQTI735	141 - Denver-Boulder CO-KS-NE	468,520	2/11/2014	2/11/2024	\$0.00
36	Iota Spectrum Partners, LP	WQTI736	152 - Salt Lake City-Ogden UT-ID	255,813	2/11/2014	2/11/2024	\$0.00
37	Iota Spectrum Partners, LP	WQTI737	117 - Sioux City IA-NE-SD	25,201	2/11/2014	2/11/2024	\$0.00
38	Iota Spectrum Partners, LP	WQTI738	120 - Grand Island NE	71,982	2/11/2014	2/11/2024	\$0.00
39	Iota Spectrum Partners, LP	WQTI741	121 - North Platte NE-CO	24,637	2/11/2014	2/11/2024	\$0.00
40	Iota Spectrum Partners, LP	WQTI742	112 - Bismarck ND-MT-SD	46,741	2/11/2014	2/11/2024	\$0.00
41	Iota Spectrum Partners, LP	WQTI743	107 - Minneapolis - St Paul MN-WI-IA	1,223,848	2/11/2014	2/11/2024	\$0.00
42	Iota Spectrum Partners, LP	WQTI806	114 - Aberdeen SD	15,908	2/28/2014	2/28/2024	\$0.00
43	Iota Spectrum Partners, LP	WQTL806	115 - Rapid City SD-MT-NE-ND	138,052	2/28/2014	2/28/2024	\$0.00
44	Iota Spectrum Partners, LP	WQTL806	116 - Sioux Falls SD-IA-MN-NE	55,865	2/28/2014	2/28/2024	\$0.00
45	Iota Spectrum Partners, LP	WQTL808	118 - Omaha NE-IA-MO	226,154	2/28/2014	2/28/2024	\$0.00
46	Iota Spectrum Partners, LP	WQTL808	119 - Lincoln NE	82,068	2/28/2014	2/28/2024	\$0.00
47	Iota Spectrum Partners, LP	WQTL808	120 - Grand Island NE	172,756	2/28/2014	2/28/2024	\$0.00
48	Iota Spectrum Partners, LP	WQTL808	121 - North Platte NE-CO	36,955	2/28/2014	2/28/2024	\$0.00
49	Iota Spectrum Partners, LP	WQTL808	142 - Scottsbluff NE-WY	54,943	2/28/2014	2/28/2024	\$0.00
50	Iota Spectrum Partners, LP	WQTN282	105 - La Crosse WI-MN	77,213	3/10/2014	3/10/2024	\$0.00
51	Iota Spectrum Partners, LP	WQTN282	106 - Rochester MN-IA-WI	136,684	3/10/2014	3/10/2024	\$0.00
52	Iota Spectrum Partners, LP	WQTP273	143 - Casper WY-ID-UT	280,678	3/17/2014	3/17/2024	\$0.00
53	Iota Spectrum Partners, LP	WQTV655	110 - Grand Forks ND-MN	66,771	4/22/2014	4/22/2024	\$0.00

54	Iota Spectrum Partners, LP	WQTV655	112 - Bismarck ND-MT-SD	93,481	4/22/2014	4/22/2024	\$0.00
55	Iota Spectrum Partners, LP	WQTV655	113 - Fargo-Moorhead ND-MN	240,164	4/22/2014	4/22/2024	\$0.00
56	Iota Spectrum Partners, LP	WQUA517	119 - Lincoln NE	102,585	5/20/2014	5/20/2024	\$0.00
57	Iota Spectrum Partners, LP	WQUA518	119 - Lincoln NE	287,237	5/20/2014	5/20/2024	\$0.00
58	Iota Spectrum Partners, LP	WQUW386	107 - Minneapolis - St Paul MN-WI-IA	244,770	10/30/2014	10/30/2024	\$0.00
59	Iota Spectrum Partners, LP	WQVN572	102 - Davenport-Moline-Rock Island IA-IL	167,981	4/7/2015	4/7/2025	\$0.00
60	Iota Spectrum Partners, LP	WQVN577	102 - Davenport-Moline-Rock Island IA-IL	55,994	4/7/2015	4/7/2025	\$0.00
61	Iota Spectrum Partners, LP	WQVP593	150 - Boise City ID-OR	145,799	4/8/2015	4/8/2025	\$0.00
62	Iota Spectrum Partners, LP	WQVP603	150 - Boise City ID-OR	145,799	4/8/2015	4/8/2025	\$0.00
63	Iota Spectrum Partners, LP	WQVP810	96 - St. Louis MO-IL	738,053	4/10/2015	4/10/2025	\$0.00
64	Iota Spectrum Partners, LP	WQVP820	98 - Columbia MO	162,540	4/10/2015	4/10/2025	\$0.00
65	Iota Spectrum Partners, LP	WQVP831	122 - Wichita KS-OK	302,505	4/10/2015	4/10/2025	\$0.00
66	Iota Spectrum Partners, LP	WQVP836	122 - Wichita KS-OK	484,007	4/10/2015	4/10/2025	\$0.00
67	Iota Spectrum Partners, LP	WQVP840	5 - Albany-Schenectady-Troy NY	244,508	4/10/2015	4/10/2025	\$0.00
68	Iota Spectrum Partners, LP	WQVP847	5 - Albany-Schenectady-Troy NY	550,144	4/10/2015	4/10/2025	\$0.00
69	Iota Spectrum Partners, LP	WQVP943	48 - Charleston WV-KY-OH	297,956	4/13/2015	4/13/2025	\$0.00
70	Iota Spectrum Partners, LP	WQVP969	48 - Charleston WV-KY-OH	595,911	4/13/2015	4/13/2025	\$0.00
71	Iota Spectrum Partners, LP	WQVP987	52 - Wheeling WV-OH	62,567	4/13/2015	4/13/2025	\$0.00
72	Iota Spectrum Partners, LP	WQVQ203	52 - Wheeling WV-OH	62,567	4/13/2015	4/13/2025	\$0.00
73	Iota Spectrum Partners, LP	WQVQ223	70 - Louisville KY-IN	623,111	4/13/2015	4/13/2025	\$0.00
74	Iota Spectrum Partners, LP	WQVQ240	49 - Cincinnati-Hamilton OH-KY-IN	347,268	4/13/2015	4/13/2025	\$0.00
75	Iota Spectrum Partners, LP	WQVQ243	49 - Cincinnati-Hamilton OH-KY-IN	347,268	4/13/2015	4/13/2025	\$0.00
76	Iota Spectrum Partners, LP	WQVQ411	47 - Lexington KY-TN-VA-WV	96,824	4/14/2015	4/14/2025	\$0.00
77	Iota Spectrum Partners, LP	WQVQ582	94 - Springfield MO	197,486	4/15/2015	4/15/2025	\$0.00
78	Iota Spectrum Partners, LP	WQVQ591	94 - Springfield MO	493,716	4/15/2015	4/15/2025	\$0.00
79	Iota Spectrum Partners, LP	WQVQ999	99 - Kansas City MO-KS	1,750,622	4/20/2015	4/20/2025	\$0.00
80	Iota Spectrum Partners, LP	WQVR230	123 - Topeka KS	47,632	4/20/2015	4/20/2025	\$0.00
81	Iota Spectrum Partners, LP	WQVR234	123 - Topeka KS	214,345	4/20/2015	4/20/2025	\$0.00

82	Iota Spectrum Partners, LP	WQVR411	144 - Billings MT-WY	180,816	4/21/2015	4/21/2025	\$0.00
83	Iota Spectrum Partners, LP	WQVR416	144 - Billings MT-WY	135,612	4/21/2015	4/21/2025	\$0.00
84	Iota Spectrum Partners, LP	WQVR418	144 - Billings MT-WY	113,010	4/21/2015	4/21/2025	\$0.00
85	Iota Spectrum Partners, LP	WQVR442	145 - Great Falls MT	32,997	4/21/2015	4/21/2025	\$0.00
86	Iota Spectrum Partners, LP	WQVR445	145 - Great Falls MT	41,246	4/21/2015	4/21/2025	\$0.00
87	Iota Spectrum Partners, LP	WQVR454	146 - Missoula MT	179,108	4/21/2015	4/21/2025	\$0.00
88	Iota Spectrum Partners, LP	WQVR463	146 - Missoula MT	111,943	4/21/2015	4/21/2025	\$0.00
89	Iota Spectrum Partners, LP	WQVR472	148 - Idaho Falls ID-WY	73,011	4/21/2015	4/21/2025	\$0.00
90	Iota Spectrum Partners, LP	WQVR481	148 - Idaho Falls ID-WY	91,264	4/21/2015	4/21/2025	\$0.00
91	Iota Spectrum Partners, LP	WQVR572	149 - Twin Falls ID	46,448	4/22/2015	4/22/2025	\$0.00
92	Iota Spectrum Partners, LP	WQVR598	149 - Twin Falls ID	46,448	4/22/2015	4/22/2025	\$0.00
93	Iota Spectrum Partners, LP	WQVS945	35 - Tallahassee FL-GA	200,411	5/4/2015	5/4/2025	\$0.00
94	Iota Spectrum Partners, LP	WQVT458	172 - Honolulu HI	340,075	5/6/2015	5/6/2025	\$0.00
95	Iota Spectrum Partners, LP	WQVU265	109 - Duluth-Superior MN-WI	70,836	5/8/2015	5/8/2025	\$0.00
96	Iota Spectrum Partners, LP	WQVU272	109 - Duluth-Superior MN-WI	88,546	5/8/2015	5/8/2025	\$0.00
97	Iota Spectrum Partners, LP	WQVV235	25 - Wilmington NC-SC	896,729	5/18/2015	5/18/2025	\$0.00
98	Iota Spectrum Partners, LP	WQVV236	20 - Norfolk-Virginia Beach-Newport News VA-NC	1,009,729	5/18/2015	5/18/2025	\$0.00
99	Iota Spectrum Partners, LP	WQVV421	93 - Joplin MO-KS-OK	56,101	5/19/2015	5/19/2025	\$0.00
100	Iota Spectrum Partners, LP	WQVV440	71 - Nashville TN-KY	428,444	5/19/2015	5/19/2025	\$0.00
101	Iota Spectrum Partners, LP	WQVV482	202 - Palm Beach FL	1,351,153	5/19/2015	5/19/2025	\$0.00
102	Iota Spectrum Partners, LP	WQVV655	77 - Jackson MS-AL-LA	148,481	5/20/2015	5/20/2025	\$0.00
103	Iota Spectrum Partners, LP	WQVV968	47 - Lexington KY-TN-VA-WV	871,419	5/27/2015	5/27/2025	\$0.00
104	Iota Spectrum Partners, LP	WQVW541	94 - Springfield MO	246,858	5/29/2015	5/29/2025	\$0.00
105	Iota Spectrum Partners, LP	WQVW779	93 - Joplin MO-KS-OK	56,101	6/1/2015	6/1/2025	\$0.00
106	Iota Spectrum Partners, LP	WQVW746	72 - Paducah KY-IL	57,731	6/1/2015	6/1/2025	\$0.00
107	Iota Spectrum Partners, LP	WQVW754	72 - Paducah KY-IL	46,185	6/1/2015	6/1/2025	\$0.00
108	Iota Spectrum Partners, LP	WQVX801	96 - St. Louis MO-IL	2,398,671	6/10/2015	6/10/2025	\$0.00
109	Iota Spectrum Partners, LP	WQVY406	29 - Jacksonville FL-GA	110,851	6/15/2015	6/15/2025	\$0.00
110	Iota Spectrum Partners, LP	WQVZ237	44 - Knoxville TN	55,306	6/19/2015	6/19/2025	\$0.00

111	lota Spectrum Partners, LP	WQWE308	228 - Mason City IA	351,004	7/29/2015	7/29/2025	\$0.00
112	lota Spectrum Partners, LP	WQWG907	6 - Syracuse NY-PA (249 - Utica, NY)	768,920	8/19/2015	8/19/2025	\$0.00
113	lota Spectrum Partners, LP	WQXQ539	52 - Wheeling WV-OH	109,493	5/10/2016	5/10/2026	\$0.00
114	lota Spectrum Partners, LP	WQXQ588	114 - Aberdeen SD	31,816	5/10/2016	5/10/2026	\$0.00
115	lota Spectrum Partners, LP	WQXQ589	117 - Sioux City IA-NE-SD	37,801	5/10/2016	5/10/2026	\$0.00
116	lota Spectrum Partners, LP	WQXQ590	120 - Grand Island NE	71,982	5/10/2016	5/10/2026	\$0.00
117	lota Spectrum Partners, LP	WQXQ591	142 - Scottsbluff NE-WY	18,314	5/10/2016	5/10/2026	\$0.00
118	lota Spectrum Partners, LP	WQXQ838	149 - Twin Falls ID	37,158	5/17/2016	5/17/2026	\$0.00
119	lota Spectrum Partners, LP	WQXU859	75 - Tupelo	285,197	6/15/2016	6/15/2026	\$0.00
120	lota Spectrum Partners, LP	WQXW568	40 - Atlanta	334,530	6/28/2016	6/28/2026	\$0.00
121	lota Spectrum Partners, LP	WQYC286	208 - Myrtle Beach SC	18,126	8/15/2016	8/15/2026	\$0.00
122	lota Spectrum Partners, LP	WQYJ378	107 - Minneapolis- St Paul MN-WI-IA	4,895,391	10/17/2016	10/17/2026	\$0.00
123	lota Spectrum Partners, LP	WRAS326	125 - Oklahoma City OK	376,417	2/13/2018	2/13/2028	\$0.00
124	lota Spectrum Partners, LP	WRAS343	164 - Sacramento-Yolo CA	2,722,415	2/13/2018	2/13/2028	\$0.00
125	lota Spectrum Partners, LP	WRAS362	32 - Fort Myers-Cape Coral FL	470,137	2/13/2018	2/13/2028	\$0.00
126	lota Spectrum Partners, LP	WRAS368	30 - Orlando FL	228,127	2/13/2018	2/13/2028	\$0.00
127	lota Spectrum Partners, LP	WRAS376	163 - San Fran.-Oakland-San Jose CA	1,877,420	2/13/2018	2/13/2028	\$0.00
128	lota Spectrum Partners, LP	WRAS380	41 - Greenville-Spartanburg SC-NC	208,922	2/13/2018	2/13/2028	\$0.00
129	lota Spectrum Partners, LP	WRAS433	122 - Wichita KS-OK	605,009	2/14/2018	2/14/2028	\$0.00
130	lota Spectrum Partners, LP	WRAS435	124 - Tulsa OK-KS	443,450	2/14/2018	2/14/2028	\$0.00
131	lota Spectrum Partners, LP	WRAS436	80 - Mobile	72,496	2/14/2018	2/14/2028	\$0.00
132	lota Spectrum Partners, LP	WRAS437	21 - Greenville	465,403	2/14/2018	2/14/2028	\$0.00
133	lota Spectrum Partners, LP	WRAS466	81 - Pensacola	34,243	2/14/2018	2/14/2028	\$0.00
134	lota Spectrum Partners, LP	WRAT503	151 - Reno, NV	275,275	2/26/2018	2/26/2028	\$0.00
135	lota Spectrum Partners, LP	WRAT920	86 - Lake Charles, LA	250,127	3/1/2018	3/1/2028	\$0.00
136	lota Spectrum Partners, LP	WRAT921	22 - Fayetteville	285,949	3/1/2018	3/1/2028	\$0.00
137	lota Spectrum Partners, LP	WRAX240	33 - Sarasota-Bradenton FL	224,280	3/30/2018	3/30/2028	\$0.00
138	lota Spectrum Partners, LP	WRAX309	36 - Dothan	71,679	4/2/2018	4/2/2028	\$0.00
139	lota Spectrum Partners, LP	WRAX384	74 - Huntsville AL-TN	110,541	4/3/2018	4/3/2028	\$0.00
140	lota Spectrum Partners, LP	WRCR756	124 - Tulsa OK-KS	812,991	12/17/2018	12/17/2028	\$0.00

141	lota Spectrum Partners, LP	WRCR757	70 - Louisville KY-IN	155,778	12/17/2018	12/17/2028	\$0.00
142	lota Spectrum Partners, LP	WRCR760	20 - Norfolk-Virginia Beach-Newport News VA-NC	183,587	12/17/2018	12/17/2028	\$0.00
143	lota Spectrum Partners, LP	WRCR762	125 - Oklahoma City OK	282,313	12/17/2018	12/17/2028	\$0.00
144	lota Spectrum Partners, LP	WRCR765	47 - Lexington KY-TN-VA-WV	290,473	12/17/2018	12/17/2028	\$0.00
145	lota Spectrum Partners, LP	WRCR768	73 - Memphis TN-AR-MS-KY	200,122	12/17/2018	12/17/2028	\$0.00
146	lota Spectrum Partners, LP	WRCR774	29 - Jacksonville FL-GA	997,656	12/17/2018	12/17/2028	\$0.00
147	lota Spectrum Partners, LP	WRCR777	19 - Raleigh	923,019	12/17/2018	12/17/2028	\$0.00
148	lota Spectrum Partners, LP	WRCR780	202 - Palm Beach FL	122,832	12/17/2018	12/17/2028	\$0.00
149	lota Spectrum Partners, LP	WRCR788	107 - Minneapolis- St Paul MN-WI-IA	244,770	12/17/2018	12/17/2028	\$0.00
150	lota Spectrum Partners, LP	WRCR802	127 - Dallas-Fort Worth TX-AR-OK	5,884,703	12/17/2018	12/17/2028	\$0.00
151	lota Spectrum Partners, LP	WRCR806	10 - NYC	1,333,167	12/17/2018	12/17/2028	\$0.00
152	lota Spectrum Partners, LP	WRCR810	203 - Tyler TX	355,868	12/17/2018	12/17/2028	\$0.00
153	lota Spectrum Partners, LP	WRCR811	165 - Redding	180,826	12/17/2018	12/17/2028	\$0.00
154	lota Spectrum Partners, LP	WRCR812	95 - Jonesboro	77,828	12/17/2018	12/17/2028	\$0.00
155	lota Spectrum Partners, LP	WRCR813	92 - Fayetteville	263,687	12/17/2018	12/17/2028	\$0.00
156	lota Spectrum Partners, LP	WRCR815	91 - Fort Smith	178,051	12/17/2018	12/17/2028	\$0.00
157	lota Spectrum Partners, LP	WRCR818	89 - Monroe LA	84,604	12/17/2018	12/17/2028	\$0.00
158	lota Spectrum Partners, LP	WRCR819	88 - Shreveport	295,880	12/17/2018	12/17/2028	\$0.00
159	lota Spectrum Partners, LP	WRCR821	76 - Greenville	53,718	12/17/2018	12/17/2028	\$0.00
160	lota Spectrum Partners, LP	WRCR825	45 - Johnson City	91,395	12/17/2018	12/17/2028	\$0.00
161	lota Spectrum Partners, LP	WRCR830	32 - Fort Myers	47,014	12/17/2018	12/17/2028	\$0.00
162	lota Spectrum Partners, LP	WRCR971	25 - Wilmington	210,995	12/17/2018	12/17/2028	\$0.00
163	lota Spectrum Partners, LP	WRCR972	71 - Nashville	856,889	12/17/2018	12/17/2028	\$0.00
164	lota Spectrum Partners, LP	WRCR973	22 - Fayetteville	28,595	12/17/2018	12/17/2028	\$0.00
165	lota Spectrum Partners, LP	WRCR974	14 - Salisbury	104,839	12/17/2018	12/17/2028	\$0.00
166	lota Spectrum Partners, LP	WRC5400	94 - Springfield MO	789,945	12/20/2018	12/20/2028	\$0.00
167	lota Spectrum Partners, LP	WRC5401	69 - Evansville	878,433	12/20/2018	12/20/2028	\$0.00
168	lota Spectrum Partners, LP	WRC5405	26 - Charleston	597,974	12/20/2018	12/20/2028	\$0.00
169	lota Spectrum Partners, LP	WRC5411	17 - Roanoke	882,328	12/20/2018	12/20/2028	\$0.00

170	Iota Spectrum Partners, LP	WRC5415	44 - Knoxville	387,142	12/20/2018	12/20/2028	\$0.00
171	Iota Spectrum Partners, LP	WRC1920	15 - Richmond-Petersburg, VA	1,301,238	1/30/2019	1/30/2029	\$0.00
172	Iota Spectrum Partners, LP	WRCU482	166 - Eugene	644,489	2/1/2019	2/1/2029	\$0.00
173	Iota Spectrum Partners, LP	WRCU993	38 - Macon, GA	168,886	2/5/2019	2/5/2029	\$0.00
174	Iota Spectrum Partners, LP	WRCU997	37 - Albany, GA	99,241	2/5/2019	2/5/2029	\$0.00
175	Iota Spectrum Partners, LP	WRCV206	36 - Dothan	71,679	2/5/2019	2/5/2029	\$0.00
176	Iota Spectrum Partners, LP	WRCV210	35 - Tallahassee FL-GA	320,657	2/5/2019	2/5/2029	\$0.00
177	Iota Spectrum Partners, LP	WRCV212	28 - Savannah GA-SC	79,606	2/5/2019	2/5/2029	\$0.00
178	Iota Spectrum Partners, LP	WRCV601	27 - Augusta-Aiken, GA-SC	131,736	2/7/2019	2/7/2029	\$0.00
179	Iota Spectrum Partners, LP	WRCV625	74 - Huntsville AL-TN	165,811	2/7/2019	2/7/2029	\$0.00
180	Iota Spectrum Partners, LP	WRCV636	43 - Chattanooga, TN-GA	159,431	2/7/2019	2/7/2029	\$0.00
181	Iota Spectrum Partners, LP	WRCV638	39 - Columbus, GA-AL	106,502	2/7/2019	2/7/2029	\$0.00
182	Iota Spectrum Partners, LP	WRCV641	82 - Biloxi MS	61,660	2/7/2019	2/7/2029	\$0.00
183	Iota Spectrum Partners, LP	WRCV538	151 - Reno	747,176	2/26/2019	2/26/2029	\$0.00
184	Iota Spectrum Partners, LP	WRDG220	1 - Bangor, ME	135,942	4/22/2019	4/22/2029	\$0.00

Exhibit D

Master Lease Agreement

(Attached)

Master Long-Term De Facto Lease Agreement

This Master Long-Term De Facto Lease Agreement ("Agreement") is entered into by and between Iota Networks, LLC ("Iota") and Iota Spectrum Partners, LP ("Licensee"), effective this 25th day of July, 2019 (the "Effective Date").

RECITALS

WHEREAS, Licensee owns a portfolio of Federal Communications Commission ("FCC") license(s) listed on the attached Schedule "A" (as may be amended, supplemented or modified from time to time) (the "Licenses"), and plans to apply for additional licenses in the future and give Iota the right to use such licenses (also referred to herein as the "Licenses"); and

WHEREAS, Iota desires to use the Licenses for use in a nationwide machine-to-machine wireless network;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement, the parties mutually agree as follows:

TERMS AND CONDITIONS

1. Term and Termination.

a. Initial Term. This Agreement shall commence on the Effective Date and shall remain in full force and effect for a period of ten (10) years, and for each particular License from the date each License is added to Schedule A until the expiration of the License term. The licensing term of this Agreement shall be as set forth herein, including any automatic extended terms.

b. Automatic Extended Terms. If neither party has exercised its termination rights, the term of this Agreement shall automatically be renewed for an additional 5-year term for the Agreement as a whole or, for the Licenses individually, upon the renewal of that License for the renewal period of such License. Further renewals shall occur in the same manner. If this Agreement is not extended, Iota shall notify the FCC that this Agreement is no longer in effect as to the affected Licenses.

c. Termination. Either party may terminate this Agreement only upon a breach by the other party which remains uncured for a period of thirty (30) days after the non-breaching party provides written notice of such breach to the breaching party. If any breach is not reasonably capable of being cured within thirty (30) days of such notice but is capable of being cured over a longer period, then the breaching party shall have a reasonable time to cure such breach, but not more than ninety (90) days in any event unless the non-breaching party expressly consents to such longer period in writing. In the event of a sale of the Licenses in whole or in part, such Licenses shall remain subject to this Agreement unless otherwise terminated by the parties. Upon termination of this Agreement, Iota shall notify the FCC that this Agreement is no longer in effect with respect to the affected Licenses.

d. Effect of Termination. Upon termination of this Agreement, Licensee's Licenses will be removed from use on the Iota Network (as defined in Section 8(a) below). Licensee shall

have no right to purchase or use the equipment Iota (or its affiliates) used to construct the Licenses or operate on the Licenses' frequencies (e.g., towers, base stations and remote stations).

2. **Licensee Cooperation.** Licensee agrees to, from time to time and as requested by Iota, timely provide to Iota complete and accurate information to ensure that any applications to modify, amend, update, or otherwise administer the Licenses are prepared and processed accurately and as expeditiously as possible. Licensee shall immediately notify Iota of any requests or information issued by the FCC with regard to the License(s), and shall comply with any such requests if required to personally do so. Iota shall not be liable to Licensee for any inaccuracies or incomplete information on any application that results from the Licensee's failure to provide Iota with complete and accurate information.

3. **Iota's Duties.** Iota shall use commercially reasonable efforts to obtain value for the Licenses through operating its network and pursuing appropriate partnerships. **Licensee acknowledges that Iota is not a fiduciary of Licensee and owes Licensee no fiduciary duties.**

Initial: _____

4. **Licensee's Duties.** Licensee shall promptly respond to any Iota or FCC request for information relating to the Licenses or this Agreement. Subject to Section 9 (Right of First Refusal), Licensee shall not attempt to sell, lease or otherwise transfer any interest in any License without giving at least sixty (60) days' written notice to Iota of Licensee's intent to enter into such a transaction.

5. **Default; Remedies.** Subject to the provisions of Section 10.i. hereof, if a party breaches any term of this Agreement, the non-breaching party may provide a written notice of default in accordance with the notice provisions in Section 10.d. of this Agreement. A party may bring an action for breach of this Agreement only after the breach remains uncured for a period of thirty (30) days after the non-breaching party provides written notice of such breach. If any breach is not reasonably capable of being cured within thirty (30) days of such notice but is capable of being cured over a longer period, then the breaching party shall have a reasonable time to cure such breach, but no more than ninety (90) days in any event unless the non-breaching party expressly consents to such longer period in writing. Licensee agrees that any breach of this Agreement by Licensee may result in irreparable and continuing damage to Iota for which there may be no adequate remedy at law. Iota will therefore be entitled to obtain injunctive relief in addition to such other and further relief as may be available to Iota.

IOTA RIGHT TO USE LICENSES

6. **Licensed Licenses.** Iota will have the right to use the Licenses listed on Schedule "A", subject to FCC approval. Iota will assist Licensee in filing, and will participate in, any necessary applications for the appropriate authorizations for the Licenses (the "Applications") with the FCC to notify it of this Agreement and seek any and all required FCC approvals. The parties understand that there is no assurance that the FCC will approve any Application for any amendment, modification application, or waiver request related thereto. Licensing payments shall be made in accordance with Section 8 below. Responsibilities under the Licensing arrangement shall be as follows:

- a. Licensee Responsibilities.
- i. **Ownership and Control.** Notwithstanding anything to the contrary contained herein, this Agreement is not an assignment, sale, or transfer of any License or the licensed spectrum, and Licensee shall at all times retain ownership and *de jure* control over the License. Subject to the obligations of Iota under Subsection (b) of this section, Licensee shall, with respect to this Agreement, use commercially reasonable efforts to comply with the obligations imposed under Section 1.9030 of the FCC's Rules, 47 C.F.R. §1.9030, on lessors that enter into long-term *de facto* spectrum lease agreements, and Licensee shall use commercially reasonable efforts to assist Iota in complying with such obligations if applicable. Iota acknowledges that the FCC or Licensee may revoke, cancel, or terminate this Agreement if Iota fails to comply with the Communications Act of 1934, as amended, including as amended by the Telecommunications Act of 1996, and the rules and regulations adopted by the FCC thereunder ("FCC Law").
 - ii. **Maintenance of Licenses.** Licensee shall use commercially reasonable efforts to maintain the validity and good standing of the Licenses, and shall at Iota's expense defend the Licenses from all claims and challenges, subject to the other provisions of this Agreement, in the event of claims or challenges arising out of Iota's use or operation of the licensed spectrum. Licensee shall notify Iota promptly upon learning of any claim or challenge to the Licenses.
- b. Iota Responsibilities.
- i. **FCC Rules.** Iota acknowledges that: (A) it has reviewed and is familiar with FCC Law, including without limitation, the FCC's rules codified under Title 47 of the Code of Federal Regulations, Sections 1.9001-1.9080, 47 C.F.R. §§1.9001-1.9080 (spectrum leasing rules), and Section 90.1-90.7741, 47 C.F.R. §§90.1-90.771 (Part 90 rules), and such other of the FCC's rules that relate to the use of the licensed spectrum, and (B) it understands that the FCC from time to time may impose new or modified requirements upon its licensees and users of their spectrum.
 - ii. **Compliance with Laws.** Iota covenants and agrees to comply at all times with (x) FCC Law and (y) all applicable Federal Aviation Administration ("FAA") and any other governmental entity rules, regulations, decisions, and policies related to Iota's use of the Licenses and the licensed spectrum ("Other Laws") and also agrees to employ the licensed spectrum in a manner that will permit Licensee to demonstrate that it is meeting all buildout and service requirements.
 - iii. **Eligibility.** Iota represents that it is eligible to act as a licensee and to operate as described in this Agreement.
 - iv. **Use of Licensed Spectrum.** Iota shall at all times use the licensed spectrum in compliance with the terms of this Agreement and the permissible use, technical, operational, functionality, and environmental assessment requirements set forth

in FCC Law. Iota shall not hold itself out to the public as the holder of the License and shall not hold itself out as a licensee by virtue of its having entered into this Agreement. The parties acknowledge and agree that if any License is revoked, cancelled, terminated, or otherwise ceases to be in effect, Iota has no continuing authority or right to use the licensed spectrum covered by such License unless otherwise authorized by the FCC.

- v. **Filings and Reports.** Iota shall be responsible for the submission of all: (A) FCC filings, notifications and reports related to its use of, or right to use, the Licenses; and (B) other filings, notifications, reports and communications in connection with any other governmental entity, such as the FAA, with jurisdiction over the Licenses, the licensed spectrum, or this Agreement. Notwithstanding this section, Licensee will continue to be responsible for meeting the requirements associated with its *de jure* control of the licensed spectrum.

vi. **Maintenance & Interference.**

A. **Equipment and Maintenance.** Iota shall be solely responsible for obtaining, installing, constructing and operating all equipment necessary for Iota's use of the licensed spectrum (the "Equipment"). Iota shall be solely responsible for, and pay for all costs and expenses related to, the Equipment and all other costs and expenses incident to or necessary for Iota's use of the licensed spectrum.

B. **Non-Interference.** Iota shall ensure that its use of the licensed spectrum does not cause harmful interference as defined by FCC rules and regulations and will comply with all interference requirements imposed on its operations.

c. **Access to Iota Operations.**

i. **Licensee Inspection.** Iota shall grant Licensee access to Iota's Equipment, facilities, books and records and any physical locations related to the use of the licensed spectrum and shall provide Licensee with all information required by Licensee to understand, and maintain active oversight of (to the extent required by FCC Law), Iota's use of the licensed spectrum.

ii. **FCC Inspection.** Licensee and Iota each shall maintain a copy of this Agreement available for inspection by authorized representatives of the FCC upon request, subject to any permissible confidentiality treatment. Iota shall accept and grant to the FCC access to its equipment, facilities, books and records and any physical locations related to the licensed spectrum and shall provide all information requested by the FCC to enable the FCC to inspect and investigate Iota's use of the licensed spectrum. Iota and Licensee shall cooperate with any investigation or inquiry conducted by the FCC.

7. **Independent Contractor; Power of Attorney.**

- a. Licensee hereby acknowledges that Iota is acting as an independent contractor and not an employee of Licensee. Nothing in this Agreement shall be construed to

create a partnership, joint venture or employer-employee relationship. Iota is not authorized to make any contract or commitment on behalf of Licensee. The parties agree: (i) Iota will not be obliged to perform work solely for Licensee; (ii) Licensee will not pay Iota or its employees a salary or hourly wage; (iii) Licensee will not dictate the hours during which Iota will perform under this Agreement or in any way dictate the manner in which Iota performs its services; and (iv) the parties will maintain separate business operations.

- b. In order to enable Iota to make minor or major modifications to the Licenses during the term of this Agreement, Iota will be required to have power of attorney with respect to the Licenses. Licensee hereby appoints Iota to act in the name and place of Licensee, and as the true and lawful agent for Licensee, with respect to any matters before the FCC related to the Licenses. The authority granted herein specifically permits Iota to add sites to or remove sites from the Licenses, including granting waivers to other Iota clients requiring such waivers to modify their licenses.

PAYMENTS TO LICENSEE

8. Revenue.

a. Revenue Pool. Iota shall create a revenue pool (the "Revenue Pool") consisting of ten percent (10%) of the monthly recurring revenues generated from the operation of the Network during each fiscal quarter. For purposes of this Agreement, the term "Network" shall refer to Iota's system of transmitting machine-to-machine (IoT) communications wirelessly. Such monthly recurring network revenues are limited to revenues collected on a continuing basis for the providing of machine-to-machine communication services to Iota's clients such as device connectivity fees, and are net of any and all refunds of recurring revenue issued by Iota to clients in the period for any reason whatsoever, customer or reseller discounts, commissions or referral fees paid to non-employees, and revenues paid to third parties under revenue sharing arrangements. Examples of excluded revenues are: software/application subscription fees; revenues from providing network hosting services; revenues collected to construct licenses; revenues from brokerage fees and commissions; any one-time, non-recurring revenue, including, but not limited to, set-up, installation, termination, and non-recurring services; return/restocking revenue; revenues from the sale or analysis of data collected from the Network; revenue from the sale or lease of devices; and, revenue from consulting services.

b. Revenue-Based Payments. Licensee will begin to receive its allocable share of the Revenue Pool (as more fully described in Schedule B attached hereto) ("Payments") for the fiscal quarter following the fiscal quarter during which this Agreement was finally executed, or amended to add Licenses to Schedule A. Payments are made one quarter in arrears. For example, if Licensee's contract is executed on March 1st, Licensee will begin receiving Payments for the fiscal quarter ending August 31st on November 30th and continue to receive Payments each fiscal quarter thereafter for the Term of this Agreement.

OTHER PROVISIONS

9. **Right of First Refusal.** If at any time a third party makes a bona fide offer (a "Third Party Offer") to Licensee to purchase or lease any or all of the Licenses, including through the purchase of Licensee or its assets, Licensee shall first present the Third Party Offer to Iota. Iota shall have ninety (90) calendar days from the written presentation of such Third Party Offer to accept or reject it. If Iota accepts the Third Party Offer, and the FCC approves the sale to Iota, then upon the closing of such sale, this Agreement shall no longer apply to the Licenses so purchased (and Iota shall provide a customary release with respect to such Licenses) and shall be modified accordingly. If Iota rejects the Third Party Offer, Licensee shall have the right to pursue such sale, provided that the Licenses covered by such sale shall remain subject to this Agreement, which shall remain in full force and effect with respect to such Licenses unless otherwise agreed to by the parties.

10. **General Terms and Conditions.**

a. **Confidentiality.** Licensee agrees that, without Iota's prior written consent, Licensee shall not disclose, use or make available any confidential information provided by Iota to Licensee, except (i) as required by any governmental authority, (ii) as required by Licensee in connection with any capital raise or (iii) as required by Licensee in connection with a sale of the Licenses. The foregoing provision shall survive any expiration or termination of this Agreement. The term "confidential information" shall include customer lists or identification, trade secrets, processes, product formulations, developments and designs, business and trade practices, sales or distribution methods and techniques, marketing plans and research, regulatory agreements and business strategies, and other confidential information pertaining to Iota's business or financial affairs which may or may not be patentable, which are developed by Iota at considerable time and expense, and which could be unfairly utilized in competition with Iota. Iota may mark any such confidential information as "Confidential" or "Proprietary", but need not do so to have this provision apply to such information. Upon termination of this Agreement, Licensee shall deliver to Iota all materials that include confidential information, such as customer lists, marketing materials, business plans, product formulations, instruction sheets, drawings, manuals, letters, notes, notebooks, books, reports, and copies thereof, and all other materials of a confidential nature which belong to or relate to the business of Iota whether provided to, or created by, Licensee.

b. **Indemnification.** Licensee agrees to indemnify, defend and hold harmless Iota, its members, officers, directors, employees, contractors, and their respective successors and assigns (each, an "Indemnitee"), from and against any and all losses, claims, actions, expenses, damages or liabilities, including reasonable attorneys' fees and expenses ("Losses"), arising out of or in connection with the performance of this Agreement, except to the extent such Losses are due to the gross negligence or willful misconduct of Indemnitee.

c. **Entire Agreement.** This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and contains all of the covenants and agreements between the parties with respect thereto. This Agreement supersedes any and all prior or contemporaneous agreements, either oral or written, between the parties hereto with respect to the subject matter hereof, except for any pre-existing non-disclosure agreements.

d. **Notices.** Any notices, consents, demands, requests, approvals and other communications to be given under this Agreement by either party to the other shall be deemed to

have been duly given if given in writing and personally delivered, sent by facsimile, or sent by mail, registered or certified, postage prepaid with return receipt requested, or by recognized next day delivery service, addressed to the relevant party at the address set forth below (or at such other address as a party may designate by written notice in accordance with this Section 10):

To Iota:

Iota Networks, LLC
Attn: Darren Nichols
2111 E. Highland Ave., Suite 305
Phoenix, Arizona 85016
(602) 224-1099 (Fax)
DNichols@iotacommunications.com

To Licensee:

Iota Spectrum Partners, LP
Attn: Rob Somers
2111 E. Highland Ave., Suite 305
Phoenix, Arizona 85016
(602) 224-1099 (Fax)
RSomers@iotacommunications.com

Notices delivered personally and sent by facsimile shall be deemed communicated as of actual receipt, and mailed notices shall be deemed communicated as of three (3) days after mailing. Notices may be sent via e-mail provided that the recipient confirms receipt via a personally drafted reply e-mail or written notice. Such e-mailed notices shall be deemed communicated as of the date of the e-mail or written notice confirming receipt.

e. Amendments. No change, amendment or modification of this Agreement shall be valid or binding upon the parties hereto, nor shall any waiver of any term or condition in the future be so binding, unless such change, amendment, modification or waiver shall be in writing and signed by each party hereto.

f. Severability. It is intended that all provisions of this Agreement be interpreted and construed in a manner making such provisions valid, legal and enforceable. In the event any provision of this Agreement or portion thereof is found to be wholly or partially invalid, illegal or unenforceable in any judicial proceeding, such provision shall be deemed to be modified or restricted to the extent necessary to make such provision valid, legal and enforceable. In the event such provision or any portion thereof cannot be so modified or restricted, such provision or portion thereof shall be deemed to have been excised from this Agreement and the validity, legality and enforceability of the remainder of this Agreement shall not be affected or impaired in any manner. If the modification, restriction or excising of any term of this Agreement pursuant to this subsection materially alters the intent of the parties or the relative economic benefits of the parties, the materially affected party shall have the right to terminate this Agreement.

g. Survival. All indemnities and reimbursement obligations made hereunder shall survive the termination or expiration of this Agreement until expiration of the longest applicable

statute of limitations (including extensions and waivers) with respect to the matter for which a party would be entitled to be indemnified or reimbursed, as the case may be. All obligations for payments of money shall survive the termination or expiration of this Agreement.

h. Choice of Law and Venue. This Agreement shall be governed by, and construed in accordance with, the substantive laws of the State of Arizona without regard to the conflict of law provisions thereof. The state and federal courts located in Maricopa County, Arizona will have sole and exclusive jurisdiction over any disputes arising hereunder, and Licensee hereby expressly consents to the personal jurisdiction of and venue in such courts.

i. Alternative Dispute Resolution. In the event any dispute arises over the interpretation of this Agreement or any party's performance hereunder, the parties agree to first attempt to resolve such dispute in good faith through the use of a private mediator. The parties shall jointly select such mediator and shall be equally liable to share the costs of such mediator. The mediation shall take place as soon as reasonably practical, at such time and place as mutually agreed upon by the parties. Absent mutual agreement as to location, the place for the mediation shall be determined by the mediator and shall be within ten (10) miles of Iota's main offices at the time of the mediation.

j. No Third Party Beneficiaries. Nothing contained in this Agreement is intended to, or shall, confer upon any person other than the parties hereto any rights or remedies hereunder, except for Indemnitees, which shall be express third party beneficiaries of this Agreement.

k. Waiver. No waiver by either party of any breach of this Agreement will be a waiver of any other breach, whether preceding or succeeding the waived breach. No waiver by either party of any right under this Agreement will be construed as a waiver of any other right. Neither party will be required to give notice to enforce strict adherence to all terms of this Agreement.

l. Assignment. This Agreement may only be assigned subject to FCC approval. This Agreement may not be assigned, in whole or in part, by Licensee without Iota's prior written consent, which consent shall not be unreasonably withheld. Any purported assignment made without Iota's prior written consent will, at Iota's option, be void and of no effect. Iota shall have the right to assign this Agreement to its successors or assigns or to any of its subsidiaries or affiliated companies. The terms "successors" and "assigns" shall include but not be limited to any person, corporation, partnership or other entity that buys all or substantially all of Iota's assets or all of its membership shares, or with which Iota merges or consolidates.

m. Attorneys' Fees and Costs. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, and if Iota is the prevailing party in such action, then Iota shall be entitled to recover its reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which it may be entitled.

n. Force Majeure. Neither party shall be liable or deemed to be in default for a delay in or failure of performance of its obligations that results from any of the following causes beyond the reasonable control of such party: strikes, work stoppages, shortages of equipment, supplies or energy, war, terrorism, insurrection, acts of God or the public enemy, or governmental action (whether in its sovereign or contractual capacity). Any delay resulting from any such cause shall extend performance accordingly or excuse performance, in whole or in part, for such time as may

be reasonable; provided, however, that (i) such causes shall not excuse payment of any amounts due or owed at the time of such occurrence or thereafter, and (ii) the party asserting any such cause shall promptly commence and diligently pursue action to remedy its inability or failure to perform hereunder. Any party asserting this subsection shall promptly notify the other party of the occurrence and nature of any such cause and thereafter regularly shall inform the other party of the progress of actions to remedy its inability or failure to perform hereunder.

o. Limitation of Liability. THE PARTIES AGREE THAT IT IS IMPOSSIBLE TO DETERMINE WITH ANY REASONABLE ACCURACY THE AMOUNT OF DAMAGES TO LICENSEE UPON THE BREACH OF IOTA'S OBLIGATIONS UNDER THIS AGREEMENT. THEREFORE, THE PARTIES AGREE THAT LICENSEE'S SOLE REMEDY FOR MATERIAL BREACH OF IOTA'S OBLIGATIONS UNDER THIS AGREEMENT WILL BE LIQUIDATED DAMAGES IN THE AMOUNT OF THE CONTRACT PRICE PAID BY LICENSEE TO IOTA PLUS TEN DOLLARS (\$10.00). LICENSEE HEREBY WAIVES ALL OTHER CLAIMS FOR DAMAGES OF ANY KIND AGAINST IOTA, ITS MEMBERS, MANAGERS, SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AGENTS, REPRESENTATIVES OR AFFILIATES, INCLUDING, WITHOUT LIMITATION, ANY CLAIMS FOR ANY LOSS OF USE, INTERRUPTION OF BUSINESS OR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING, WITHOUT LIMITATION LOST PROFITS), INCLUDING ATTORNEYS' FEES, REGARDLESS OF THE FORM OF ACTION WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT PRODUCT LIABILITY OR OTHERWISE. LICENSEE AND IOTA AGREE THAT THE LIQUIDATED DAMAGES SET FORTH ABOVE ARE REASONABLE AND NOT A PENALTY BASED ON THE FACTS AND CIRCUMSTANCES OF THE PARTIES AT THE TIME OF ENTERING INTO THIS AGREEMENT WITH DUE REGARD TO FUTURE EXPECTATIONS.

Initial: _____

p. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which shall constitute one and the same instrument. This Agreement, once executed by a party, may be delivered to the other party by facsimile or electronic PDF transmission of a copy of this Agreement bearing the signature of the party.

[Signature Page Follows]

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

IOTA:

IOTA NETWORKS, LLC

By: _____
Name: Darren Nichols

LICENSEE:

IOTA SPECTRUM PARTNERS, LP

By: IOTA SPECTRUM HOLDINGS, LLC
Its: General Partner

By: _____
Name: Rob Somers
Its: General Manager

Schedule "A"

Licenses Covered By This Agreement

As of July 25, 2019

* Economic Area ("EA") markets and the number of MHz-Pops in this chart are determined based on the then-current U.S. census. If an Economic Area market is adjusted by a future U.S. census, no retroactive adjustments will be made to the number of MHz-Pops based on a previous U.S. census for purposes of calculating Revenue Pool share under this Agreement.

Licensee	Call Sign	BEA	MHz/POPs	Grant Date	Exp Date
Iota Spectrum Partners, LP	WQSF853	172 - Honolulu HI	136,030	9/16/2013	9/16/2023
Iota Spectrum Partners, LP	WQSH250	115 - Rapid City SD-MT-NE-ND	46,017	9/19/2013	9/19/2023
Iota Spectrum Partners, LP	WQTI690	172 - Honolulu HI	272,060	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI691	103 - Cedar Rapids IA	85,376	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI692	103 - Cedar Rapids IA	42,688	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI693	117 - Sioux City IA-NE-SD	63,002	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI695	106 - Rochester MN-IA-WI	51,257	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI696	106 - Rochester MN-IA-WI	85,428	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI697	105 - La Crosse WI-MN	38,606	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI699	105 - La Crosse WI-MN	64,344	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI700	110 - Grand Forks ND-MN	44,514	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI702	110 - Grand Forks ND-MN	55,643	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI704	120 - Grand Island NE	57,585	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI705	121 - North Platte NE-CO	12,318	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI706	121 - North Platte NE-CO	15,398	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI707	142 - Scottsbluff NE-WY	36,628	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI708	142 - Scottsbluff NE-WY	22,893	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI710	112 - Bismarck ND-MT-SD	37,392	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI711	113 - Fargo-Moorhead ND-MN	80,055	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI712	113 - Fargo-Moorhead ND-MN	100,069	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI713	114 - Aberdeen SD	15,908	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI716	115 - Rapid City SD-MT-NE-ND	46,017	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI717	115 - Rapid City SD-MT-NE-ND	46,017	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI718	115 - Rapid City SD-MT-NE-ND	57,522	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI719	116 - Sioux Falls SD-IA-MN-NE	139,662	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI721	116 - Sioux Falls SD-IA-MN-NE	391,053	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI722	171 - Anchorage AK	177,559	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI723	171 - Anchorage AK	177,559	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI724	171 - Anchorage AK	248,582	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI726	143 - Casper WY-ID-UT	163,729	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI727	172 - Honolulu HI	204,045	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI728	100 - Des Moines IA-IL-MO	263,253	2/11/2014	2/11/2024

Iota Spectrum Partners, LP	WQTI733	107 - Minneapolis- St Paul MN- WI-IA	1,468,617	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI734	141 - Denver-Boulder CO-KS-NE	1,405,561	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI735	141 - Denver-Boulder CO-KS-NE	468,520	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI736	152 - Salt Lake City-Ogden UT-ID	255,813	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI737	117 - Sioux City IA-NE-SD	25,201	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI738	120 - Grand Island NE	71,982	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI741	121 - North Platte NE-CO	24,637	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI742	112 - Bismarck ND-MT-SD	46,741	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTI743	107 - Minneapolis- St Paul MN- WI-IA	1,223,848	2/11/2014	2/11/2024
Iota Spectrum Partners, LP	WQTL806	114 - Aberdeen SD	15,908	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTL806	115 - Rapid City SD-MT-NE-ND	138,052	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTL806	116 - Sioux Falls SD-IA-MN-NE	55,865	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTL808	118 - Omaha NE-IA-MO	226,154	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTL808	119 - Lincoln NE	82,068	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTL808	120 - Grand Island NE	172,756	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTL808	121 - North Platte NE-CO	36,955	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTL808	142 - Scottsbluff NE-WY	54,943	2/28/2014	2/28/2024
Iota Spectrum Partners, LP	WQTN282	105 - La Crosse WI-MN	77,213	3/10/2014	3/10/2024
Iota Spectrum Partners, LP	WQTN282	106 - Rochester MN-IA-WI	136,684	3/10/2014	3/10/2024
Iota Spectrum Partners, LP	WQTP273	143 - Casper WY-ID-UT	280,678	3/17/2014	3/17/2024
Iota Spectrum Partners, LP	WQTV655	110 - Grand Forks ND-MN	66,771	4/22/2014	4/22/2024
Iota Spectrum Partners, LP	WQTV655	112 - Bismarck ND-MT-SD	93,481	4/22/2014	4/22/2024
Iota Spectrum Partners, LP	WQTV655	113 - Fargo-Moorhead ND-MN	240,164	4/22/2014	4/22/2024
Iota Spectrum Partners, LP	WQUA517	119 - Lincoln NE	102,585	5/20/2014	5/20/2024
Iota Spectrum Partners, LP	WQUA518	119 - Lincoln NE	287,237	5/20/2014	5/20/2024
Iota Spectrum Partners, LP	WQUW386	107 - Minneapolis- St Paul MN- WI-IA	244,770	10/30/2014	10/30/2024
Iota Spectrum Partners, LP	WQVN572	102 - Davenport-Moline-Rock Island IA-IL	167,981	4/7/2015	4/7/2025
Iota Spectrum Partners, LP	WQVN577	102 - Davenport-Moline-Rock Island IA-IL	55,994	4/7/2015	4/7/2025
Iota Spectrum Partners, LP	WQVP593	150 - Boise City ID-OR	145,799	4/8/2015	4/8/2025
Iota Spectrum Partners, LP	WQVP603	150 - Boise City ID-OR	145,799	4/8/2015	4/8/2025
Iota Spectrum Partners, LP	WQVP810	96 - St. Louis MO-IL	738,053	4/10/2015	4/10/2025
Iota Spectrum Partners, LP	WQVP820	98 - Columbia MO	162,540	4/10/2015	4/10/2025
Iota Spectrum Partners, LP	WQVP831	122 - Wichita KS-OK	302,505	4/10/2015	4/10/2025
Iota Spectrum Partners, LP	WQVP836	122 - Wichita KS-OK	484,007	4/10/2015	4/10/2025
Iota Spectrum Partners, LP	WQVP840	5 - Albany-Schenectady-Troy NY	244,508	4/10/2015	4/10/2025
Iota Spectrum Partners, LP	WQVP847	5 - Albany-Schenectady-Troy NY	550,144	4/10/2015	4/10/2025

Iota Spectrum Partners, LP	WQVP943	48 - Charleston WV-KY-OH	297,956	4/13/2015	4/13/2025
Iota Spectrum Partners, LP	WQVP969	48 - Charleston WV-KY-OH	595,911	4/13/2015	4/13/2025
Iota Spectrum Partners, LP	WQVP987	52 - Wheeling WV-OH	62,567	4/13/2015	4/13/2025
Iota Spectrum Partners, LP	WQVQ203	52 - Wheeling WV-OH	62,567	4/13/2015	4/13/2025
Iota Spectrum Partners, LP	WQVQ223	70 - Louisville KY-IN	623,111	4/13/2015	4/13/2025
Iota Spectrum Partners, LP	WQVQ240	49 - Cincinnati-Hamilton OH-KY-IN	347,268	4/13/2015	4/13/2025
Iota Spectrum Partners, LP	WQVQ243	49 - Cincinnati-Hamilton OH-KY-IN	347,268	4/13/2015	4/13/2025
Iota Spectrum Partners, LP	WQVQ411	47 - Lexington KY-TN-VA-WV	96,824	4/14/2015	4/14/2025
Iota Spectrum Partners, LP	WQVQ582	94 - Springfield MO	197,486	4/15/2015	4/15/2025
Iota Spectrum Partners, LP	WQVQ591	94 - Springfield MO	493,716	4/15/2015	4/15/2025
Iota Spectrum Partners, LP	WQVQ999	99 - Kansas City MO-KS	1,750,622	4/20/2015	4/20/2025
Iota Spectrum Partners, LP	WQVR230	123 - Topeka KS	47,632	4/20/2015	4/20/2025
Iota Spectrum Partners, LP	WQVR234	123 - Topeka KS	214,345	4/20/2015	4/20/2025
Iota Spectrum Partners, LP	WQVR411	144 - Billings MT-WY	180,816	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR416	144 - Billings MT-WY	135,612	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR418	144 - Billings MT-WY	113,010	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR442	145 - Great Falls MT	32,997	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR445	145 - Great Falls MT	41,246	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR454	146 - Missoula MT	179,108	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR463	146 - Missoula MT	111,943	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR472	148 - Idaho Falls ID-WY	73,011	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR481	148 - Idaho Falls ID-WY	91,264	4/21/2015	4/21/2025
Iota Spectrum Partners, LP	WQVR572	149 - Twin Falls ID	46,448	4/22/2015	4/22/2025
Iota Spectrum Partners, LP	WQVR598	149 - Twin Falls ID	46,448	4/22/2015	4/22/2025
Iota Spectrum Partners, LP	WQVS945	35 - Tallahassee FL-GA	200,411	5/4/2015	5/4/2025
Iota Spectrum Partners, LP	WQVT458	172 - Honolulu HI	340,075	5/6/2015	5/6/2025
Iota Spectrum Partners, LP	WQVU265	109 - Duluth-Superior MN-WI	70,836	5/8/2015	5/8/2025
Iota Spectrum Partners, LP	WQVU272	109 - Duluth-Superior MN-WI	88,546	5/8/2015	5/8/2025
Iota Spectrum Partners, LP	WQVV235	25 - Wilmington NC-SC	896,729	5/18/2015	5/18/2025
Iota Spectrum Partners, LP	WQVV236	20 - Norfolk-Virginia Beach-Newport News VA-NC	1,009,729	5/18/2015	5/18/2025
Iota Spectrum Partners, LP	WQVV421	93 - Joplin MO-KS-OK	56,101	5/19/2015	5/19/2025
Iota Spectrum Partners, LP	WQVV440	71 - Nashville TN-KY	428,444	5/19/2015	5/19/2025
Iota Spectrum Partners, LP	WQVV482	202 - Palm Beach FL	1,351,153	5/19/2015	5/19/2025
Iota Spectrum Partners, LP	WQVV655	77 - Jackson MS-AL-LA	148,481	5/20/2015	5/20/2025
Iota Spectrum Partners, LP	WQVW368	47 - Lexington KY-TN-VA-WV	871,419	5/27/2015	5/27/2025
Iota Spectrum Partners, LP	WQVW541	94 - Springfield MO	246,858	5/29/2015	5/29/2025
Iota Spectrum Partners, LP	WQVW729	93 - Joplin MO-KS-OK	56,101	6/1/2015	6/1/2025
Iota Spectrum Partners, LP	WQVW746	72 - Paducah KY-IL	57,731	6/1/2015	6/1/2025
Iota Spectrum Partners, LP	WQVW754	72 - Paducah KY-IL	46,185	6/1/2015	6/1/2025
Iota Spectrum Partners, LP	WQVX801	96 - St. Louis MO-IL	2,398,671	6/10/2015	6/10/2025

Iota Spectrum Partners, LP	WQVY406	29 - Jacksonville FL-GA	110,851	6/15/2015	6/15/2025
Iota Spectrum Partners, LP	WQVZ237	44 - Knoxville TN	55,306	6/19/2015	6/19/2025
Iota Spectrum Partners, LP	WQWE308	228 - Mason City IA	351,004	7/29/2015	7/29/2025
Iota Spectrum Partners, LP	WQWG907	6 - Syracuse NY-PA (249 - Utica, NY)	768,920	8/19/2015	8/19/2025
Iota Spectrum Partners, LP	WQXQ539	52 - Wheeling WV-OH	109,493	5/10/2016	5/10/2026
Iota Spectrum Partners, LP	WQXQ588	114 - Aberdeen SD	31,816	5/10/2016	5/10/2026
Iota Spectrum Partners, LP	WQXQ589	117 - Sioux City IA-NE-SD	37,801	5/10/2016	5/10/2026
Iota Spectrum Partners, LP	WQXQ590	120 - Grand Island NE	71,982	5/10/2016	5/10/2026
Iota Spectrum Partners, LP	WQXQ591	142 - Scottsbluff NE-WY	18,314	5/10/2016	5/10/2026
Iota Spectrum Partners, LP	WQXQ838	149 - Twin Falls ID	37,158	5/17/2016	5/17/2026
Iota Spectrum Partners, LP	WQXU859	75 - Tupelo	285,197	6/15/2016	6/15/2026
Iota Spectrum Partners, LP	WQXW568	40 - Atlanta	334,530	6/28/2016	6/28/2026
Iota Spectrum Partners, LP	WQYC286	208 - Myrtle Beach SC	18,126	8/15/2016	8/15/2026
Iota Spectrum Partners, LP	WQYJ378	107 - Minneapolis - St Paul MN-WI-IA	4,895,391	10/17/2016	10/17/2026
Iota Spectrum Partners, LP	WRAS326	125 - Oklahoma City OK	376,417	2/13/2018	2/13/2028
Iota Spectrum Partners, LP	WRAS343	164 - Sacramento-Yolo CA	2,722,415	2/13/2018	2/13/2028
Iota Spectrum Partners, LP	WRAS362	32 - Fort Myers-Cape Coral FL	470,137	2/13/2018	2/13/2028
Iota Spectrum Partners, LP	WRAS368	30 - Orlando FL	228,127	2/13/2018	2/13/2028
Iota Spectrum Partners, LP	WRAS376	163 - San Fran.-Oakland-San Jose CA	1,877,420	2/13/2018	2/13/2028
Iota Spectrum Partners, LP	WRAS380	41 - Greenville-Spartanburg SC-NC	208,922	2/13/2018	2/13/2028
Iota Spectrum Partners, LP	WRAS433	122 - Wichita KS-OK	605,009	2/14/2018	2/14/2028
Iota Spectrum Partners, LP	WRAS435	124 - Tulsa OK-KS	443,450	2/14/2018	2/14/2028
Iota Spectrum Partners, LP	WRAS436	80 - Mobile	72,496	2/14/2018	2/14/2028
Iota Spectrum Partners, LP	WRAS437	21 - Greenville	465,403	2/14/2018	2/14/2028
Iota Spectrum Partners, LP	WRAS466	81 - Pensacola	34,243	2/14/2018	2/14/2028
Iota Spectrum Partners, LP	WRAT503	151 - Reno, NV	275,275	2/26/2018	2/26/2028
Iota Spectrum Partners, LP	WRAT920	86 - Lake Charles, LA	250,127	3/1/2018	3/1/2028
Iota Spectrum Partners, LP	WRAT921	22 - Fayetteville	285,949	3/1/2018	3/1/2028
Iota Spectrum Partners, LP	WRAX240	33 - Sarasota-Bradenton FL	224,280	3/30/2018	3/30/2028
Iota Spectrum Partners, LP	WRAX309	36 - Dothan	71,679	4/2/2018	4/2/2028
Iota Spectrum Partners, LP	WRAX384	74 - Huntsville AL-TN	110,541	4/3/2018	4/3/2028
Iota Spectrum Partners, LP	WRCR756	124 - Tulsa OK-KS	812,991	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR757	70 - Louisville KY-IN	155,778	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR760	20 - Norfolk-Virginia Beach-Newport News VA-NC	183,587	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR762	125 - Oklahoma City OK	282,313	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR765	47 - Lexington KY-TN-VA-WV	290,473	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR768	73 - Memphis TN-AR-MS-KY	200,122	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR774	29 - Jacksonville FL-GA	997,656	12/17/2018	12/17/2028

Iota Spectrum Partners, LP	WRCR777	19 - Raleigh	923,019	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR780	202 - Palm Beach FL	122,832	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR788	107 - Minneapolis- St Paul MN- WI-IA	244,770	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR802	127 - Dallas-Fort Worth TX-AR-OK	5,884,703	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR806	10 - NYC	1,333,167	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR810	203 - Tyler TX	355,868	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR811	165 - Redding	180,826	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR812	95 - Jonesboro	77,828	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR813	92 - Fayetteville	263,687	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR815	91 - Fort Smith	178,051	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR818	89 - Monroe LA	84,604	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR819	88 - Shreveport	295,880	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR821	76 - Greenville	53,718	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR825	45 - Johnson City	91,395	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR830	32 - Fort Myers	47,014	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR971	25 - Wilmington	210,995	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR972	71 - Nashville	856,889	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR973	22 - Fayetteville	28,595	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRCR974	14 - Salisbury	104,839	12/17/2018	12/17/2028
Iota Spectrum Partners, LP	WRC8400	94 - Springfield MO	789,945	12/20/2018	12/20/2028
Iota Spectrum Partners, LP	WRC8401	69 - Evansville	878,433	12/20/2018	12/20/2028
Iota Spectrum Partners, LP	WRC8405	26 - Charleston	597,974	12/20/2018	12/20/2028
Iota Spectrum Partners, LP	WRC8411	17 - Roanoke	882,328	12/20/2018	12/20/2028
Iota Spectrum Partners, LP	WRC8415	44 - Knoxville	387,142	12/20/2018	12/20/2028
Iota Spectrum Partners, LP	WRC8920	15 - Richmond-Petersburg VA	1,301,238	1/30/2019	1/30/2029
Iota Spectrum Partners, LP	WRCU482	166 - Eugene	644,489	2/1/2019	2/1/2029
Iota Spectrum Partners, LP	WRCU993	38 - Macon, GA	168,886	2/5/2019	2/5/2029
Iota Spectrum Partners, LP	WRCU997	37 - Albany, GA	99,241	2/5/2019	2/5/2029
Iota Spectrum Partners, LP	WRCV206	36 - Dothan	71,679	2/5/2019	2/5/2029
Iota Spectrum Partners, LP	WRCV210	35 - Tallahassee FL-GA	320,657	2/5/2019	2/5/2029
Iota Spectrum Partners, LP	WRCV212	28 - Savannah GA-SC	79,606	2/5/2019	2/5/2029
Iota Spectrum Partners, LP	WRCV601	27 - Augusta-Aiken, GA-SC	131,736	2/7/2019	2/7/2029
Iota Spectrum Partners, LP	WRCV625	74 - Huntsville AL-TN	165,811	2/7/2019	2/7/2029
Iota Spectrum Partners, LP	WRCV636	43 - Chattanooga, TN-GA	159,431	2/7/2019	2/7/2029
Iota Spectrum Partners, LP	WRCV638	39 - Columbus, GA-AL	106,502	2/7/2019	2/7/2029
Iota Spectrum Partners, LP	WRCV641	82 - Biloxi MS	61,660	2/7/2019	2/7/2029
Iota Spectrum Partners, LP	WRCY538	151 - Reno	747,176	2/26/2019	2/26/2029
Iota Spectrum Partners, LP	WRDG220	1 - Bangor, ME	135,942	4/22/2019	4/22/2029

Schedule "B"

Revenue Pool – Pursuant to Section 8

Licensee's share of the Revenue Pool equals:

Total MHz/Pops covered by the Licenses*

Divided into

Total MHz/Pops covered by all non-Iota licenses employed in the Network**

Equals

Percentage share of Network revenues as defined in Section 8

Times

10% of Network revenues as defined in Section 8

Equals

Payment

* See Limited Partner MHz/Pops listed in Schedule "A" hereto.

** This number changes as frequencies are added to or removed from the Network. Accordingly, Licensee's allocable percentage of the Revenue Pool will fluctuate from time to time. Licenses contributed to Licensee by Iota Communications, Inc. through its subsidiary, Iota Spectrum Holdings, LLC, are not included in any Revenue Pool calculations.

Exhibit E

Subscription Agreement

(Attached)

SUBSCRIPTION AGREEMENT

IOTA SPECTRUM PARTNERS, LP
2111 E. Highland Avenue, Suite 305
Phoenix, Arizona 85016
Attn: Legal Department

5th day of November, 2019

Ladies and Gentlemen:

1. **Subscription.**

(a) On the basis of the representations and warranties, and subject to the terms and conditions set forth in this Subscription Agreement (the "Subscription Agreement"), the undersigned (the "Investor") hereby irrevocably subscribes for the partnership interests (the "Interests") of IOTA SPECTRUM PARTNERS, LP, an Arizona limited partnership (the "Partnership"), in the amount of LP Units set forth on the signature page hereto in exchange for the Investor's Contribution (as defined in that certain Amended and Restated Limited Partnership Agreement of the Partnership, as in effect at the time of the Closing referred to in Section 2 below (the "Partnership Agreement"), by and among IOTA SPECTRUM HOLDINGS, LLC, an Arizona limited liability company, as the General Partner of the Partnership (the "General Partner") and the Limited Partners party thereto) in the dollar amount set forth on the signature page hereto. Contemporaneously with the execution and delivery hereof, the Investor is executing and delivering to the Partnership a counterpart signature page to the Partnership Agreement. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Partnership Agreement. The Investor acknowledges receipt of the agreed form of Partnership Agreement as attached to the Private Placement Memorandum (as defined below) and hereby accepts, adopts and agrees to adhere to and be bound by each and every provision thereof.

(b) The Investor acknowledges that this Subscription Agreement will become effective upon each party signing and delivering this Subscription Agreement (including all completed forms attached hereto) to the other party. The General Partner reserves the right to reject the Investor's subscription, in whole or in part, for whatever reason in its sole discretion. The Investor hereby (i) accepts the LP Units set forth on the signature page hereto and (ii) agrees to comply with, and be bound as a Limited Partner by and under, all provisions of the Partnership Agreement. Upon the Closing (as defined below), the Investor's Contribution shall become part of the assets of the Partnership and, from and after the Closing Date, shall be held by the Partnership pursuant to and in accordance with the terms of the Partnership Agreement.

2. **Closing; Payment.**

(a) The completion of the purchase and sale of the Interests to the Investor subscribed for hereunder and the issuance of the LP Units subscribed for pursuant to this Subscription Agreement (the "Closing") shall take place at such time and on such date or dates as determined by the General Partner (the "Closing Date") at the principal administrative offices of the Partnership. By mutual agreement of the General Partner and the Investor, the Closing

may take place by conference call, telecopy or electronic mail/PDF with the exchange of original signatures, as requested, by overnight mail. To the extent permitted by law and GAAP, for all purposes under the Partnership Agreement, the Closing and the admission of the Investor as a Limited Partner shall be deemed to be effective as of 12:01 a.m. (Arizona time) on the Closing Date. The Investor acknowledges and agrees that the Investor's executed counterpart signature page to the Partnership Agreement will become effective on the Closing Date.

(b) The Investor agrees to deliver its Contribution on the Closing Date, by wire transfer of U.S. Dollars in immediately available funds pursuant to the instructions provided by the General Partner. The Partnership's receipt of the Contribution is a material condition to Closing.

3. *Future Offerings.*

(a) In the event that, (i) at any time following the Initial Offering Period and prior to the second anniversary of the Effective Date, the Partnership offers LP Units for sale to prospective investors to make cash Contributions (each, a "Cash Investor"), and (ii) the Investor has acquired LP Units in accordance with the terms hereof, the Partnership shall notify the Investor of the commencement of such future offering in the same manner as other prospective Cash Investors, and the Investor shall have the right to purchase in such future offering up to an additional number of LP Units equal to the number of LP Units purchased by the Investor during the Initial Offering Period, and still held by the Investor on the date of such future purchase, at a price equal to the lesser of (x) the price generally offered to prospective Cash Investors in such future offering and (y) \$0.30 per LP Unit.

(b) The right of the Investor to purchase additional LP Units described in the foregoing paragraph will be subject to availability (as determined by reference to the offering size and the order in which completed subscription packages (including payment of the applicable subscription price) are received by the Partnership). Additionally, the Investor will be required to invest on the same terms (other than the applicable subscription price) as other Cash Investors in such future offering, including, but not limited to, entering into any applicable transaction agreements and meeting applicable investor suitability requirements.

4. *Representations and Warranties of the Investor.* The Investor hereby represents and warrants to the Partnership and the General Partner that the following statements are true and correct as of the date and hereof and will be true and correct as of the Closing Date (except in each case to the extent that any such statement expressly specifies another date, in which case such statement shall be true and correct only on such date):

(a) Independent Review; Disclosure of Information. The Investor has been furnished and has carefully read the Partnership Agreement and the private offering memorandum dated July 31, 2019 (the "Private Placement Memorandum"). The Investor 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 Interests, is able to bear the risks of an investment in the Interests and understands the risks of, and other considerations relating to, a purchase of an Interest.

(b) Investment Purpose. The Interests to be acquired hereunder are being acquired by the Investor for the Investor's own account for investment purposes only and not with

a view to resale or distribution.

(c) Unregistered Securities. The Investor understands that the Interests have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or any other federal or state securities laws, nor is such registration contemplated. The Investor understands and agrees further that the Interests must be held indefinitely unless they are subsequently registered under the Securities Act and/or other federal or state securities laws or an exemption from registration under the Securities Act and/or such securities laws covering the sale of Interests is available. The Investor further understands that even if such an exemption to registration is available, the assignability and transferability of the Interests may be restricted by the terms of the Partnership Agreement. The Investor's investment in the Partnership and other investments that are not readily marketable are not disproportionate to the Investor's net worth, and the Investor has no need for immediate liquidity in the Investor's investment in the Interests.

(d) Additional Information. To the full satisfaction of the Investor, the Investor has been furnished any materials the Investor has requested relating to the Partnership or the offering of Interests and has been afforded the opportunity to ask questions of representatives of the Partnership concerning the terms and conditions of the offering and to obtain any additional information necessary to verify the accuracy of any representations or information set forth in such materials. The Investor acknowledges that no federal or state agency has passed upon the merits or risks of an investment in the Interests or made any finding or determination concerning the fairness or advisability of such investment. The Investor acknowledges that information and explanations related to the terms and conditions of the Interests provided herein or otherwise by the Partnership, the General Partner, Iota Communications, Inc., a Delaware corporation ("ICT"), Iota Networks, LLC, an Arizona limited liability company ("Iota Networks") or the Partnership's representatives or agents (each of the Partnership and each of the foregoing persons, a "Related Person") are not and will not be considered investment advice or a recommendation to purchase the Interests, and that none of the Related Persons is acting or has acted as an advisor to the Investor in deciding to invest in the Interests. The Investor acknowledges that none of the Related Persons has made any representation or warranty regarding the proper characterization of the Interests for purposes of determining the Investor's authority to invest in the Interests. The Investor acknowledges that none of the Related Persons has (i) given any guarantee, representation, or warranty as to the potential success, return, effect, or benefit (whether legal, regulatory, tax, financial, accounting, or otherwise) of an investment in the Interests or (ii) made any representation or warranty to the Investor regarding the legality of an investment in the Interests under applicable securities or similar laws or regulations.

(e) Investor's Reliance. Other than as set forth in the Partnership Agreement and the Private Placement Memorandum, the Investor is not relying upon any information (including, without limitation, any advertisement, article, notice or other communication published in any newspaper, magazine, website or similar media or broadcast over television or radio, and any seminars or meetings whose attendees have been invited by any general solicitation or advertising), representation or warranty by any Related Person or their respective Affiliates, written or otherwise, in determining to invest in the Partnership. The Investor has consulted to the extent deemed appropriate by the Investor with the Investor's own advisers as to the financial, tax, legal and related matters concerning an investment in the Interests, and on that basis

understands the financial, tax, legal, accounting, regulatory and related consequences of an investment in the Interests, and believes that an investment in the Interests is suitable and appropriate for the Investor.

(f) Authorization. The Investor has all requisite power and authority or legal capacity, as applicable, to enter into this Subscription Agreement, the Partnership Agreement and each other document required to be executed and delivered by the Investor in connection with this subscription for the Interests and to perform its obligations hereunder and thereunder and consummate the transactions contemplated hereby and thereby.

(g) Enforceability; Consents; No Conflict. If the Investor is not an individual, this Subscription Agreement, the purchase by the Investor of the Interests made in connection herewith, and the Partnership Agreement has been duly authorized by the board of directors or similar governing body of the Investor (as applicable). Each of this Subscription Agreement (when executed and delivered by the Partnership) and the Partnership Agreement (when executed by each other party thereto), (i) shall constitute a valid and legally binding obligation of the Investor, enforceable against the Investor in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies and (ii) shall not violate, represent a breach of, or constitute a default under, any instrument governing the Investor, any law, regulation or order, or any agreement to which the Investor is a party or by which the Investor is bound.

(h) Investor Questionnaire. The Investor is the type of Person (individual, corporation, limited liability company, etc.) set forth under its name in the Investor Questionnaire attached hereto as Exhibit A (the "Investor Questionnaire"). The Investor was offered the Interests through private negotiations in the State listed in the Investor's permanent address set forth in the Investor Questionnaire.

(i) Accredited Investor Status. The Investor is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D of the Securities Act. One or more of the categories set forth in the Accredited Investor Representation on Exhibit A correctly describe the Investor, and the Investor has so indicated by signing or having its authorized representative sign on the blank line following each and every category that so describes it.

(j) Limited Partners; Restrictions on Transfer. The Investor understands that the rights and obligations as a Limited Partner of the Partnership and as a holder of Interests are set forth in and subject to the terms of this Subscription Agreement, the Investor Questionnaire, and the Partnership Agreement, and further that any transfer of any of the Interests must be made in accordance with the restrictions set forth in the Partnership Agreement.

(k) IRS Forms. The information (i) contained within the Investor Questionnaire, and (ii) IRS Form W-9 (if the Investor is a United States person as defined in Section 7701(a)(30) of the Code), the applicable IRS Form W-8 (e.g., W-8BEN, W-8ECI, etc.) (if the Investor is not a United States person as defined in Section 7701(a)(30) of the Code), or such other applicable form attached hereto as Exhibit B, is correct. The Investor will execute properly

and provide to the Partnership in a timely manner any tax documentation that may be reasonably required by the General Partner in connection with the Partnership.

(l) Investor Status; Investment Purpose. The Investor (i) is not acquiring the Interests as a nominee or agent or otherwise for any other person, (ii) has not acquired any of the Interests with an intent to market such Interests on or through an "established securities market" within the meaning of Section 7704(b)(1) of the Code or a "secondary market (or the substantial equivalent thereof)" within the meaning of Section 7704(b)(2) of the Code, including, without limitation, an over-the-counter-market or an interdealer quotation system that regularly disseminates firm buy or sell quotations, and (iii) either (A) is not, and will not become, a partnership, Subchapter S corporation or grantor trust for federal tax purposes or (B) is such an entity, but neither the Investor nor any of the direct or indirect beneficial owners of the Investor have allowed or caused, or will allow or cause, forty percent (40%) or more of the value of the beneficial owners' respective ownership interests in the Investor to be attributed to the person's ownership of the Interests.

(m) Litigation. There is no action, suit, claim, proceeding, arbitration or governmental investigation pending or, to the Investor's knowledge, threatened, against or affecting it, at law or in equity, which, if adversely determined, would call into question the validity of, or prevent the consummation of, the transactions contemplated hereby.

(n) Brokers and Finders. The Investor has not, directly or indirectly, dealt with any person acting in the capacity of a finder or broker, and has not incurred any obligation for any finder's or broker's fee or commission, in connection with the transactions contemplated hereby.

5. Representations and Warranties of the General Partner. The General Partner hereby represents and warrants to the Investor that the following statements are true and correct as of the date hereof and will be true and correct as of the Closing Date (except in each case to the extent that any such statement expressly relates to another date, in which case such statement shall be true and correct only as of such date):

(a) Organization; Qualification. The Partnership is a duly constituted and validly existing limited partnership under the laws of the State of Arizona, and the General Partner is a duly constituted and validly existing limited liability company under the laws of Arizona. Each of the Partnership and General Partner has all requisite power and authority to carry on its business as presently conducted. Each of the Partnership and General Partner is duly qualified to transact business and is in good standing in each jurisdiction in which the failure to so qualify would have a material adverse effect on its respective business, assets, operations or financial condition.

(b) Authorization; No Conflicts. This Subscription Agreement, and the sale of the Interests made in connection herewith, have been duly authorized by all requisite action on the part of the Partnership and the General Partner. This Subscription Agreement when executed and delivered by the Partnership and the General Partner, (i) shall constitute a valid and legally binding obligation of the Partnership and the General Partner, enforceable against each in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other laws of general application affecting enforcement

of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies, and (ii) shall not violate, or result in a breach of or a default under, any instrument governing the Partnership or the General Partner, any law, regulation or order, or any agreement to which the Partnership or the General Partner is a party or by which the Partnership or the General Partner is bound.

(c) Litigation. There is no action, suit, claim, proceeding, arbitration or governmental investigation pending or, to the General Partner's knowledge, threatened, against or affecting it or the Partnership, at law or in equity, which, if adversely determined, would call into question the validity of, or prevent the consummation of, the Transactions.

6. **Risk Factors**. Without limiting the generality of Section 4(a) above: (a) the Investor acknowledges that an investment in the Partnership involves a high degree of risk and that there can be no assurance that the Partnership's investment objectives will be achieved, or that a Partner will receive a return of its investment; and (b) the Investor acknowledges that it has reviewed and understands the disclosures set forth in the Private Placement Memorandum under the caption "Risk Factors" and understands and acknowledges that there are substantial risks incident to an investment in the Interests.

7. **Compliance with Laws**.

(a) Compliance with Law. The Investor shall comply with all applicable laws and regulations in effect in the jurisdiction in which the Investor purchases the Interests and the Investor represents and warrants to the Partnership that the Investor has obtained any consent, approval, or permission required for such purchase from all applicable third parties and governmental entities and under the laws and regulations of any jurisdiction to which the Investor or the purchase of the Interests is subject.

(b) Investor's Compliance. The Investor acknowledges that the Partnership will have no responsibility with respect to the Investor's compliance with, and procurement of any consent, approval, or permission required under, all applicable laws and regulations of any jurisdiction to which the Investor or the purchase of the Interests is subject.

8. **Further Assurances**. The parties shall use commercially reasonable efforts to take any further actions required to consummate the transactions contemplated by this Subscription Agreement and the Partnership Agreement. At any time and from time to time, upon the written request of the General Partner, the Investor shall promptly and duly execute and deliver, or cause to be duly executed and delivered on its behalf, such further instruments and documents, and take such further action, as the General Partner may reasonably request in order to more fully evidence or give effect to the transactions contemplated hereby.

9. **Indemnification**.

(a) Indemnification by the Investor. The Investor understands that the information provided herein (including the Investor Questionnaire) has been relied upon by the Partnership and the General Partner for the purpose of determining the eligibility of the Investor to purchase the Interests. To the fullest extent permitted by law, the Investor hereby agrees to

indemnify and hold harmless each of the Partnership, the General Partner, ICI and each of their respective officers, directors, employees or Affiliates (each, a "Covered Person") from and against any loss, damage, liability, cost or expense arising out of or relating to a breach by the Investor of any of its representations, warranties, covenants or agreements set forth in this Subscription Agreement (including the forms attached hereto).

(b) Remedies Cumulative. The remedies provided in this Section 9 shall be cumulative and shall not preclude the assertion by any party of any other rights, or the seeking by such party of any other remedies, available to it (whether at law, in equity or otherwise).

10. Termination. This Subscription Agreement may be terminated at any time prior to the Closing:

(a) by the mutual written consent of the General Partner and the Investor; or

(b) by the General Partner if (i) the Closing shall not have occurred in a reasonably timely manner following the full execution of this Agreement, unless such failure to close shall be due to the failure of the Partnership or the General Partner to perform or comply with any of their respective covenants, agreements or conditions hereunder prior to the Closing Date or (ii) if there shall be any law or action by a governmental authority (including the FCC) that makes consummation of the Closing illegal or otherwise prohibited.

11. Miscellaneous.

(a) Additional Documents. At any time and from time to time, upon the written request of the General Partner, the Investor shall promptly and duly execute and deliver, or cause to be duly executed and delivered on its behalf, such further instruments and documents, and take such further action, as the Partnership may reasonably request in order to more fully evidence or give effect to the transactions contemplated hereunder.

(b) Notices. All notices, consents, waivers and other communications hereunder shall be in writing and shall be deemed to have been duly given and received (a) when delivered in person or by e-mail on the date of such delivery, (b) when received by facsimile transmission, on generation of confirmation, or (c) three (3) Business Days after the date of postmark if sent by certified or registered mail (airmail, if overseas) or the equivalent, return receipt requested, addressed in each case as follows:

- (i) **to the Investor:** the address set forth in the Investor Questionnaire; and
- (ii) **to the Partnership or the General Partner:** the address first written above;

with a copy to:

Reed Smith LLP
599 Lexington Avenue

or, in each case, to such other address as any such party may from time to time designate by written notice to the other party.

(c) Assignment. Neither this Subscription Agreement nor any of the rights, interests or obligations under this Subscription Agreement shall be assigned by any party without the prior written consent of the Investor and the General Partner. Any purported assignment made without the consent required by the preceding sentence shall be null and void for all purposes. This Subscription Agreement shall be binding upon, and inure to the benefit of, and may be enforced by, each party and its successors and permitted assigns.

(d) Binding Effect. This Subscription Agreement shall be binding upon, and inure to the benefit of each party and its estate, executor, administrator, guardian, conservator, other authorized representatives, successors and permitted assigns.

(e) No Third Party Beneficiaries. Nothing contained in this Subscription Agreement is intended to, or shall, confer upon any person other than the parties hereto any rights or remedies hereunder, except for the Covered Persons, which shall be express third party beneficiaries of this Subscription Agreement.

(f) Entire Agreement. This Subscription Agreement, the Partnership Agreement, and all documents delivered in connection herewith and therewith, (i) are a final, complete, and exclusive statement of the agreement and understanding of the parties hereto with respect to the subject matter hereof, (ii) collectively constitute the entire agreement of the parties hereto with respect to the subject matter hereof, and (iii) supersede, merge, and integrate herein any prior and contemporaneous negotiations, discussions, representations, understandings, and agreements between the parties hereto, whether oral or written, with respect to the subject matter hereof.

(g) Integration. The Investor Questionnaire, including without limitation the representations and warranties contained therein, is an integral part of this Subscription Agreement and shall be deemed incorporated by reference herein.

(h) Survival. The representations and warranties made by the parties in this Subscription Agreement, shall survive the closing of the transactions contemplated hereby.

(i) Amendments; Supplements. This Subscription Agreement may be amended or supplemented only by a writing signed by each of the parties hereto specifically referring to this Subscription Agreement. No provision of this Subscription Agreement, nor performance thereof or compliance therewith, may be waived except by a writing signed by the party charged with giving such waiver.

(j) Invalid Provisions. If any portion or provision hereof is to any extent determined to be illegal, invalid, or unenforceable by a court of competent jurisdiction, then the remainder hereof, and the application of such portion or provision in circumstances other than those as to which it is so determined to be illegal, invalid, or unenforceable, will not be affected

thereby, and each portion and provision hereof will be valid and enforceable to the fullest extent permitted by law.

(k) Costs and Expenses. Each party shall bear its own costs and expenses in connection with this Subscription Agreement and the transactions contemplated hereby, including without limitation all legal, accounting, financial advisory and consulting fees and expenses.

(l) Headings and Captions. The headings and captions in this Subscription Agreement are for reference purposes only and shall not affect the construction or interpretation of any provision of this Subscription Agreement.

(m) Currency. All payments required to be made pursuant to this Subscription Agreement shall be made in U.S. Dollars.

(n) Governing Law. Notwithstanding the place where this Subscription Agreement may be executed by any of the parties hereto, each of the parties expressly agrees that this Subscription Agreement shall be governed by and construed in accordance with the laws of the State of Arizona without regard to its conflict of laws principles.

(o) Consent to Jurisdiction and Service of Process. Each of the parties consents to the jurisdiction of any state or federal court located within the County of Maricopa, State of Arizona, and irrevocably agrees that all actions or proceedings relating to this Subscription Agreement may be litigated in such courts. Each of the parties accepts for itself and in connection with its respective properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts and waives any defense of *forum non conveniens*, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this agreement. Each of the parties further irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to it at the address specified in this agreement, such service to become effective fifteen (15) days after such mailing. Nothing herein shall in any way be deemed to limit the ability of any party to serve any such legal process in any other manner permitted by applicable law.

(p) Independent Review. Each party hereto acknowledges that such party has had an adequate opportunity to consult with and to engage such party's own legal counsel in connection with the drafting, negotiation, execution, and delivery hereof and the transactions contemplated hereby. The Investor acknowledges that the Investor has had an opportunity to seek out advice from the Investor's own advisors with respect to this Subscription Agreement, any related agreements, and any transactions contemplated hereby or thereby and that neither the Partnership nor the Partnership's legal or other advisors are providing advice to the Investor with respect to such matters (including with respect to tax and accounting matters).

(q) Attorneys' Fees. In the event that any suit or action is instituted under or in relation to this Subscription Agreement, including without limitation to enforce any provision in this Subscription Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party

under or with respect to this Subscription Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

(r) Counterparts. This Subscription Agreement may be executed in one or more counterparts, all of which together shall constitute one and the same instrument. Delivery by facsimile or electronic mail of an executed counterpart of this Subscription Agreement shall have the same effect as delivery of a manually executed counterpart hereof.

(s) Unregistered Securities; LP Units. THE LP UNITS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR ANY STATE OR OTHER SECURITIES LAWS, AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND ALL OTHER APPLICABLE SECURITIES LAWS PURSUANT TO REGISTRATION OR AN EXEMPTION THEREFROM. IN ADDITION, THE LP UNITS MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, REDEEMED OR HYPOTHECATED, IN WHOLE OR IN PART, EXCEPT AS PROVIDED IN THE PARTNERSHIP AGREEMENT. THERE IS NO OBLIGATION ON THE PART OF THE PARTNERSHIP OR ANY OTHER PERSON TO REGISTER THE LP UNITS UNDER THE SECURITIES ACT OR ANY OTHER SECURITIES LAWS. ACCORDINGLY, (A) THE LP UNITS (AND THE PARTNERSHIP INTERESTS CREATED THEREBY) MUST BE ACQUIRED FOR INVESTMENT ONLY, AS THEY WILL BE SUBJECT TO SIGNIFICANT RESTRICTIONS ON TRANSFERABILITY, AND (B) THE HOLDERS OF SUCH PARTNERSHIP INTERESTS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE RISKS OF THEIR RESPECTIVE INVESTMENTS IN SUCH INTERESTS FOR AN INDEFINITE PERIOD OF TIME.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned parties have executed this Subscription Agreement on the date first set forth above.

INVESTOR:

Amount of cash Contribution: \$ _____
LP Units: _____
Price per LP Unit: \$0.30

ENTITIES:

Dated: _____

(Print Name of Entity)

By: _____
(Signature of Authorized Person)

(Print Name of Authorized Person)

(Title of Authorized Person)

INDIVIDUALS:

Dated: _____

(Signature of Individual)

(Print Name of Individual)

(Signature of Spouse or Joint Tenant, If Applicable)*

(Print Name of Spouse or Joint Tenant, If Applicable)

Note: If two investors are signing, please check the manner in which the ownership is to be legally held (the indicated manner shall be construed as if written out in full in accordance with applicable laws or regulations):

___ JT TEN: As joint tenants with right of survivorship and not as tenants in common.

___ TEN COM: As tenants in common.

___ TEN ENT: As tenants by the entireties.

*If the Investor is an individual with a spouse, and the Investor or the spouse of the Investor resides in a Community Property State,¹ the spouse of the Investor is required to sign a Consent of Spouse

¹ The following states are Community Property States: Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington and Wisconsin.

[Signature Page to Subscription Agreement]

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(the form of which is attached on the next page) to be appended to these signature pages, affirming that any community property interest in the Interests is fully bound by this Agreement.

PARTNERSHIP:

IOTA SPECTRUM PARTNERS, LP

By: IOTA SPECTRUM HOLDINGS, LLC, its
General Partner

By: _____
Name:
Title:

[Signature Page to Subscription Agreement]

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CONSENT OF SPOUSE

The provisions of this Subscription Agreement shall apply to and shall be legally binding and enforceable against the community property interest of [Mr.]/[Mrs.] _____ [Spouse's Last Name] _____ in (a) any and all rights of [Name of Investor] _____ under or in respect of this Subscription Agreement (the "Contract Rights"), and (b) any and all rights of [Name of Investor] _____ in the Interests subscribed for and acquired hereunder (the "Acquired Interests"). [Mr.]/[Mrs.] _____ [Spouse's Last Name] _____ is fully aware of, understands, and fully consents and agrees to the provisions of this Subscription Agreement and its binding effect upon [Mr.]/[Mrs.] _____ [Spouse's Last Name] _____ and any community and/or separate property interest [Mr.]/[Mrs.] _____ [Spouse's Last Name] _____ may now or hereafter own in the Contract Rights and the Acquired Interests. [Mr.]/[Mrs.] _____ [Spouse's Last Name] _____ agrees that the termination of [Mr.]/[Mrs.] _____ [Spouse's Last Name]'s _____ marital relationship with [Name of Investor] _____ for any reason (including death, divorce, or otherwise) shall not have the effect of removing any Contract Rights or Acquired Interests otherwise subject to this Subscription Agreement from the Subscription Agreement's coverage. [Mr.]/[Mrs.] _____ [Spouse's Last Name]'s _____ awareness and understanding of, and consent and agreement to, this paragraph are evidenced by [Mr.]/[Mrs.] _____ [Spouse's Last Name]'s _____ signing of this Subscription Agreement.

Signature of Spouse, an individual

Printed Name of Spouse, an individual

EXHIBIT A

INVESTOR QUESTIONNAIRE

(as attached)

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INVESTOR QUESTIONNAIRE

This Investor Questionnaire is being furnished by the investor named in Section A.1 of this Investor Questionnaire (the "Investor") to the Partnership, in connection with the subscription by the Investor for the Interests, as defined in the Subscription Agreement being entered into between the Partnership and the Investor to which this Investor Questionnaire is attached. Defined terms used but not defined herein shall have the meanings set forth in the Subscription Agreement.

A. General Information

1. Print Full Name of Investor

Individual:

First Middle Last

Entity:

Name of Entity

Name of Parent Institution Known to the General Partner
(if different from Entity name above)

Beneficial Owner of Investment (optional)

Entity: To assist the General Partner of the Partnership in preparing the LLC's tax filing, please check the category into which you fall:

- Partnership
- Corporation
- S-Corporation
- Estate
- Grantor Trust
- Trust-EIN (a trust with an EIN in this format: 12-3456789)
- Trust-SSN (a trust with an EIN in this format: 123-45-6789)
- IRA-EIN
- IRA-SSN
- Exempt Organization
- LLP
- LLC
- Nominee-EIN
- Nominee-SSN
- Other

2. U.S. Taxpayer Identification or Social Security Number:

Please provide information on all of the individuals who play a role in the Investor's investment in the Partnership, including contacts for business relationship matters and investment decision making, receiving financial information and maintaining records, distribution notices, legal documentation and tax matters.

3. Primary Contact Person for this investment and for Notices:

Name: _____
Address: _____

Telephone: _____
Fax: _____
E-mail: _____

(This Email address will be used to notify the Investor of any notices, reports, requests, demands, consents or other communications).

4. Additional Contact Person

- For Business Relationship Matters with the General Partner (if different from #3 above)
- For Receiving Financial Information and Maintaining Records (including quarterly and annual financial reports and capital account statements)
- For Distribution Notices
- For Legal Documentation
- For Tax Matters (including K-1 distribution)

Name: _____
Address: _____
Telephone: _____
Fax: _____
E-mail: _____

5. For distributions of cash, please wire funds to the following bank account:

Bank Name: _____
Bank Location: _____
Account Number: _____
Account Name: _____
For further credit to: _____
(if any) _____
Reference: _____

6. For distributions in-kind, please credit securities to the brokerage account at the following firm:

Firm Name: _____
Address: _____
Account Name: _____
Account Number: _____
DTC Number: _____

7. Permanent Address of the Investor (if different from address for Notices above):

B. Accredited Investor Representation

The Investor hereby represents and warrants, pursuant to Section 4(i) of the Subscription Agreement, that he, she or it is correctly and in all respects described by the category or categories set forth below directly under which the Investor, or the authorized representative thereof, has signed his or her name.

FOR INDIVIDUALS ONLY:

1. A director, executive officer, or general partner of the issuer of the securities being offered or sold, or a director, executive officer, or general partner of a general partner of that issuer.

2. A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of purchase, exceeds \$1,000,000. For purposes of calculating net worth (a) do not include your primary residence as an asset and (b) do not include debt secured by your primary residence as a liability, provided, however, you must reduce your net worth by (c) any debt secured by your primary residence that is in excess of the estimated fair market value of your primary residence at the time of purchase and (d) any debt secured by your primary residence that is in excess of the amount of any such debt that was outstanding 60 days prior to the effective date of this Subscription Agreement, other than as a result of the initial acquisition of your primary residence.

3. A natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

FOR ENTITIES ONLY:

4. A bank as defined in Section 3(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity.

-
5. A broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934 (the "Exchange Act").
-
6. An insurance company as defined in Section 2(a)(13) of the Securities Act.
-
7. An investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that act.
-
8. A Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958.
-
9. A plan established and maintained by a state, its political subdivisions, or an agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of \$5,000,000.
-
10. An employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by Persons that are accredited investors.
-
11. A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act.
-
12. An organization described in Section 501(c)(3) of the Internal Revenue Code, a corporation, a Massachusetts or similar business trust, a partnership or a limited liability company, not formed for the specific purpose of acquiring Interests, with total assets in excess of \$5,000,000.
-
13. A trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring Interests, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the Securities Act.
-

14. An entity as to which all the equity owners (or, in the case of a trust, all the income beneficiaries) are accredited investors.

NOTE: If the undersigned qualifies as an "accredited investor" under this Category 14 only, a list of equity owners of the undersigned, and the accredited investor category in this Exhibit A that each such equity owner satisfies, should be listed on the below table as indicated. Please attach additional pages if necessary.

Equity Owners	Accredited Investor Category Under Exhibit A That Equity Owner Satisfies

C. Tax Exempt Status

Is the Investor exempt from taxation under Section 501 of the Internal Revenue Code of 1986, as amended, or otherwise?

Yes No

[remainder of page intentionally left blank]

The Investor understands that the foregoing information will be relied upon by the Partnership for the purpose of determining the eligibility of the Investor to purchase and own the Interests. The Investor will notify the General Partner immediately if any representation or warranty contained in the Subscription Agreement, or any information in this Investor Questionnaire, becomes untrue at any time (as if made at such time). The Investor will provide, if requested, any additional information that may reasonably be required to substantiate the Investor's status as an accredited investor or a qualified purchaser, or to otherwise determine the eligibility of the Investor to purchase the Interests.

INDIVIDUAL INVESTOR:

(Print Name)

(Signature)

(Date)

PARTNERSHIP, CORPORATION, LIMITED LIABILITY COMPANY, TRUST, CUSTODIAL ACCOUNT, OTHER INVESTOR:

(Print Name of Entity)

By: _____
(Signature)

(Print Name and Title)

(Date)

EXHIBIT B

FORM W-9 or W-8

(as attached)



Draft for discussion 11-20-19

BLANKET LICENSE AGREEMENT

THIS BLANKET LICENSE AGREEMENT (this "Agreement") is entered into as of this ^{4th} day of ~~December~~, 2019 (the "Effective Date"), between by and between the "Crown Castle" entities listed on Exhibit "1" attached hereto and their affiliates that may elect to participate in this Agreement, each with an office at 2000 Corporate Drive, Canonsburg, Washington County, Pennsylvania 15317 (hereinafter collectively and individually referred to as "Licensor") and IOTA Networks LLC, an Arizona limited liability company, with a place of business at 600 Hamilton Street, Allentown, Lehigh County, Pennsylvania 18101 ("Licensee").

RECITALS

WHEREAS, Licensor and Licensee's affiliate, M2M Spectrum Networks, LLC ("M2M"), were parties to one hundred and sixty-six (166) collocation agreements (each, individually, a "Terminated License Agreement;" collectively, the "Terminated License Agreements") for the Crown Castle facilities listed on Exhibit "2" attached hereto (each, a "Site," collectively the "Sites"), pursuant to which Crown Castle granted M2M a license to install, operate, and maintain certain equipment (the "Licensed Equipment") at each Site; and

WHEREAS, M2M failed to make all payments due and owing under the Terminated License Agreements and Crown Castle terminated the Terminated License Agreements due to M2M's monetary default thereunder; and

WHEREAS, Licensor and Licensee executed that certain Agreement Regarding Collocation and Settlement of Past Due Balance dated October 30, 2019 (the "Settlement Agreement"), pursuant to which Licensor and Licensee confirmed the termination of the Terminated License Agreements, settled the past due balance owed by M2M, and agreed that Licensor and Licensee would execute this Agreement whereby Licensor grants Licensee a license to operate the Licensed Equipment at each Site pursuant to the terms and conditions hereinafter set forth.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants contained herein and intending to legally be bound hereby agree as follows:

1. DEFINITIONS

The following terms as used in this Agreement are defined as follows:

"Acquiring Party" Any person acquiring title to Licensor's interest in the real property of which a Site forms a part through a Conveyance.

"Adjustment Date" The date on which the Basic Payment shall be adjusted as set forth in Section 5.2 below.

"AM Detuning Study" A study to determine whether measures must be taken to avoid disturbance of an AM radio station signal pattern, as described in Section 2.3 below.

"Application Revision Fee" The fee paid by Licensee to Licensor to evaluate the third (3rd) and each successive revision thereafter that Licensee makes to a previously submitted Site Engineering Application, as described in Section 2.7 below.

"Base Fee" The then-current Basic Payment, as described in Section 5.2 below.

"Basic Payment" The consideration paid by Licensee for the right to use the Licensed Space as described in Section 5.1 below and subject to adjustment as described in Section 5.2 below.

"Closeout Documentation" As-built drawings and other installation documentation required by Licensor, as described in Section 2.6 below.

"Conveyance" Including, without limitation, any exercise by a Lender of its rights under the Security Instrument, including a foreclosure, sheriff's or trustee's sale under the power of sale contained in the Security Instrument, the termination of any superior lease of a Site and any other transfer, sale or conveyance of the Licensor's interest in the property of which a Site forms a part under peril of foreclosure or similar remedy, including, without limitation to the generality of the foregoing, an assignment or sale in lieu of foreclosure or similar remedy.

"Crown Castle" Crown Castle USA Inc., a Pennsylvania corporation, or any other affiliate of Licensor that is designated by Licensor to perform any Work for Licensee, or to inspect any work that is performed for Licensee, pursuant to Section 2.5 below.

"CCS&E" CCS&E LLC, a Delaware limited liability company

"Licensed Equipment" That communications equipment including, but not limited to the antennas, cables, connectors, wires, radios, radio shelter or cabinet, and related transmission and reception hardware and software, and other personal property, that was specifically licensed to M2M under each respective Terminated License Agreement. Licensee expressly represents and warrants that, with this Agreement, Licensor does not grant Licensee any legal right to install any equipment at a Site other than the Licensed Equipment that was specifically licensed under each Terminated License Agreement. Licensee's installation, operation, or maintenance of equipment other than Licensed Equipment shall be considered a material breach of this Agreement.

"Event of Default" any material breach of this Agreement for which no cure period applies, or any other breach of this Agreement that is not cured within the applicable cure period stipulated herein, as described in Section 13 below.

"FCC" The Federal Communications Commission.

"Government Entity" Any federal, state or local governmental unit or agency thereof with jurisdiction applicable to a Site.

"Intermodulation Study" A study to determine whether an RF interference problem may arise, as described in Section 2.3 below.

"Intermodulation Study Fee" The fee payable by Licensee to Licensor to defray Licensor's costs incurred in preparing or obtaining an Intermodulation Study. The amount of the Fee shall be reasonably commensurate with the scope and complexity of the subject Intermodulation Study.

"Lender" Any and all lenders, creditors, indenture trustees and similar parties.

"Licensed Space" That portion of each Site that was specifically licensed to M2M under each respective Terminated License Agreement. Licensee expressly represents and warrants that, with this Agreement, Licensor does not grant Licensee any legal right to use any space at a Site other than that Licensed Space that was specifically licensed under each Terminated License Agreement. Licensee's use of space other than Licensed Space shall be considered a material breach of this Agreement.

"Licensee" The party named as "Licensee" in the first paragraph hereof and its successors in interest.

"Licensor" The party named as "Licensor" in the first paragraph hereof and its successors in interest.

"Light Loading Configuration" shall have the same meaning as that set forth in the Settlement Agreement.

"Modification" (i) Any modification to the Licensed Equipment as licensed by each Terminated License Agreement; (ii) any alterations in the frequency ranges or FCC licensed allocation or power levels specified in each Terminated License Agreement; (iii) any change in Licensee's technology protocol (e.g., GSM, CDMA, TDMA, iDEN, etc.); (iv) any addition of Licensed Equipment or occupation of additional space, or relocation of Licensed Equipment on the tower or on the ground, or relocation of ground space or equipment shelter space; or (v) any repair to the Licensed Equipment that affects tower loading capacity.

"Modification Application Fee" The fee payable by Licensee to Licensor in the amount of Five Hundred and 00/100 Dollars (\$500.00) to defray Licensor's costs incurred in evaluating a Site Engineering Application.

"Pricing Agreement" the parties' (and /or their affiliates') Agreement Regarding Collocation dated October 4, 2016, as may have been modified and/or amended previously hereto.

"Prime Lease" The lease(s), sublease(s) or other prior agreement(s) or instrument(s) (e.g., deed) from which Licensor derives its rights in a Site and/or which contain(s) restrictions on use of a Site, as described in Article 18 below.

"Pro Rata Share" The fraction or decimal equivalent determined by dividing one (1) by the total number of then-existing users of a Site. In no event shall the Pro Rata Share exceed fifty percent (50%).

"Regulatory Compliance Costs" The reasonable costs, including reasonable attorneys' fees, incurred by Licensor at a Site after the Effective Date in order to comply with any applicable law, regulation, rule, guideline, directive or requirement promulgated by a Government Entity.

"RF" Radio frequency.

"Security Instrument" Any and all mortgages, deeds of trust or other deeds, and any similar security agreements that encumber a Site to secure the debt of Licensor.

"Services Agreement" If applicable, a separate written agreement between Licensor (and/or certain of its affiliates) and Licensee that applies to services provided by Licensor (and/or certain of its affiliates) to Licensee.

"Settlement Agreement" That certain "Agreement Regarding Collocation and Settlement of Past Due Balance" dated October 30, 2019, as may be amended, by and between Licensor and Licensee.

"Sites" The properties listed in Exhibit "2" hereto, which are each owned, leased, or otherwise controlled by Licensor and which contain the Licensed Space.

"Site Engineering Application" The application form (as may be amended by Licensor from time to time), which shall be submitted to Licensor by Licensee when Licensee desires to apply for a license to make a Modification to Licensed Equipment.

"Site Plan" The site plan for each particular Site, which is referred to in Section 2.2 below and was attached as Exhibit C of each Terminated License Agreement.

"Site Rules" The "Site Rules" or its successor, issued by Licensor from time to time, as described in Section 2.2 below.

"Standard Equipment Configuration" shall have the same meaning as that set forth in the Pricing Agreement.

"Structural Analysis" An engineering analysis performed to determine whether the physical and structural capacity of the tower are sufficient to accommodate any proposed modifications to Licensed Equipment, which analysis takes into consideration factors such as weight, wind loading and physical space requirements.

"Structural Analysis Fee" The fee payable by Licensee to Licensor in the amount of Two Thousand Five Hundred and 00/100 Dollars (\$2,500.00) to defray Licensor's costs incurred with respect to its performance of a Structural Analysis; provided, however, in the event that Licensor (and/or any of its affiliates) and Licensee enter into a Services Agreement that applies to services provided by Licensor (and/or certain of its affiliates) with respect to the installation and/or Modification to Licensee's Licensed Equipment on a Site, and the performance of a Structural Analysis is included among the services to be provided by Licensor (or one of its affiliates) pursuant to such Services Agreement, then the terms of the Services Agreement shall control with respect to the payment of a fee for the performance of a Structural Analysis.

"Subsequent Use" Any installation or modification to Licensor's or another user's equipment subsequent to the installation or modification of the Licensed Equipment as described in Section 6.1 below.

"Term" The term of this Agreement, as set forth in Article 4 below.

"Terminated License Agreements" Shall have the meaning set forth in the Recitals to this Agreement. The parties hereby expressly acknowledge and agree that the Terminated License Agreements are listed in the table attached hereto as Exhibit "2" and, for the sake of reference and convenience only, the table in Exhibit "2" contains the original license number assigned by Licensor to the Terminated License Agreements when they were finalized. Such nomenclature exists so that the parties can specifically reference those

Terminated License Agreements as necessary. The parties further acknowledge and agree that new license numbers shall be applied following execution of this Agreement.

"Term Commencement Date" February 1, 2020.

"Tower Level Drawing" The tower level drawing for each particular Site, which is referred to in Section 2.2, and was attached as Exhibit B to each Terminated License Agreement.

"Work" The construction of an approved Modification to Licensed Equipment at a Site, as set forth in Section 2.5 below.

2. SITE LICENSE, EQUIPMENT, LICENSED SPACE, APPLICATION FOR MODIFICATIONS, CONDITIONS PRECEDENT

2.1 **The Site.** The Sites consist of those certain parcels of property, which were covered under the Terminated License Agreements, and are more fully described in Exhibit A of each Terminated License Agreement.

2.2 **License to Install, Operate and Maintain the Equipment.** Licensor hereby grants a license to Licensee to operate and maintain the Licensed Equipment at a Site within the Licensed Space, as such Licensed Equipment and Licensed Space were described in, and licensed, under the Terminated License Agreements. The parties expressly acknowledge that such Licensed Equipment was previously installed at the Licensed Space by M2M under the Terminated License Agreements. Licensor has not granted to Licensee a license to install, operate, or maintain any equipment other than Licensed Equipment and has not granted to Licensee a license to use any space other than Licensed Space.

Such license is subject to the Site Rules for each Site and is restricted exclusively to the operation and maintenance of antennas and equipment consistent with the specifications and in the locations identified in Exhibits B and Exhibits C of each Terminated License Agreement.

Licensee acknowledges and agrees that Licensee is not a lessee and that no legal title or leasehold interest in the Licensed Space shall be deemed or construed to have been created or vested in the Licensee by anything contained herein. Accordingly, neither the Agreement nor the relationship between the parties hereto shall be governed by any state or local laws regulating the relationship between landlords and tenants. Upon the occurrence of an Event of Default, Licensee expressly acknowledges that Licensor shall be entitled to re-enter the Licensed Space and turn off, power down, decommission, or and/or remove the Equipment ("Licensor's Right to Re-Enter Upon Default") as explained more fully in Sections 13, 19 and 24 below.

LICENSEE SPECIFICALLY AGREES AND ACKNOWLEDGES THAT IF LICENSOR PROPERLY EXERCISES LICENSOR'S RIGHT TO RE-ENTER UPON DEFAULT, THEN LICENSEE SHALL NOT BRING AGAINST LICENSOR ANY OF THE FOLLOWING CAUSES OF ACTION: CONSTRUCTIVE EVICTION, WRONGFUL EVICTION, CONVERSION, AND ANY OTHER CAUSE OF ACTION RECOGNIZED UNDER STATE OR LOCAL LAW THAT BEARS ON THE RELATIONSHIP BETWEEN A LANDLORD AND A TENANT.

2.3 **Application for Modifications.** Licensee shall apply to make Modifications by submitting a Site Engineering Application to Licensor together with payment of the Modification Application Fee. A Structural Analysis, AM Detuning Study or an Intermodulation Study may be required by Licensor in

connection with a proposed Modification, and Licensee will be liable for the cost thereof. Any approved Modification shall be evidenced by an amendment to this Agreement, and a Site Engineering Application approved by Licensor describing the Modification shall be an exhibit to said amendment.

2.4 **Conditions Precedent to Modification.** Notwithstanding anything to the contrary herein, the parties agree that Licensee's right to make a Modification to Licensed Equipment at a Site shall not commence until the following conditions are satisfied: (i) Licensor has received any written consent required under the Prime Lease to allow Licensor to license the Licensed Space to Licensee; (ii) a Site Engineering Application has been approved by Licensor; (iii) the Structural Analysis Fee, Intermodulation Study Fee and fee for AM Detuning Study (if any) have been paid; (iv) Licensee has received all required permits (if any) for its Modification to the Licensed Equipment and all required regulatory or governmental approvals of Licensee's proposed use of a Site, and Licensor has received, reviewed, and accepted copies of such required permits (if any) and such required regulatory or governmental approvals; and (v) Licensor has received a waiver of any applicable rights of first refusal in and to the space or Licensed Space that Licensee identifies in a Site Engineering Application. In the event that Licensee breaches this Agreement by a Modification other than as permitted hereunder, then in addition to all other remedies available to Licensor, Licensor shall be entitled to receive, and Licensee shall pay to Licensor, upon notice from Licensor, an administrative fee equal to six (6) times the Basic Payment, if payable monthly, or one-half (1/2) the Basic Payment, if payable annually, based on the amount of the Basic Payment at the time of said notice.

2.5 **Performance of Work.** For all Work performed on a Site, Licensee shall (i) only engage a vendor approved by Crown Castle to perform the Work and (ii) pay to Crown Two Thousand and 00/100 Dollars (\$2,000.00) upon completion of the Work for the purpose of defraying the cost associated with Crown Castle's inspection of the Work. Notwithstanding Crown Castle's inspection of any Work, neither Licensor nor Crown Castle shall in any way be liable for any defect in the Work or any of the materials used, and Licensee shall not rely on Crown Castle's inspection of the Work as confirmation that no defects exist. All Work shall be performed in accordance with the standards set forth in a Site Rules.

2.6 **Closeout Documentation.** Licensee shall provide to Crown Castle all Closeout Documentation with respect to such Work within forty-five (45) days of completion of the Work; provided, however, in the event that Licensee fails to provide to Crown Castle said Closeout Documentation within said forty-five (45) day period, Licensee shall pay to Crown Castle One Thousand Five Hundred and 00/100 Dollars (\$1,500.00) for the purpose of defraying Crown Castle's costs associated with preparation of the Closeout Documentation required hereunder.

2.7 **Application Revision Fee.** Provided such revisions are not made at the request of Licensor, Licensee shall pay to Licensor an Application Revision Fee of One Thousand and 00/100 Dollars (\$1,000.00) for the third (3rd) revision it makes to each Site Engineering Application and for each successive revision it makes to the subject Site Engineering Application thereafter, regardless of whether the subject Site Engineering Application is for Licensee's initial installation of Equipment at a Site or a future Modification.

3. ACCESS, USE OF SITE

3.1 **Access to Site.** Licensor hereby grants to Licensee a non-exclusive license for pedestrian and vehicular ingress to and egress from each of the Sites over the designated access area to each Site as described more fully in Exhibit A to each Terminated License Agreement, on a 24 hour per day, 7 day per week basis, subject, however, to any restrictions in the Prime Lease or any underlying easement, for the purposes of maintaining, operating and repairing the Licensed Equipment, together with license to maintain, operate and repair utility lines, wires, cables, pipes, lines, or any other means of providing utility service,

including electric and telephone service, to the Licensed Space. Licensor shall have no duty to remove snow or otherwise maintain the access area.

3.2 Authorized Persons; Safety of Personnel. Licensee's right of access shall be limited to authorized employees, contractors or subcontractors of Licensee, or persons under their direct supervision. Licensee shall not allow any person to climb a tower without ensuring that such person works for a vendor approved by Licensor for the subject work. The foregoing limitations on Site and tower access are material terms of this Agreement.

3.3 Notice to Licensor. Licensee agrees to provide prior notice of any access to be made by Licensee or its contractors or subcontractors to a Site by calling Licensor's Network Operations Center at (800) 788-7011 (or by providing notice as otherwise directed by Licensor). For safety reasons, access to each Site is restricted to times when elevated work is not being performed on any tower at each Site by any other person.

3.4 Licensee's Use of a Site. Licensee shall use the Licensed Space at each Site to operate and maintain only Licensed Equipment and shall transmit and receive only within the FCC licensed frequency ranges and at the power levels specified in each Terminated License Agreement.

3.5 Permits, Authorizations and Licenses. Licensee shall be solely responsible for obtaining, at its own expense, all permits, authorizations and licenses associated with its occupancy of Licensed Space at each Site and utilization of Licensed Equipment thereon and shall promptly provide copies thereof to Licensor.

3.6 Zoning Approval. Licensee must provide Licensor with copies of any zoning application or amendment that Licensee submits to the applicable zoning authority in relation to its modification of Licensed Equipment at each Site, at least seventy-two (72) hours prior to submission to the applicable zoning authority. Licensor reserves the right to (i) require that it be named as co-applicant on any such zoning application or amendment and/or (ii) require revisions to any such zoning application or amendment. Licensor also reserves the right, prior to any decision by the applicable zoning authority, to approve or reject any conditions of approval, limitations or other obligations that would apply to the owner of a Site or property, or any existing or future Site licensee, as a condition of such zoning authority's approval; provided, however, Licensor shall not unreasonably withhold or delay approval of any such conditions of approval, limitations or other obligations. Licensee agrees that any Modification, or change in use of the Licensed Space, as approved herein, requires an amendment hereto which may entitle Licensor to additional compensation. Licensee shall be solely responsible for all costs and expenses associated with (i) any zoning application or amendment submitted by Licensee, (ii) making any improvements or performing any other obligations required as a condition of approval with respect to same and (iii) any other related expenses.

3.7 Electricity Usage at Each Site. The parties hereby acknowledge and agree that the Terminated License Agreements dealt with the issue of electricity usage on a site-by-site basis. Under some of the Terminated License Agreements, M2M had its own electric meter or submeter installed at the Site (each such site a "Self-Metered Site") and, under other Terminated License Agreements, M2M obtained electricity at the Site from Licensor (each such site a "Crown-Sourced Site"). For each Self-Metered Site, Licensee shall continue to be billed directly for the cost of its electricity usage and shall continue making payments directly to the public utility provider. For each Crown-Sourced Site, (a) Licensor shall provide Licensee with invoices that set forth the cost of Licensee's electricity usage at the Site as reasonably allocated by Licensor; and (c) Licensee shall be solely responsible for all costs related to Licensee's connection to Licensor's electricity usage and shall therefore timely make full payment of all such invoices. Notwithstanding the foregoing, the installation of any electric meter or submeter at a Site and the connection of Licensee's equipment thereto shall be coordinated with Licensor and is subject to Licensor's landlord's prior consent or approval, as may be required by a Prime Lease.

4. TERM

4.1 **Term of Agreement.** The term of this Agreement shall commence on the Term Commencement Date and continue for a period of seven (7) years, ending on the day immediately prior to the seventh (7th) anniversary of the Term Commencement Date at twelve o'clock (12:00 p.m.) EST (the "Term").

4.2 **INTENTIONALLY DELETED.**

4.3 **Term Subject to Prime Lease.** Notwithstanding the foregoing, if Licensor's rights in a Site are derived from a Prime Lease, then the Term shall continue and remain in effect only as long as Licensor retains its interest under said Prime Lease.

5. CONSIDERATION

5.1 **Basic Payment.** Licensee shall pay to Licensor Eight Hundred Eighty-Four and 00/100 Dollars per month (the "Basic Payment") for the right to operate and maintain the Licensed Equipment, and use the Licensed Space, at each of the one hundred and sixty-six (166) Sites listed in Exhibit "2." As of the Term Commencement Date, the total monthly payment from Licensee to Licensor for the Sites covered by this Agreement shall be One Hundred Forty-Six Thousand Seven Hundred Forty-Four and 00/100 Dollars (\$146,744.00), e.g. Eight Hundred Forty-Four and 00/100 Dollars (\$884.00) for each of the one hundred sixty-six (166) Sites listed in Exhibit "2."

The Basic Payment for each Site shall be paid in advance and without demand, in equal monthly payments payable on the Term Commencement Date, and on the first day of each month thereafter continuing for the Term. Payments shall be made by check payable to the Crown Castle entity listed in the Terminated License Agreement that owns or operates each Site. Licensee shall include the JDE Business Unit for each Site on or with each payment. Should Licensee require confirmation of the Crown Castle entity that owns or operates each Site, or what JDE Business Unit number applies to each Site, Licensee shall request, in writing, that Licensor delineate this information. Licensor shall respond to any such request within fourteen (14) days of receipt of such written notice.

As is set forth more fully in the Settlement Agreement and Section 19.4 below, the parties acknowledge and agree that, if Licensee loses its right to a particular Site for failure to convert its Licensed Equipment to its Light Loading Configuration by the Conversion Deadline, then Licensee's Basic Payment obligations across the remaining Sites shall be increased and redistributed to account for the lost Site. The parties expressly agree that the monthly Basic Payment for each remaining Site shall increase if Licensee loses a Site as set forth in Section 19.4. Such Basic Payment increase shall be effective as of the day immediately following the Conversion Deadline.

5.2 **Adjustments to Basic Payment.** The Basic Payment for each Site shall be increased on the first anniversary of the Term Commencement Date and every anniversary of the Term Commencement Date thereafter (the "Adjustment Date") by three percent (3%). Licensor's failure to demand any such increase shall not be construed as a waiver of any right thereto and Licensee shall be obligated to remit all increases notwithstanding any lack of notice or demand thereof. The adjustment to the Basic Payment shall be calculated by the following formula:

The adjusted Basic Payment = Base Fee + (Base Fee × 3%).

"Base Fee" shall mean the then-current Basic Payment.

5.3 **Regulatory Compliance Costs.** In the event that Licensor incurs Regulatory Compliance Costs at a Site during the Term, Licensee shall pay to Licensor its Pro Rata Share of such Regulatory Compliance Costs within thirty (30) days of receipt of Licensor's invoice for same.

5.4 **Taxes, Fees and Assessments.** Licensee shall pay directly to the applicable Government Entity or to Licensor if Licensor is invoiced by such Government Entity, all taxes, fees, assessments or other charges assessed by any Government Entity against the Licensed Equipment and/or Licensee's use of a Site or the Licensed Space. Licensee shall pay to Licensor or the appropriate taxing authority, if and when due, any sales, use, ad valorem or other taxes or assessments which are assessed or due by reason of this Agreement or Licensee's use of a Site or the Licensed Space. Licensee shall also pay to Licensor its Pro Rata Share of all taxes, fees, assessments or charges assessed by any Government Entity against a Site or against Licensor's improvements thereon. Licensor shall provide notice of any assessments to be paid by Licensee promptly upon receipt. Licensor shall invoice Licensee annually, indicating the amount of the assessment, its Pro Rata Share and the amount due. Said invoices shall be paid within thirty (30) days of Licensee's receipt.

5.5 **INTENTIONALLY DELETED.**

5.6 **Reimbursement Payment.** Licensee acknowledges and agrees that the Prime Lease for certain Sites may require Licensor to make certain payments to its landlord because of the rights granted to Licensee herein. Each Site at which the applicable Prime Lease requires Licensor to make such payments to its landlord is hereinafter defined as a "Revenue Share Site." The Revenue Share Sites are listed in the table attached to this Agreement as Exhibit "3."

Beginning on the Term Commencement Date, for each Revenue Share Site as set forth in Exhibit "3," Licensee shall pay to Licensor a certain amount per month (the "Reimbursement Payment") in addition to and concurrently with the recurring license fees payable under this Agreement. Said Reimbursement Payment is specifically to reimburse Licensor for certain payments that it is required to pay pursuant to the Prime Lease for each Revenue Share Site. The amount of the Reimbursement Payment payable for each Revenue Share Site as of the Term Commencement Date is set forth in Exhibit "3."

The parties hereby expressly acknowledge and agree that the amount of each Reimbursement Payment, as set forth in Exhibit "3," is subject to increase as set forth in the applicable Prime Lease for each Revenue Share Site. In the event of any such increase, Licensor shall provide written notice to Licensee of an increase and explain that the increase is required by the subject Prime Lease. Licensor's failure to demand any such increase shall not be construed as a waiver of any right thereto and Licensee shall be obligated to remit all increases notwithstanding any lack of notice or demand thereof.

6. INTERFERENCE

6.1 **Interference to Licensee's Operations.** Licensor agrees that neither Licensor nor Licensor's other users of a Site or property adjacent to a Site controlled or owned by Licensor, whose equipment is installed or modified subsequently to the installation of the Licensed Equipment pursuant to the Terminated License Agreement at each Site ("Subsequent Use"), shall permit their equipment to interfere with Licensee's permitted transmissions or reception. In the event that Licensee experiences RF interference caused by such Subsequent Use, Licensee shall notify Licensor in writing of such RF interference and Licensor shall cause the party whose Subsequent Use is causing said RF interference to reduce power and/or cease operations in order to correct and eliminate such RF interference within seventy-two (72) hours after Licensor's receipt of such notice. In the event Licensor is notified of any RF interference experienced by Licensee alleged to be caused by a Subsequent Use, the entity responsible for the Subsequent Use shall be obligated to perform (or cause to be performed) whatever actions are commercially reasonable and necessary at no cost or expense to Licensee to eliminate such RF interference.

Licensor further agrees that any licenses or other agreements with third parties for a Subsequent Use will contain provisions that similarly require such users to correct or eliminate RF interference with Licensee's operation of its Licensed Equipment following receipt of a notice of such interference.

6.2 **Interference by Licensee.** Notwithstanding any prior approval by Licensor of Licensee's Licensed Equipment, Licensee agrees that it will not allow its Licensed Equipment to cause RF interference to Licensor and/or other pre-existing uses of users of a Site in excess of levels permitted by the FCC. If Licensee is notified in writing that its operations are causing such RF interference, Licensee will immediately take all necessary steps to determine the cause of and eliminate such RF interference. If the interference continues for a period in excess of seventy-two (72) hours following such notification, Licensor shall have the right to require Licensee to reduce power and/or cease operations until such time as Licensee can make repairs to the interfering Licensed Equipment. In the event that Licensee fails to promptly take such action as agreed, then Licensor shall have the right to terminate the operation of the Licensed Equipment causing such RF interference, at Licensee's cost, and without liability to Licensor for any inconvenience, disturbance, loss of business or other damage to Licensee as the result of such actions. Licensee shall indemnify and hold Licensor and its subsidiaries and affiliates harmless from all costs, expenses, damages, claims and liability that result from RF interference caused by Licensee's Licensed Equipment.

7. RELOCATION OF LICENSED EQUIPMENT BY LICENSOR

7.1 **Relocation of Licensed Equipment at Licensor's Option.** Licensor shall have the right to change the location of the Licensed Equipment (including re-location of Licensed Equipment on the tower to an elevation used by other licensees) upon sixty (60) days written notice to Licensee, provided that said change does not, when complete, materially alter the signal pattern of the Licensed Equipment existing prior to the change. Any such relocation shall be performed at Licensor's expense and with reasonably minimal disruption to Licensee's operations and shall be evidenced by an amendment to this Agreement.

7.2 **INTENTIONALLY DELETED.**

8. RF EXPOSURE

Licensee agrees to reduce power or suspend operation of its Licensed Equipment if necessary and upon reasonable notice to prevent exposure of workers or the public to RF radiation in excess of the then-existing regulatory standards.

9. LIENS

Licensee shall keep the Licensed Space, a Site and any interest it or Licensor has therein free from any liens arising from any work performed, materials furnished or obligations incurred by or at the request of Licensee, including any mortgages or other financing obligations, and shall discharge any such lien filed, in a manner satisfactory to Licensor, within thirty (30) days after Licensee receives written notice from any party that the lien has been filed.

10. MUTUAL INDEMNIFICATION

Each party shall indemnify, defend and hold the other party, its affiliates, subsidiaries, directors, officers, employees and contractors, harmless from and against any claim, action, damages, liability, loss, cost or expense (including reasonable attorney's fees), resulting from or arising out of the indemnifying party's and/or any of its contractors', subcontractors', servants', agents' or invitees' use or occupancy of a Site.

11. INSURANCE

Licensee shall carry commercial general liability insurance on a form providing coverage at least as broad as the ISO CG 0001 10 01 policy form covering its occupancy and use of a Site. The liability insurance policies, automobile, commercial general liability, and umbrella shall be endorsed to cover Licensor (and Licensor's manager, as applicable) as an additional insured on a primary and non-contributory basis such that the umbrella liability policy, primary auto liability and commercial general liability all apply as primary with regard to any primary liability insurance maintained by Licensor (and any primary liability insurance maintained by Licensor's manager, as applicable) on a form that does not exclude the concurrent negligence of the additional insured.

At a minimum, Licensee and all parties accessing a Site for or on behalf of Licensee (other than independent contractors of Licensee, which must provide coverage as separately specified by Licensor) shall obtain the following insurance coverage: (i) statutory workers' compensation including employer's liability with the following limits: \$1,000,000 per accident; \$1,000,000 disease, each employee; and \$1,000,000 disease policy limit; (ii) commercial general liability covering bodily injury, death and property damage including coverage for explosion, collapse and underground exposures (XCU) and products/completed operations with limits not less than \$1,000,000 per occurrence, combined single limit with a \$2,000,000 general policy aggregate and a separate products/completed operations aggregate of \$2,000,000; (iii) automobile liability covering all owned, hired and non-owned vehicles with combined single limits not less than \$1,000,000 per accident; (iv) umbrella liability insurance of \$5,000,000; and (v) commercial all risk of loss fire with extended coverage insurance covering all of Licensee's equipment and improvements at a Site.

The commercial general liability limits identified above shall be increased on every tenth (10th) anniversary of this Agreement by twenty-five percent (25%) over the limit of insurance for the immediately preceding ten (10) year period. All insurers will carry a minimum A.M. Best A-(FSC VIII) or equivalent rating and must be licensed to do business in the state where a Site is located. All policies required to be provided pursuant to this Section 11 shall contain a waiver of subrogation in favor of Licensor (and Licensor's manager, as applicable). The insurance requirements in this Agreement shall not be construed to limit or otherwise affect the liability of the Licensee. Licensee shall provide certificates of insurance evidencing said coverage to Licensor upon execution of this Agreement and at least annually as the policies renew. Any failure on the part of Licensor to request the required certificates of insurance shall not in any way be construed as a waiver of any of the aforesaid insurance requirements. Licensee shall provide copies of said policies upon receipt of written request by Licensor. Licensee agrees to provide notice to Licensor within two (2) business days of receipt of any cancellation notice of any of the required insurance policies.

12. CASUALTY OR CONDEMNATION

12.1 **Casualty.** In the event that a Site, or any part thereof, is damaged by fire or other casualty not caused by Licensee, Licensor shall have ninety (90) days from the date of damage, if the damage is less than total destruction of a Site, in which to make repairs, and one hundred and eighty (180) days from date of destruction, if a Site (including the tower structure) is destroyed, in which to replace the destroyed portion of a Site. If Licensor fails for any reason to make such repair or restoration within the stipulated period and the damage or destruction effectively precludes Licensee's use of a Site as authorized under this Agreement, then either party may, at its option, terminate this Agreement without further liability of the parties, as of the date of partial or complete destruction. If, for any reason whatsoever, Licensee's use of a Site is interrupted due to casualty, Licensee's sole remedy shall be abatement of the Basic Payment for the period during which Licensee's use of a Site is interrupted. Except with regard to repair of a Site as stated in this Section 12.1, Licensor shall not be responsible for any damage caused by vandalism or acts of God. In no event shall Licensor be liable to Licensee for damage to the Licensed Equipment or interruption or termination of Licensee's operations caused by forces majeure or acts of God.

12.2 **Condemnation.** If any part of a Site shall be taken under the power of eminent domain, Licensor and Licensee shall be entitled to assert their respective claims in accordance with applicable state law.

13. DEFAULT, REMEDIES, WAIVER OF CONSEQUENTIAL DAMAGES

Each of the following shall constitute an Event of Default hereunder: (i) Licensee's failure to pay any amount due hereunder within five (5) days after receipt of written notice from Licensor that said payment is delinquent; (ii) Licensee's engagement of a contractor not approved by Crown Castle to perform Work on a Site in violation of the requirements of Section 2.5 above; (iii) Licensee's breach of this Agreement by installing equipment other than Licensed Equipment or making a Modification other than as permitted hereunder as described in Section 2.3 above; (iv) Licensee's violation of a Site or tower access limitations in Section 3.2 above; (v) Licensee's failure to stop its Licensed Equipment from causing RF interference to Licensor or other pre-existing uses of users of a Site in violation of the requirements of Section 6.2 above; and (vi) either party's failure to cure any breach of any other covenant of such party herein within thirty (30) days after receipt of written notice from the non-breaching party of said breach, provided, however, such thirty (30) day cure period shall be extended upon the breaching party's request if deemed by the non-breaching party to be reasonably necessary to permit the breaching party to complete the cure, and further provided that the breaching party shall commence any cure within the thirty (30) day period and thereafter continuously and diligently pursue and complete such cure.

In the Event of Default by Licensee, upon Licensor's demand, Licensee shall immediately make full payment of all amounts that Licensor would have been entitled to receive hereunder for the Term, and Licensor shall have the right to accelerate and collect said payments, which right is in addition to all other remedies available to Licensor hereunder or at law, including the right to terminate this Agreement as set forth in Section 19.3 below. Licensee agrees that, if any payment to be made under this Agreement is not received by Licensor by the date it is due, Licensee will pay Licensor a late fee of Thirty-Five Dollars (\$35.00) for each month or partial month that elapses until said payment is received by Licensor. Said amount shall be adjusted as set forth in Section 5.2 above. Imposition of late fees is not a waiver of Licensor's right to declare this Agreement in default if the Basic Payment or any other payment is not made when due. Except as otherwise provided in Section 2.4 above, neither party shall be liable to the other for consequential, indirect, special, punitive or exemplary damages for any cause of action whether in contract, tort or otherwise, hereunder to the extent allowed by law.

Upon the occurrence of an Event of Default, Licensee expressly acknowledges that Licensor shall have Licensor's Right to Re-Enter Upon Default, as such term is defined in Section 2.2 of this Agreement. Licensor shall be entitled to exercise Licensor's Right to Re-Enter Upon Default immediately after the occurrence of an Event of Default, without any prior notice provided to Licensee.

LICENSEE SPECIFICALLY AGREES AND ACKNOWLEDGES THAT, IF LICENSOR PROPERLY EXERCISES LICENSOR'S RIGHT TO RE-ENTER UPON DEFAULT, THEN LICENSEE SHALL NOT BRING AGAINST LICENSOR ANY OF THE FOLLOWING CAUSES OF ACTION: CONSTRUCTIVE EVICTION, WRONGFUL EVICTION, CONVERSION, AND ANY OTHER CAUSE OF ACTION RECOGNIZED UNDER STATE OR LOCAL LAW THAT BEARS ON THE RELATIONSHIP BETWEEN A LANDLORD AND A TENANT. LICENSEE FURTHER SPECIFICALLY CONFIRMS THAT THIS AGREEMENT IS A LICENSE, NOT A LEASE, AND CONSEQUENTLY THE RELATIONSHIP BETWEEN LICENSOR AND LICENSEE SHALL NOT BE GOVERNED BY ANY STATE OR LOCAL LAW THAT BEARS ON THE RELATIONSHIP BETWEEN A LANDLORD AND A TENANT.

14. USE OF HAZARDOUS CHEMICALS

Licensee must inform Licensor if it will house batteries or fuel tanks at a Site. The use of any other hazardous chemicals at a Site requires Licensor's prior written approval. Licensee agrees to provide to Licensor no later than each January 15th, an annual inventory of its hazardous chemicals at a Site.

15. GOVERNING LAW, VENUE

The laws of the Commonwealth of Pennsylvania, regardless of conflict of law principles, shall govern this Agreement.

16. ASSIGNMENT, SUBLEASE, SHARING

This Agreement may not be sold, assigned or transferred, in whole or in part, by Licensee without the prior written approval or consent of Licensor, which consent may not be unreasonably withheld. Any such assignment shall be evidenced by a form provided by Licensor and executed by Licensor, Licensee and the assignee. Notwithstanding the foregoing, Licensee shall have the right to assign its interest hereunder to any entity that owns or acquires all or substantially all of Licensee's assets or shares of ownership without the consent of Licensor, upon one hundred eighty (180) days prior written notice. Licensee shall not sublease or license its interest in this Agreement, either directly or through subsidiaries or affiliated entities. Licensee shall not share the use of its Equipment with any third party.

17. NOTICES

All notices hereunder shall be in writing and shall be given by (i) established express delivery service which maintains delivery records, (ii) hand delivery or (iii) certified or registered mail, postage prepaid, return receipt requested. Notices may also be given by facsimile transmission, provided the notice is concurrently given by one of the above methods. Notices are effective upon receipt, or upon attempted delivery if delivery is refused or if delivery is impossible. The notices shall be sent to the parties at the following addresses:

As to Licensee: IOTA Networks LLC
600 Hamilton Street
Allentown, PA 18101

As to Licensor: Crown Castle
2000 Corporate Drive
Canonsburg, PA 15317
Attention: Legal Department

Licensor or Licensee may from time to time designate any other address for this purpose by giving written notice to the other party.

18. PRIME LEASE AGREEMENT

Licensor and Licensee acknowledge that Licensee's use of a Site may be subject and subordinate to a Prime Lease. Licensee agrees to be bound by and to perform all of the duties and responsibilities required of the lessee, grantee or licensee as set forth in the Prime Lease to the extent they are applicable to the access to and use of a Site. Should Licensee require review of a Prime Lease that applies to a particular Site, Licensee shall make a written request to Licensor to review such a Prime Lease. Licensor shall respond to any such request for a redacted copy of a Prime Lease that applies to a Site within fourteen (14) days of receipt of such written notice.

19. TERMINATION

19.1 **Withdrawal or Termination of Approval or Permit.** In the event any previously approved zoning or other permit of a Government Entity affecting the use of a Site as a communications facility is withdrawn or terminated, then Licensee's legal right to operate or maintain Licensed Equipment at that Site and use the Licensed Space at that Site shall be deemed to have been terminated effective as of the date of the termination of the permit or approval.

19.2 **Termination of Prime Lease.** If the Prime Lease at a Site terminates for any reason, then Licensee's legal right to operate or maintain Licensed Equipment at that Site and use the Licensed Space at that Site shall be deemed to have terminated effective as of the date of the termination of the Prime Lease.

19.3 **Termination in the Event of Default.** In the Event of Default by either party (the "defaulting party"), the other party (the "non-defaulting party") may terminate this Agreement by providing written notice of such termination to the defaulting party. Such written notice shall describe (i) the Event of Default, and (ii) in the case of a breach that could have been cured in accordance with Section 13, the defaulting party's failure to cure such breach within the stipulated cure period. The non-defaulting party's right to terminate this Agreement pursuant to this Section 19.3 is in addition to any other rights and remedies provided to the non-defaulting party by law or under this Agreement.

19.4 **Termination for Failure to Complete Conversion to Light Loading Configuration.** Within two (2) years of the Term Commencement Date (the "Conversion Deadline"), Licensee shall convert its Licensed Equipment at each Site from its Standard Equipment Configuration to its Light Loading Configuration. If Licensee does not convert its equipment at a Site by the Conversion Deadline, then Licensee's legal right to operate or maintain Licensed Equipment at that Site and use the Licensed Space at that Site shall immediately terminate as of 11:59:59 E.T. on the day immediately following the Conversion Deadline and Licensee shall have no further right to operate or maintain equipment at or use the Licensed Space at that Site.

If Licensee loses its right to a Site for failure to convert its Licensed Equipment as set forth above, within thirty (30) days of the Conversion Deadline, Licensee shall remove from that Site, any and all of its batteries, generators, fuel tanks, fuel cells and other hazardous chemicals owned by Licensee and located at the subject site, and any other Licensed Equipment that is owned by Licensee that Licensee desires to retain including, but not limited to, any equipment housed within shelters or cabinets) (collectively, the "Retained Property"). With the sole exception of the above-listed Retained Property, Licensee shall leave all Licensed Equipment, except for any Retained Property (collectively, the "Abandoned Property").

All of Licensee's right, title and interest in and to any Abandoned Property at that Site shall be automatically transferred to CCS&E, without the need for the parties' execution of a bill of sale or other instrument to effect such transfer of title. Notwithstanding anything to the contrary contained in this Agreement, as of the Conversion Deadline, CCS&E, and not Licensee, shall be solely responsible for the maintenance, repair, and/or removal of the Abandoned Property. In consideration for CCS&E's maintenance, repair, and/or removal of the Abandoned Property, within thirty (30) days of the Conversion Deadline, Licensee shall pay to Crown Castle a pay-and-walk fee of Seven Thousand Five Hundred and 00/100 Dollars (\$7,500.00) for each Site that terminates in the manner outlined above.

20. NO WAIVER

No provision of this Agreement will be deemed to have been waived by either party unless the waiver is in writing and signed by the party against whom enforcement is attempted.

21. NON-DISCLOSURE

The parties agree that without the express written consent of the other party, neither party shall reveal, disclose or publish to any third party the terms of this Agreement or any portion thereof, except to such party's auditor, accountant, lender or attorney or to a Government Entity if required by regulation, subpoena or government order to do so. Notwithstanding the foregoing, either party may disclose the terms of this Agreement to any of its affiliated entities, and Licensor may disclose the terms of this Agreement to any of its lenders or creditors or to third parties that are existing or potential lessees or licensees of space at a Site as may be reasonably necessary with respect to the operation, leasing, licensing and marketing of a Site, including, without limitation, terms relating to Licensee's permitted frequencies for the purposes of RF compliance tests and terms relating to Licensee's Equipment installed, or to be installed, on the tower for the purposes of structural analysis.

22. SUBORDINATION, NON-DISTURBANCE, ATTORNMENT

22.1 Subordination. Subject to Section 22.2, this Agreement and Licensee's rights hereunder are and will be subject and subordinate in all respects to: (i) the Security Instrument from Licensor in favor of Lender insofar as the Security Instrument affects the property of which a Site forms a part; (ii) any and all advances to be made thereunder; and (iii) any and all renewals, extensions, modifications, consolidations and replacements thereof. Said subordination is made with the same force and effect as if the Security Instrument had been executed prior to the execution of this Agreement.

22.2 Non-Disturbance. The subordination described in Section 22.1 is conditioned upon the agreement by Lender that, so long as this Agreement is in full force and effect and Licensee is not in material default (beyond applicable notice and cure periods) hereunder, Lender, for itself and on behalf of its successors in interest, and for any Acquiring Party, agrees that the right of possession of a Site and all other rights of Licensee pursuant to the terms of this Agreement shall remain in full force and effect and shall not be affected or disturbed by Lender in the exercise of its rights under the Security Instrument.

22.3 Liability of Parties. Licensee and Licensor agree (i) that any Conveyance shall be made subject to this Agreement and the rights of Licensee hereunder and (ii) that the parties shall be bound to one another and have the same remedies against one another for any breach of this Agreement as Licensee and Licensor had before such Conveyance; provided, however, that Lender or any Acquiring Party shall not be liable for any act or omission of Licensor or any other predecessor-in-interest to Lender or any Acquiring Party. Licensee agrees that Lender may join Licensee as a party in any action or proceeding to foreclose, provided that such joinder is necessary to foreclose on the Security Instrument and not for the purpose of terminating this Agreement.

22.4 Attornment. Licensee agrees that, upon receipt by Licensee of notice to attorn from Lender or any Acquiring Party, along with reasonable supporting documentation, (i) Licensee shall not seek to terminate this Agreement and shall remain bound under this Agreement, and (ii) Licensee shall attorn to, accept and recognize Lender or any Acquiring Party as the licensor or lessor hereunder pursuant to the provisions expressly set forth herein for the then remaining balance of the Term of this Agreement and any extensions or expansions thereof as made pursuant hereto. Licensee agrees, however, to execute and deliver, at any time and from time to time, upon the request of Lender or any Acquiring Party any reasonable instrument which may be necessary or appropriate to evidence such attornment.

23. INTENTIONALLY OMITTED

24. SURRENDER OF LICENSED SPACE, REMOVAL OF EQUIPMENT, REMAINING EQUIPMENT FEE

Licensee shall remove all of its Licensed Equipment and other personal property from a Site prior to, and shall surrender the Licensed Space upon, the termination or expiration of this Agreement. The removal of Licensee's Licensed Equipment and other personal property shall be performed in such a manner as not to interfere with the continuing use of a Site by Licensor and others. Licensee shall, at Licensee's sole expense, promptly repair any damage caused by such removal, reasonable wear and tear excepted, to a Site, to the Licensed Space or to the equipment of any third party on a Site. Should any of Licensee's Equipment or other property remain on a Site after the expiration or termination of this Agreement, then:

- (i) no tenancy or interest in a Site shall result, and all such Equipment and other property shall be subject to immediate removal;
- (ii) Because Licensee is not a lessee and therefore holds no legal title or leasehold interest in the Licensed Space, Licensor have Licensor's Right of Re-Entry Upon Default without recourse to any state or local law governing landlord-tenant relationships and, if Licensor elects to use Licensor's Right of Re-Entry Upon Default, then Licensor shall store the removed Licensed Equipment, at Licensee's expense, subject to the following terms: (x) Licensor's liability for any damage to the Licensed Equipment or other property occasioned by such removal and storage is expressly waived by Licensee; (y) Licensed Equipment so removed shall be returned to Licensee upon payment in full of all removal and storage costs and any other fees owing under this Agreement, plus an administrative charge equal to fifty percent (50%) of the total of said removal and storage costs, and (z) notwithstanding the foregoing, any Licensed Equipment not retrieved by Licensee within ninety (90) days after its disconnection shall be deemed abandoned by Licensee, and shall become the property of Licensor without further action by either party, provided that such abandonment shall not relieve Licensee of liability for the costs of removal, storage and disposal of the Equipment, and Licensee shall reimburse Licensor for the cost of disposing of abandoned Equipment plus an administrative charge equal to fifty percent (50%) of the costs of said disposal.
- (iii) If Licensor elects not to use Licensor's Right of Re-Entry Upon Default, then: (x) Licensee shall, upon demand, pay to Licensor a fee equal to one and one-half (1 ½) times the monthly portion of Basic Payment (based on the amount of the Basic Payment at the time of said expiration or termination) for each month or partial month during which any portion of Licensee's Equipment remains at a Site after the expiration or termination of this Agreement, (y) Licensee shall pay to Licensor all expenses that Licensor may incur by reason of such Equipment or other property remaining at a Site after the expiration or termination of this Agreement, and (z) Licensee shall indemnify and hold Licensor harmless from and against all claims made against Licensor by any third party founded upon delay by Licensor in delivering possession of a Site to such third party or upon the improper or inadequate condition of a Site, to the extent that such delay or improper or inadequate condition is occasioned by the failure of Licensee to perform its said surrender obligations or timely surrender of the Licensed Space.

25. SETTLEMENT AGREEMENT

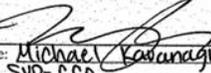
Licensor and Licensee acknowledge and agree that this Agreement shall also be subject to the terms and conditions of the Settlement Agreement.

[Remainder of Page Intentionally Left Blank]

Draft for discussion 11-20-19

IN WITNESS WHEREOF, the parties hereto have set their hands and affixed their respective seals the day and year first above written.

BY LICENSOR:

By: 
Name: Michael J. Karanagh
Title: SVP-CCO
of each of the "Crown Castle" entities listed in Exhibit A
Date: 12/4/19

BY LICENSEE:

IOTA Networks, LLC

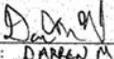
By: 
Name: DARREN M. NICHOLAS
Title: SVP/GENERAL MANAGER
Date: 12/4/2019



EXHIBIT "1"

CROWN CASTLE ENTITIES

Crown Atlantic Company LLC, a Delaware limited liability company
Crown Castle PT Inc., a Delaware corporation
Crown Castle South LLC, a Delaware limited liability company
Crown Castle GT Company LLC, a Delaware limited liability company
Crown Communication LLC, a Delaware limited liability company (successor by conversion to Crown Communication Inc.)
Crown Castle Towers 05 LLC, a Delaware limited liability company
Crown Castle MU LLC, a Delaware limited liability company
CCATT LLC, a Delaware limited liability company (for itself and as attorney-in-fact for various AT&T Mobility entities)
CCTMO LLC, a Delaware limited liability company (for itself and as attorney-in-fact for various T-Mobile entities)
CCTM1 LLC, a Delaware limited liability company (for itself and as attorney-in-fact for various T-Mobile entities)
CCTM2 LLC, a Delaware limited liability company (for itself and as attorney-in-fact for various T-Mobile entities)
Crown Castle Towers 06-2 LLC, a Delaware limited liability company
Aircomm of Avon, L.L.C., a Connecticut limited liability company
Coverage Plus Systems LLC, a Delaware limited liability company
Global Signal Acquisitions II LLC, a Delaware limited liability company (for itself and as attorney-in-fact for various Sprint entities)
Global Signal Acquisitions III LLC, a Delaware limited liability company (for itself and as attorney-in-fact for various Sprint entities)
Global Signal Acquisitions IV LLC, a Delaware limited liability company
Global Signal Acquisitions LLC, a Delaware limited liability company
GoldenState Towers, LLC, a Delaware limited liability company
High Point Management Co. LLC, a Delaware limited liability company
ICB Towers, LLC, a Georgia limited liability company
Interstate Tower Communications LLC, a Delaware limited liability company
IntraCoastal City Towers LLC, a Delaware limited liability company
Pinnacle Towers Acquisition Holdings LLC, a Delaware limited liability company
Pinnacle Towers Acquisition LLC, a Delaware limited liability company
Pinnacle Towers Asset Holding LLC, a Delaware limited liability company
Pinnacle Towers LLC, a Delaware limited liability company
PR Site Development Corporation, a Delaware corporation
Radio Station WGLD LLC, a Delaware limited liability company
Shaffer & Associates, Inc., an Illinois corporation
Sierra Towers, Inc., a Texas corporation
Tower Systems LLC, a Delaware limited liability company
Tower Technology Corporation of Jacksonville LLC, a Delaware limited liability company
Tower Ventures III, LLC, a Tennessee limited liability company
TVHT, LLC, a Tennessee limited liability company
Tower Development Corporation, a Maryland corporation
WCP Wireless Lease Subsidiary, LLC

EXHIBIT "2"

SITES COVERED BY THIS AGREEMENT

Original Crown Castle License Number ¹	Crown Castle BU Number	Licensee Site Number
402797	873744	AL036-873744
402776	814616	AL074-814616
402799	811739	AL078-811739
404028	871720	AL079-871720
402783	828546	AL080-828546
402790	878104	AR090-878104
402806	874000	AR091-874000
402803	873343	AR095-873343
415850	800040	AZ154-800040
403771	803943	AZ158-803943
407609	822373	AZ159-822373
407353	873454	CA160-873454
436056	815815	CA163-815815
404025	839199	CA163-839199
403767	826567	CO140-826567
403770	823392	CO141-823392
500100	855748	CO141-855748
490435	871336	CO141-871336
402787	812229	FL029-812229
402792	826033	FL029-826033
402779	805864	FL030-805864
406842	813699	FL031-813699
406839	814546	FL032-814546
406841	815841	FL033-815841
436345	816071	FL034-816071
404027	871500	FL035-871500
402786	822744	FL081-822744
402781	871158	GA027-871158
402800	801909	GA028-801909
403765	802378	GA037-802378
403766	809042	GA038-809042
413503	802511	GA039-802511
406838	812020	GA040-812020
421094	871757	HI172-871757
476118	877288	HI172-877288

¹ As explained in more detail in the body of this Agreement, these are the licensor numbers assigned by Licensor to the Terminated License Agreements when executed with M2M. These numbers appear for convenience and reference. New license numbers will be assigned for administrative purposes upon execution of this Agreement.

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Original Crown Castle License Number ¹	Crown Castle BU Number	Licensee Site Number
476121	877298	HI172-K877298
476119	877283	HI172-M877283
471285	817564	IA100-817564
408548	872599	IA100-872599
405852	872277	IA102-872277
427589	858490	IA117-858490
474600	817592	IA118-817592
406117	873554	ID148-873554
441803	839606	ID149-839606
408758	824201	ID150-824201
408377	817042	IL064-817042
408372	875694	IL064-875694
405849	872678	IL068-872678
408378	824116	IL097-824116
408373	829057	IL101-829057
405267	881383	IN066-881383
405268	814034	IN067-814034
406332	813125	IN069-813125
406334	811117	IN070-811117
471118	823175	KS122-823175
405847	873820	KS122-873820
449818	877881	KS123-877881
408209	811164	KY047-811164
478530	873897	KY049-873897
494374	811111	KY070-811111
432635	842441	KY072-842441
402795	812706	LA083-812706
402802	804225	LA084-804225
402794	818029	LA086-818029
402805	838471	LA086-838471
402780	811386	LA088-811386
416339	876691	MD013-876691
402057	876710	MD013-876710
422725	881125	MD014-881125
405270	817724	MI057-817724
427416	857165	MI058-857165
422162	817704	MI061-817704
425184	844512	MN106-844512
471167	824305	MN107-824305
471632	825722	MN107-825722
409184	844217	MN107-844217

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Original Crown Castle License Number	Crown Castle BU Number	Licensee Site Number
408374	824503	MN109-824503
405855	874103	MN110-874103
405856	824281	MO093-824281
472391	817032	MO094-817032
405854	874158	MO094-874158
475362	877833	MO094-877833
405850	805778	MO096-805778
471284	873379	MO096-873379
427415	841725	MO098-841725
473641	802429	MO099-802429
405858	823617	MO099-823617
473448	843423	MO099-843423
416528	813834	MS075-813834
402801	801937	MS076-801937
402793	812582	MS077-812582
414267	872056	MT144-872056
437667	858340	MT146-858340
402058	872740	NC018-872740
409722	813065	NC019-813065
402054	849190	NC021-849190
402053	813298	NC022-813298
402055	881219	NC023-881219
406331	811538	NC025-811538
402056	806893	NC042-806893
428583	813503	NC046-813503
410990	858051	ND112-858051
405851	823066	ND113-823066
405853	879178	NE118-879178
422163	839492	NM139-839492
403769	807408	NM156-807408
402798	839530	NV151-839530
413502	806928	NY005-806928
416340	816554	NY006-816554
492176	816795	NY006-816795
408376	875869	OH049-875869
408549	804315	OH050-804315
403220	823431	OH051-823431
422164	801514	OH055-801514
419416	816217	OH055-816217
402597	824536	OK124-824536
426397	824296	OK125-824296

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Original	Crown Castle License Number	Crown Castle BU Number	Licensee Site Number
472204		873582	OR166-873582
408760		874150	OR166-874150
408761		824542	OR167-824542
408375		805337	PA009-805337
402061		878941	PA010-878941
424802		844797	PA011-844797
413241		806846	PA012-806846
406330		805363	PA053-805363
419418		876189	PA054-876189
402422		5800385	PR174-5800385
402062		870817	SC024-870817
402059		881290	SC025-881290
402060		804878	SC026-804878
402063		872771	SC041-872771
405848		871389	SD114-871389
424542		857888	SD115-857888
413042		857987	SD116-857987
402778		814980	TN043-814980
402788		803644	TN044-803644
402791		849890	TN045-849890
402804		813091	TN071-813091
402789		873412	TN073-873412
402785		816150	TX087-816150
410989		817846	TX127-817846
403221		870309	TX127-870309
403219		870317	TX127-870317
402775		817870	TX128-817870
412095		827863	TX130-827863
402782		805442	TX132-805442
425657		800117	TX133-800117
409203		823982	TX133-823982
402777		879965	TX134-879965
402784		825910	TX135-825910
413242		828610	TX137-828610
403222		822161	TX138-822161
474369		828560	UT152-828560
403768		880573	UT152-880573
412228		879816	VA015-879816
405857		824866	VA017-824866
402052		878791	VA020-878791
404024		871370	WA147-871370

Draft for discussion 11-20-19

Original Crown Castle License Number	Crown Castle BU Number	Licensee Site Number
404026	816997	WA170-816997
408371	826636	W1063-826636
414545	874438	W1104-874438
420577	871607	W1105-871607
406333	801520	WV048-801520
419417	844333	WV052-844333
426533	858206	WY143-858206
476120	858244	WY143-858244

EXHIBIT "3"

REVENUE SHARE SITES

Licenser BU Number	Reimbursement Payment
878941	\$ 221.00
877833	\$ 200.00
877283	\$ 250.00
875694	\$ 176.80
873820	\$ 150.00
873554	\$ 44.20
873412	\$ 150.00
872771	\$ 265.20
872740	\$ 300.00
871757	\$ 707.20
871370	\$ 309.40
858244	\$ 316.63
858051	\$ 500.00
857888	\$ 250.00
857165	\$ 265.20
844797	\$ 530.40
844512	\$ 265.20
844217	\$ 442.00
828610	\$ 265.20
826636	\$ 291.72
826033	\$ 291.72
825722	\$ 291.72
824542	\$ 300.00
824281	\$ 300.00
824201	\$ 176.80
823982	\$ 238.68
823617	\$ 300.00
817724	\$ 200.00
816997	\$ 265.20
814546	\$ 500.00
813065	\$ 300.00
812582	\$ 110.50
811538	\$ 300.00
811117	\$ 221.00
806928	\$ 256.36
805363	\$ 442.00

Link Labs Inc.
130 Holiday Court, Suite 100
Annapolis, MD 21401

January 21, 2020

IOTA Communications, Inc.
Attn: Terrence DeFranco
645 Hamilton Street, Suite 400
Allentown, PA 18101

Re: Second Closing under Asset Purchase Agreement

Dear Sir:

Reference is hereby made to that certain Asset Purchase Agreement, dated as of November 15, 2019 (the "APA"), by and among IOTA Communications, Inc., a Delaware corporation ("Buyer"), and Link Labs, Inc., a Delaware corporation ("Seller," and together with Buyer, the "Parties"), and that certain Side Letter Agreement, dated as of December 31, 2019 and that certain Side Letter Agreement (the "SLA") dated as of January 17, 2020. Unless otherwise defined herein, capitalized terms used in this letter agreement (this "Letter Agreement") shall have the meanings given to them in the APA.

In consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, the Parties, intending to be legally bound, hereby agree as follows:

1. Further Delayed Closing.

Pursuant to Section 1(d) of the SLA, Seller was to deliver to Buyer the Second Invoice payment on or before January 21, 2020. Pursuant to Section 1(c) of the SLA, Seller is, conditioned upon Seller's receipt of the Buyer Closing Deliverables, to deliver to Buyer evidence of termination of the existing agreements constituting the Second Closing Assets (the "Termination of Agreements"). In furtherance of the intent of the APA and the transactions contemplated therein, and subject to Section 2 herein, the Parties hereby agree as follows:

- a) Buyer shall pay to Seller the Second Invoice Payment on or before January 31, 2020; and,
- b) Seller shall, conditioned upon Seller's receipt of the Second Invoice Payment, deliver to Buyer the Termination of Agreements on or before January 31, 2020.

2. Reservation of Rights.

This Letter Agreement also serves to advise the Buyer that nothing in this Letter Agreement or any delay by Seller in exercising any rights, powers, privileges or remedies under

the APA or applicable law with respect to the delay of the consummation of the Second Closing under the APA shall constitute a waiver of the same now existing or hereafter arising under the APA or applicable law. This Letter Agreement is not, and shall not be deemed to be, a waiver of, or a consent to, any default or noncompliance now existing or hereafter arising under or relating to the APA.

3. Miscellaneous.

This Letter Agreement shall be governed by and construed in accordance with the internal laws of Delaware, without giving regard to the conflict of laws provisions thereof and each of the Parties hereby agrees that the provisions of Section 8.6 (Jurisdiction, Venue and Waiver of Jury Trial) of the APA shall be incorporated herein by reference. This Letter Agreement may be amended or modified only by written agreement of each of the Parties. This Letter Agreement may not be assigned except by the written consent of the non-assigning party (which consent may be granted or withheld in each such non-assigning party's sole discretion). Each party hereto agrees to take such actions and execute and acknowledge all documents and writings reasonably necessary to carry out the full intent and purposes of this Letter Agreement. The parties hereto acknowledge and agree that to the extent any terms and provisions of this Letter Agreement are in any way inconsistent with or in conflict with any term or provision of the APA or the SLA, this Letter Agreement shall govern and control. All notices under this Letter Agreement shall be provided in accordance with the procedures set forth in Section 8.1 (Notices) of the APA and to the addresses set forth therein. This Letter Agreement and any amendment hereto may be signed in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one Letter Agreement (or amendment, as applicable). This Letter Agreement will become effective and binding upon each party when executed by such party, and the delivery of such signature by e-mail delivery of a ".pdf" format data file shall create a valid and binding obligation of the party signing.

If Buyer agrees with the foregoing, please so indicate by executing this Letter Agreement in the place provided below, whereupon this Letter Agreement will constitute a binding agreement among the Parties.

[signature pages to follow]

Sincerely,

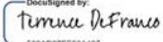
LINK LABS, INC.

DocuSigned by:
By: 
Name: Jennifer Halstead
Title: Chief Financial Officer

[Signature Page to Side Letter Agreement]

Acknowledged and agreed to as of the date first set forth above:

IOTA COMMUNICATIONS, INC.

By:  _____
Name: Terrence DeFranco
Title: Chief Executive Officer

[Signature Page to Side Letter Agreement]

AGREEMENT AND WAIVER

This Waiver and Agreement (the "**Waiver and Agreement**"), effective as of March 25, 2020, is made by and between IOTA Communications, Inc., a Delaware corporation formerly known as Solbright Group, Inc., (the "**Company**"), and AIP Asset Management, Inc. in its capacity as Security Agent for the Holders (collectively, "**AIP**").

Reference is hereby made to the Note Purchase Agreement made as of October 31, 2018, the Agreement and Waiver as of November 30, 2018, the Agreement and Waiver as of March 29, 2019, the Waiver and Agreement to Issue Additional Notes as of May 24, 2019, the Waiver and Agreement as of July 31, 2019, the Agreement and Extension as of October 4, 2019 and the Agreement and Waiver as of December 18, 2019 (collectively the "**Agreement**"), by and between the Company and AIP. All capitalized terms used but not defined herein shall have the meanings set forth in the Agreement.

WHEREAS, the Company and AIP completed four financing transactions pursuant to which the Company raised capital by issuing secured convertible promissory notes as follows: (1) issue date November 1, 2018; original aggregate principal amount \$2,500,000; and maturity date November 1, 2019; (2) issue date December 6, 2018; original aggregate principal amount \$1,000,000; and maturity date December 6, 2019; (3) issue date May 24, 2019; original principal amount \$1,000,000; maturity date May 24, 2020; and (4) issue date August 1, 2019; original principal amount \$500,000; and maturity date August 1, 2020; which have been canceled and replaced by (5) issue date October 4, 2019; original principal amount \$4,600,000, secured non-convertible; and maturity date April 4, 2021; and subsequent to these four financing transactions the Company and AIP completed one additional financing transaction pursuant to which the Company raised capital by issuing secured non-convertible notes with an issue date of December 20, 2019; original principal amount \$1,400,000; and maturity date June 20, 2020; and

WHEREAS, the Company is in default of the Agreement; and

WHEREAS, Section 9.6 of the Agreement gives the Majority Holders the power to instruct the Security Agent waive the Events of Default.

NOW THEREFORE, the parties agree as follows:

1. Subject to the Company satisfying the conditions set forth in Section 2 of this Agreement, the Majority Holders hereby waive, and instruct the Security Agent to waive, through May 31, 2020, all currently existing Events of Default, in each case subject to all of the terms and conditions set forth below.
2. The waivers set forth in Section 1 are conditioned upon the Company satisfying the following conditions:
 - a. the Company issuing 2,500,000 Shares of its common stock, par value \$0.0001 per share, to AIP Convertible Private Debt Fund LP; and

- b. the Company reducing the exercise price of the outstanding Warrants under the Note Purchase Agreement (and any warrants issued pursuant to amendments thereto) to \$0.20 per share; and
- c. the Company must maintain a minimum Enterprise Value of \$65,000,000 for the period beginning on April 1, 2020 and ending on April 30, 2020, such minimum Enterprise Value will be increased to \$75,000,000 for the period beginning on May 1, 2020 and ending on May 31, 2020, and such minimum Enterprise Value will be set at \$100,000,000 thereafter; and
- d. the Company providing the following documents to AIP by the specified dates:
 - i. The monthly Officer's Certificates specified in Section 8.2(b)(i) of the Note Purchase Agreement for each month from and including December 2019 (each such certificate for months from and including December 2019 to be provided) to be provided on or before March 31, 2020;
 - ii. The Legal opinion set forth in Section 3.1(j) of the Note Purchase Agreement to be provided on or before May 31, 2020;
- 3. Company agrees to issue, and the Noteholders agrees to purchase, Additional Notes in the aggregate principal amount of \$1,000,000 with a maturity date of April 4, 2021, as soon as practicable upon the execution of this Agreement and the satisfaction by the Company of the conditions set forth in Section 2.
- 4. Section 2 of the Agreement and Extension dated October 4, 2019 shall be amended such that the New Warrants shall have an exercise price of \$0.20 per share.
- 5. Except as explicitly stated in this Agreement and Waiver, the terms and conditions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this Agreement and Waiver effective as of as of ~~March 25, 2020~~. April 1, 2020

IOTA Communications, INC.
as Borrower

By: 
Name: Terrence DeFranco
Title: Chief Executive Officer

AIP ASSET MANAGEMENT INC.
as Security Agent for and on behalf of the Noteholders

By: 
Name: Jay Bala, CFA
Title: President

AMENDMENT AND SETTLEMENT AGREEMENT

THIS AMENDMENT AND SETTLEMENT AGREEMENT (this "Agreement"), dated May 5, 2020 (the "Effective Date"), is executed by and between Iota Communications, Inc., a Delaware corporation (the "Company") and Lucas Hoppel ("Hoppel"). The Company and Hoppel are each respectively referred to herein as a "Party" and collectively as "the Parties."

WHEREAS, the Parties entered into that certain Securities Purchase Agreement dated as of September 18, 2018 pursuant to which the Company issued Hoppel a promissory note in the principal amount of \$440,000 (the "Note");

WHEREAS, on May 21, 2019, in lieu of the Company paying back the amount owed pursuant to the Note, the Company and Hoppel entered into a Settlement Agreement (the "2019 Settlement") to provide for the Company to issue common stock as full repayment of the Note;

WHEREAS, the 2019 Settlement provided for an initial issuance of 1,330,000 shares to Hoppel and contained a "Make-Whole" provision requiring that the Company issue Hoppel additional shares in the event that proceeds from the 1,330,000 shares did not net proceeds of at least \$665,000.00;

WHEREAS, the initial 1,330,000-share outlay to Hoppel resulted in proceeds of \$481,943.00, resulting in the Company needing to issue additional "Make-Whole" shares to cover the remaining "Make-Whole" amount of \$183,057.00;

WHEREAS, rather than issue additional "Make-Whole" shares, the Company provided partial payment of \$50,000.00 to reduce the outstanding "Make-Whole" amount to \$133,057.00 and Hoppel agreed not to exercise his "Make Whole" rights under Section 2 of the 2019 Settlement until May 1, 2020.

WHEREAS, rather than issue additional "Make-Whole" shares at this time, the Company wishes to provide partial payment of \$50,000.00 to reduce the outstanding "Make-Whole" amount to \$83,057.00, while this remaining amount will remain an outstanding obligation of the Company;

WHEREAS, the Parties desire to amend the 2019 Settlement to incorporate the following changes.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, and for other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, it is stipulated and agreed, by and among the undersigned, that any claims arising from any amounts owed by the Company to Hoppel pursuant to the Note (the "Settled Claims") are fully and finally settled upon the following terms and conditions:

1. **Section 2. Make-Whole.** Rather than issuing "Make-Whole" shares due under Section 2 of the 2019 Settlement at this time, the Company shall pay to Hoppel, \$50,000.00 in cash, made in immediately available funds to the bank account designated by Hoppel attached as

Schedule A hereto, to reduce the remaining "Make-Whole" amount to \$83,057.00. This amount will remain a valid and outstanding obligation of the Company due to Hoppel. In exchange for this payment, Hoppel shall not exercise his "Make Whole" rights under Section 2 of the 2019 Settlement until June 1, 2020. Beginning June 1, 2020, Hoppel may exercise his "Make-Whole" rights for any "Make-Whole" amount remaining under the 2019 Settlement.

2. Effectiveness: Conflict. Except as modified hereby, the Note, the 2019 Settlement, and terms thereof shall remain in full force and effect. On and after the effectiveness of this Amendment, each reference in the Notes to "this Agreement," "hereunder," "hereof," "herein" or words of like import shall mean and be a reference to the Note, as amended by this Amendment. To the extent the terms of this Amendment conflict with any provision of the Note or any of the documents referenced therein, then the provisions of this Amendment shall control.

3. Counterparts. This Amendment and Settlement Agreement may be executed by facsimile transmission and in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

[THIS SECTION INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE FOLLOWS]

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

Iota Communications, Inc.

By: 
Name: Terrence DeFranco
Title: Chief Executive Officer

LUCAS HOPPEL


Lucas Hoppel

[SIGNATURE PAGE TO AMENDMENT AND SETTLEMENT AGREEMENT]

Schedule A

Beneficiary:

Beneficiary Bank:

Bank Address:

Account #:

Bank #:

SWIFT Code:

[SCHEDULE A TO AMENDMENT AND SETTLEMENT AGREEMENT]

Amendment to Employment and Non-Competition Agreement

This Amendment to Employment and Non-Competition Agreement ("Amendment") is effective May 22, 2020 ("Effective Date"), and is by and between Brian Ray ("Employee") and Iota Communications, Inc. ("Iota").

RECITALS

WHEREAS, Iota and Employee entered into an Employment and Non-Competition Agreement dated November 15, 2019 ("Agreement"); and

WHEREAS, Iota and Employee desire to amend the Agreement to alter Employee's compensation and non-compete terms, per the terms of this Amendment;

NOW, THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, the parties agree as follows:

1. Section 2 of the Agreement shall be amended to replace "Chief Technology Officer" with "Head of Network Strategy" wherever such term appears therein, and wherever the term appears in the Agreement. The fifth sentence of Section 2 shall be amended to remove "full work time and", to read "Employee agrees to devote his best efforts to the performance"

2. Section 3 shall be amended to replace "Initial Term" with "Employment Period" in the first sentence. Section 3 shall be amended to delete the second sentence. The third sentence shall be amended to read "The Employment Period may be terminated early in accordance with Section 6 of this Agreement."

3. Section 4(a) shall be amended to replace "\$250,000" with "100,000". Section 4(b) shall be deleted in its entirety.

4. Section 6(a)(iii)(3) shall be deleted in its entirety. Sections 6(b)(i) and 6(b)(ii) shall be deleted in their entirety. Section 6(b)(iii) shall be amended to delete from the first sentence, "Employer provides Employee with notice that the Agreement will not be renewed for any Extension Term," and "Employer shall pay Employee a cash amount equal to Employee's Base Salary for a period of twelve (12) months; and".

5. Section 10(a) shall be deleted in its entirety.

6. Section 12(a) shall be amended to change Iota's address for notices to:

Iota Communications, Inc.
600 Hamilton Street, Suite 1010
Allentown, PA 18101
Attention: President and CEO

7. Any sections or subsections deleted in their entirety by this Amendment shall not cause subsequent sections and subsections to be renumbered, to preserve continuity in the Agreement. Such deleted sections and subsections should be considered "[Reserved]".

8. All other terms of the Agreement shall remain in full force and effect. To the extent any terms of the Agreement are deemed to conflict with the terms of this Amendment, such Agreement terms shall be amended to be consistent with the purposes of this Amendment.

EXECUTED as of the Effective Date.

EMPLOYER:

Iota Communications, Inc.

By:



Terrence DeFranco
CEO and President



AGREEMENT AND WAIVER

This Waiver and Agreement (the "**Waiver and Agreement**"), effective as of June 2, 2020, is made by and between IOTA Communications, Inc., a Delaware corporation formerly known as Solbright Group, Inc., (the "**Company**"), and AIP Asset Management, Inc. in its capacity as Security Agent for the Holders (collectively, "**AIP**").

Reference is hereby made to the Note Purchase Agreement made as of October 31, 2018, the Agreement and Waiver as of November 30, 2018, the Agreement and Waiver as of March 29, 2019, the Waiver and Agreement to Issue Additional Notes as of May 24, 2019, the Waiver and Agreement as of July 31, 2019, the Agreement and Extension as of October 4, 2019, the Agreement and Waiver as of December 18, 2019, and the Agreement and Waiver as of April 1, 2020 (collectively the "**Agreement**"), by and between the Company and AIP. All capitalized terms used but not defined herein shall have the meanings set forth in the Agreement.

WHEREAS, the Company and AIP completed four financing transactions pursuant to which the Company raised capital by issuing secured convertible promissory notes as follows: (1) issue date November 1, 2018; original aggregate principal amount \$2,500,000; and maturity date November 1, 2019; (2) issue date December 6, 2018; original aggregate principal amount \$1,000,000; and maturity date December 6, 2019; (3) issue date May 24, 2019; original principal amount \$1,000,000; maturity date May 24, 2020; and (4) issue date August 1, 2019; original principal amount \$500,000; and maturity date August 1, 2020; which have been canceled and replaced by (5) issue date October 4, 2019; original principal amount \$4,600,000, secured non-convertible; and maturity date April 4, 2021; and subsequent to these four financing transactions the Company and AIP completed two additional financing transaction pursuant to which the Company raised capital by issuing secured non-convertible notes as follows: (1) issue date December 20, 2019; original principal amount \$1,400,000; maturity date June 20, 2020; and (2) issue date March 30, 2020; original principal amount \$1,000,000; maturity date April 4, 2021; and

WHEREAS, the Company is in default of the Agreement; and

WHEREAS, Section 9.6 of the Agreement gives the Majority Holders the power to instruct the Security Agent waive the Events of Default.

NOW THEREFORE, the parties agree as follows:

1. Subject to the Company satisfying the conditions set forth in Section 2 of this Agreement, the Majority Holders hereby waive, and instruct the Security Agent to waive, through July 31, 2020, all currently existing Events of Default, in each case subject to all of the terms and conditions set forth below.
2. The waivers set forth in Section 1 are conditioned upon the Company satisfying the following conditions:
 - a. the Company issuing additional 2,500,000 warrants (3-years, \$0.20 strike, with cashless exercise rights) to AIP Convertible Private Debt Fund L.P.; and

- b. the Company providing the following documents to AIP by the specified dates:
 - i. The monthly Officer's Certificates specified in Section 8.2(b)(i) of the Note Purchase Agreement for each month from and including December 2019 (each such certificate for months from and including December 2019 to be provided) to be provided on or before June 15, 2020;
 - ii. The Legal opinion set forth in Section 3.1(j) of the Note Purchase Agreement to be provided on or before June 15, 2020;
- 3. Company agrees to issue, and the Noteholders agrees to purchase, Additional Notes in the aggregate principal amount of \$500,000 with a maturity date of April 4, 2021, as soon as practicable upon the execution of this Agreement and the satisfaction by the Company of the conditions set forth in Section 2.
- 4. The Security Agent, on behalf of the Holders, hereby extends to April 4, 2021, the maturity date for the secured non-convertible note issued on December 20, 2019.
- 5. The Company shall Issue to the Holders 500,000 Shares within five business days of the Effective Date. If the Company does not prepay the Additional Notes by December 1, 2020, the Company shall Issue to the Holders an additional 1,000,000 Shares on such date.
- 6. The Agreement as amended previous and as amended herein, including but not limited to Sections 8.1(a) and (b) thereof, remains in full force and effect.
- 7. Except as explicitly stated in this Agreement and Waiver, the terms and conditions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this Agreement and Waiver effective as of as of June 2, 2020.

IOTA Communications, INC.

as Borrower

By: 
Name: Terrence DeFranco
Title: Chief Executive Officer

AIP ASSET MANAGEMENT INC.

as Secretary on behalf of the Noteholders

By: 
Name: Jay Bala, CFA
Title: President

AGREEMENT

This Agreement (the "Agreement"), effective as of July 30, 2020, is made by and between AIP Private Convertible Debt Fund L.P. ("AIP"), and Terrence DeFranco (the "Shareholder").

WHEREAS, the Shareholder is a major shareholder of IOTA Communications, Inc. (the "Company"); and

WHEREAS, the Shareholder desires to induce AIP to make an additional loan of U.S. \$1,000,000 (the "Additional Loan") to the Company immediately upon the execution of this Agreement; and

WHEREAS, the Shareholder acknowledge that he will derive significant benefits from the Additional Loan; and

NOW THEREFORE, the parties agree as follows:

1. In consideration of AIP making an additional loan of U.S. \$1,000,000 to the Company, the Shareholder hereby agrees to transfer (individually, with other shareholders of the Company, or by the Company) to AIP shares of the Company's common stock (the "Shares") as described in Section 2 of this Agreement.

2. The number of Shares will equal the greater of (i) 2,000,000 Shares or (ii) the number of such Shares issued by the Company (or by the Company or others shareholders of the Company) to Davidi Jonas in connection with his employment as an executive of the Company or investment in the Company.

3. In consideration of the Shareholder's covenants set forth in this Agreement, AIP will make an additional loan of U.S. \$1,000,000 to the Company.

IN WITNESS WHEREOF, the undersigned have executed this Agreement and Waiver effective as of as of July 30, 2020.

AIP PRIVATE CONVERTIBLE DEBT FUND TERRENCE DeFRANCO
L.P.



By: Jay Bala
Title: Portfolio Manager



SUBSCRIPTION AGREEMENT

This Subscription Agreement (this "Agreement") is dated as of _____, 2020 (the "Effective Date"), by and among Iota Communications, Inc., a Delaware corporation (the "Company"), and each purchaser identified on the signature pages hereto (each, including its successors and assigns, a "Purchaser" and collectively the "Purchasers").

RECITALS

A. The Company and each Purchaser is executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), and Rule 506 of Regulation D ("Regulation D") as promulgated by the United States Securities and Exchange Commission (the "Commission") under the Securities Act.

B. Each Purchaser, severally and not jointly, wishes to purchase, and the Company wishes to sell, upon the terms and conditions stated in this Agreement, the units ("Units") set forth below such Purchaser's name on the signature page of this Agreement. Each Unit shall consist of (i) one share of common stock, par value \$0.0001 per share of the Company (the "Common Stock") (collectively referred to herein as the "Shares") and (ii) one warrant, in substantially the form attached hereto as Exhibit A (the "Warrant"), to acquire up to that number of additional shares of Common Stock equal to one-hundred percent (100%) of the number of Shares purchased by such Purchaser (the shares of Common Stock issuable upon exercise of or otherwise pursuant to the Warrants collectively are referred to herein as the "Warrant Shares").

C. The Units, Shares, the Warrants, and the Warrant Shares collectively are referred to herein as the "Securities" and the offering of the Securities pursuant to this Agreement is referred to as the "Offering."

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and each Purchaser hereby agree as follows:

ARTICLE I DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms shall have the meanings indicated in this Section 1.1:

"Acquiring Person" has the meaning set forth in Section 4.6.

"Action" means any action, suit, inquiry, notice of violation, proceeding (including any partial proceeding such as a deposition) or investigation pending or, to the Company's Knowledge, threatened in writing against the Company, any Subsidiary or any of their respective properties or any officer, director or employee of the Company or any Subsidiary acting in his or her capacity as an officer, director or employee before or by any federal, state, county, local or foreign court, arbitrator, governmental or administrative agency, regulatory authority, stock market, stock exchange or trading facility.

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, Controls, is controlled by or is under common control with such Person, as such terms are used in and construed under Rule 405 under the Securities Act. With respect to a Purchaser, any investment fund or managed account that is managed on a discretionary basis by the same investment manager as such Purchaser will be deemed to be an Affiliate of such Purchaser.

"Agreement" has the meaning set forth in the Preamble.

"Board of Directors" means the board of directors of the Company.

"Business Day" means any day except Saturday, Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"Buy-In" has the meaning set forth in [Section 4.1\(f\)](#).

"Buy-In Price" has the meaning set forth in [Section 4.1\(f\)](#).

"Closing" means the closing of the purchase and sale of the Units pursuant to this Agreement. The purchase and sale of the Units shall take place in one or more closings (each of which is referred to in this Agreement as a "Closing").

"Closing Bid Price" means, for any security as of any date, (a) the last reported closing bid price per share of Common Stock for such security on the Principal Trading Market, as reported by Bloomberg Financial Markets, or, (b) if the Principal Trading Market begins to operate on an extended hours basis and does not designate the closing bid price then the last bid price of such security prior to 4:00 P.M., New York City time, as reported by Bloomberg Financial Markets, or (c) if the foregoing do not apply, the last closing price of such security in the over-the-counter market on the electronic bulletin board for such security as reported by Bloomberg Financial Markets, or (d) if no closing bid price is reported for such security by Bloomberg Financial Markets, the average of the bid prices of any market makers for such security as reported in the "pink sheets" by Pink Sheets LLC. If the Closing Bid Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Bid Price of such security on such date shall be the fair market value as mutually determined by the Company and the holder of such security. All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination or other similar transaction during the applicable calculation period.

"Closing Date" means the Trading Day when all the Transaction Documents have been executed and delivered by the applicable parties thereto, and all the conditions set forth in [Sections 2.1, 2.2, 5.1 and 5.2](#) hereof are satisfied or waived, as the case may be, or such other date as the parties may agree.

"Commission" has the meaning set forth in the Recitals.

"Common Stock" has the meaning set forth in the Recitals, and also includes any other class of securities into which the Common Stock may hereafter be reclassified or changed into.

"Common Stock Equivalents" means any securities of the Company or any Subsidiary which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, rights, options, warrants or other instrument that is at any time convertible into or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock or other securities that entitle the holder to receive, directly or indirectly, Common Stock.

"Company" has the meaning set forth in the Preamble.

"Company Deliverables" has the meaning set forth in [Section 2.2\(a\)](#).

"Company's Knowledge" means with respect to any statement made to the Company's Knowledge, that the statement is based upon the actual knowledge of the executive officers of the Company having responsibility for the matter or matters that are the subject of the statement.

“Control” (including the terms “controlling”, “controlled by” or “under common control with”) means the possession, direct or indirect, 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.

“Deadline Date” has the meaning set forth in [Section 4.1\(f\)](#).

“Disclosure Materials” means the SEC Reports, together with the Disclosure Schedules.

“Disclosure Schedules” has the meaning set forth in [Section 3.1](#).

“DTC” has the meaning set forth in [Section 4.1\(d\)](#).

“Environmental Laws” has the meaning set forth in [Section 3.1\(z\)](#).

“ERISA” has the meaning set forth in [Section 3.1\(ii\)](#).

“Exchange Act” means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

“GAAP” means U.S. generally accepted accounting principles, as applied by the Company.

“Intellectual Property Rights” has the meaning set forth in [Section 3.1\(n\)](#).

“Investor Questionnaire” means the Investor Questionnaire set forth as [Exhibit B-1](#) hereto.

“Irrevocable Transfer Agent Instructions” means, with respect to the Company, the Irrevocable Transfer Agent Instructions, in the form of [Exhibit C](#), executed by the Company and delivered to and acknowledged in writing by the Transfer Agent.

“Legend Removal Date” has the meaning set forth in [Section 4.1\(d\)](#).

“Lien” means any lien, charge, claim, encumbrance, security interest, right of first refusal, preemptive right, or other restrictions of any kind.

“Material Adverse Effect” means a material adverse effect on the results of operations, assets, prospects, business or financial condition of the Company and the Subsidiaries, taken as a whole, except that any of the following, either alone or in combination, shall not be deemed a Material Adverse Effect: (i) effects caused by changes or circumstances affecting general market conditions in the U.S. economy or which are generally applicable to the industry in which the Company operates, provided that such effects are not borne disproportionately by the Company, (ii) effects resulting from or relating to the announcement or disclosure of the sale of the Securities or other transactions contemplated by this Agreement, or (iii) effects caused by any event, occurrence or condition resulting from or relating to the taking of any action in accordance with this Agreement.

“Material Contract” means any contract of the Company that has been filed or was required to have been filed as an exhibit to the SEC Reports pursuant to Item 601(b)(4) or Item 601(b)(10) of Regulation S-K.

“Material Permits” has the meaning set forth in [Section 3.1\(l\)](#).

“New York Courts” means the state and federal courts sitting in the City of New York, Borough of Manhattan.

“OFAC” has the meaning set forth in [Section 3.1\(hh\)](#).

"Outside Date" means the fifth (5th) Business Day following the date of this Agreement.
"Person" means an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, sole proprietorship, unincorporated organization, governmental authority, or any other form of entity not specifically listed herein.

"Press Release" has the meaning set forth in [Section 4.5](#).

"Principal Trading Market" means the Trading Market on which the Common Stock is primarily listed on and quoted for trading, which, as of the date of this Agreement and the Closing Date, shall be the OTCQB.

"Proceeding" means an action, claim, suit, investigation or proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"Purchase Price" means \$0.12 per Unit.

"Purchaser" or "Purchasers" has the meaning set forth in the Recitals.

"Purchaser Deliverables" has the meaning set forth in [Section 2.2\(b\)](#).

"Purchaser Party" has the meaning set forth in [Section 4.9](#).

"Registrable Securities" means all of (i) the Shares, (ii) the Warrant Shares and (iii) any securities issued or issuable upon any stock split, dividend or other distribution, recapitalization or similar event with respect to the foregoing, provided, that the Purchaser has completed and delivered to the Company a Selling Stockholder Questionnaire to be provided by the Company; and provided, further, that with respect to a particular Purchaser, such Purchaser's Shares and Warrant Shares shall cease to be Registrable Securities upon the earliest to occur of the following: (A) a sale pursuant to a Registration Statement or Rule 144 under the Securities Act (in which case, only such security sold by the Purchaser shall cease to be a Registrable Security); (B) becoming eligible for resale by the Purchaser under Rule 144 without the requirement for the Company to be in compliance with the current public information required thereunder and without volume or manner-of-sale restrictions, pursuant to a written opinion letter to such effect, addressed, delivered and acceptable to the Transfer Agent; or (C) the date on which the Company's shares of common stock are deregistered under the Exchange Act pursuant to a shareholder approved transaction providing for such deregistration.

"Registration Statement" means a registration statement covering the resale by the Purchasers of the Registrable Securities as contemplated by [Section 4.13](#).

"Regulation D" has the meaning set forth in the Recitals.

"Required Approvals" has the meaning set forth in [Section 3.1\(e\)](#).

"Rule 144" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"SEC Reports" means all of the reports, schedules, forms, statements and other documents filed by the Company under the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof (including the exhibits thereto and documents incorporated by reference therein).

"Secretary's Certificate" has the meaning set forth in [Section 2.2\(a\)\(v\)](#).

"Securities" has the meaning set forth in the Recitals. "Securities Act" has the meaning set forth in the Recitals. "Shares" has the meaning set forth in the Recitals.

"Short Sales" include, without limitation, (i) all "short sales" as defined in Rule 200 promulgated under Regulation SHO under the Exchange Act, whether or not against the box, and all types of direct and indirect stock pledges, forward sale contracts, options, puts, calls, short sales, swaps, "put equivalent positions" (as defined in Rule 16a-1(h) under the Exchange Act) and similar arrangements (including on a total return basis), and (ii) sales and other transactions through non-U.S. broker dealers or foreign regulated brokers (but shall not be deemed to include the location and/or reservation of borrowable shares of Common Stock).

"Stock Certificates" has the meaning set forth in [Section 2.2\(a\)\(ii\)](#).

"Subscription Amount" means, with respect to each Purchaser, the aggregate amount to be paid for the Units purchased hereunder as indicated on such Purchaser's signature page to this Agreement next to the heading "Aggregate Purchase Price (Subscription Amount)" in United States dollars and in immediately available funds.

"Subsidiary" means any subsidiary of the Company as set forth on [Schedule 3.1\(a\)](#), and shall, where applicable, include any subsidiary of the Company formed or acquired after the date hereof.

"Trading Affiliate" has the meaning set forth in [Section 3.2\(l\)](#).

"Trading Day" means (i) a day on which the Common Stock is traded on either a national securities exchange or the OTCQB, as reported by OTC Markets Group Inc., or (ii) if the Common Stock is not traded on a national securities exchange or quoted on the OTCQB, a day on which the Common Stock is quoted in the over-the-counter market as reported by OTC Markets Group Inc. (or any similar organization or agency succeeding to its functions of reporting prices); provided, that in the event that the Common Stock is not listed or quoted as set forth in (i) and (ii) hereof, then Trading Day shall mean a Business Day.

"Trading Market" means whichever of the New York Stock Exchange, the NYSE American, the Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market or the OTC Bulletin Board on which the Common Stock is listed or quoted for trading on the date in question.

"Transaction Documents" means this Agreement (including the schedules and exhibits attached hereto), the Warrants, the Irrevocable Transfer Agent Instructions and any other documents or agreements explicitly contemplated hereunder.

"Transfer Agent" means VStock Transfer, LLC, or any successor transfer agent for the Company.

"Unit" has the meaning set forth in the Recitals.

"Warrants" has the meaning set forth in the Recitals to this Agreement.

"Warrant Shares" has the meaning set forth in the Recitals.

ARTICLE II. PURCHASE AND SALE

2.1 Closing.

(a) Amount. Subject to the terms and conditions set forth in this Agreement, at the Closing, the Company shall issue and sell to each Purchaser, and each Purchaser shall, severally and not jointly, purchase from the Company, such number of Units equal to the quotient resulting from dividing (i) the Subscription Amount for such Purchaser as indicated below such Purchaser's name on its signature page to this Agreement by (ii) the Purchase Price. The Warrants shall have a per Warrant Share exercise price equal to \$0.12.

(b) Closing. The initial Closing, of the purchase and sale of the Units shall take place on the Closing Date at the offices of Reed Smith LLP, 599 Lexington Avenue, New York, New York, 10022, or at such other locations or remotely by facsimile transmission or other electronic means as the parties may mutually agree. Each Purchaser agrees and acknowledges that there may be one or more Closing Dates that occur from time to time until the Company issues and sells up to an aggregate of \$15 million of Units (which may be increased by an additional \$5 million of Units, for aggregate Offering proceeds of up to \$20 million, upon consent of the Company) and all such Closings shall be deemed part of the same offering of Units. The initial Closing and any subsequent Closing, shall be referred to as the "Closing." The initial Closing Date, and any subsequent Closing Dates, shall be referred to as the "Closing Date."

(c) Form of Payment. Except as may otherwise be agreed to among the Company and one or more of the Purchasers, on or prior to the Business Day immediately prior to the Closing Date, each Purchaser shall wire its Subscription Amount, in United States dollars and in immediately available funds, to the Company as set forth on Exhibit F hereto. Within three (3) Trading Days after the Closing, the Company shall (a) irrevocably instruct the Transfer Agent to deliver to each Purchaser one or more stock certificates, free and clear of all restrictive and other legends (except as expressly provided in Section 4.1(b) hereof), evidencing the number of Shares such Purchaser is purchasing as is set forth on such Purchaser's signature page to this Agreement next to the heading "Number of Shares to be Acquired," and (b) deliver to each Purchaser one or more Warrants, free and clear of all restrictive and other legends (except as expressly provided in Section 4.1(b) hereof), evidencing the number of Warrants such Purchaser is purchasing as is set forth on such Purchaser's signature page to this Agreement next to the heading "Underlying Shares Subject to Warrant."

2.2 Closing Deliveries. (a) On or prior to the Closing, the Company shall issue, deliver or cause to be delivered to each Purchaser the following (the "Company Deliverables"):

- (i) this Agreement, duly executed by the Company;
 - (ii) facsimile copies of one or more stock certificates, free and clear of all restrictive and other legends (except as provided in Section 4.1(b) hereof), evidencing the Shares subscribed for by such Purchaser hereunder, registered in the name of such Purchaser as set forth on the Stock Certificate Questionnaire included as Exhibit B-2 hereto (the "Stock Certificate"), with the original Stock Certificates delivered within three (3) Trading Days of Closing; provided, however, that in lieu of the issuance of stock certificates evidencing Shares, the Company may use a book entry system in which a computerized or manual entry is made in the records of the Company to evidence the issuance and ownership of such Shares;
 - (iii) facsimile copies of one or more Warrants, executed by the Company and registered in the name of such Purchaser as set forth on the Stock Certificate Questionnaire included as Exhibit B-2 hereto, pursuant to which such Purchaser shall have the right to acquire such number of Warrant Shares equal to one-hundred percent (100%) of the number of Shares issuable to such Purchaser pursuant to Section 2.2(a)(ii), on the terms set forth therein, with the original Warrants delivered within three (3) Trading Days of Closing;
 - (iv) duly executed Irrevocable Transfer Agent Instructions acknowledged in writing by the Transfer Agent instructing the Transfer Agent to deliver, on an expedited basis, a certificate evidencing a number of Shares equal to such Purchaser's Subscription Amount divided by the Purchase Price, registered in the name of such Purchaser;
 - (v) a certificate of the Secretary of the Company (the "Secretary's Certificate"), dated as of the Closing Date, (a) certifying the resolutions adopted by the Board of Directors of the Company or a duly authorized committee thereof approving the transactions contemplated by this Agreement and the other Transaction Documents and the issuance of the Securities, (b) certifying the current versions of the certificate or articles of incorporation, as amended, and by-laws of the Company and (c) certifying as to the signatures and authority of persons signing the Transaction Documents and related documents on behalf of the
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Company, in the form attached hereto as Exhibit D;

(b) On or prior to the Closing, each Purchaser shall deliver or cause to be delivered to the Company the following (the "Purchaser Deliverables");

(i) this Agreement, duly executed by such Purchaser;

(ii) its Subscription Amount, in United States dollars and in immediately available funds, in the amount set forth as the "Purchase Price" indicated below such Purchaser's name on the applicable signature page hereto under the heading "Aggregate Purchase Price (Subscription Amount)" by wire transfer to the Company, as set forth on Exhibit F attached hereto;

(iii) a fully completed and duly executed Investor Questionnaire, satisfactory to the Company and Stock Certificate Questionnaire, in the forms attached hereto as Exhibits B-1, and B-2, respectively.

ARTICLE III.
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company. Except as set forth in the schedules delivered herewith (the "Disclosure Schedules"), which Disclosure Schedules shall be deemed a part hereof and shall qualify any representation made herein to the extent of the disclosure contained in the corresponding section of the Disclosure Schedules or in any other section of the Disclosure Schedules to the extent that it is reasonably apparent on the face of such disclosure that such disclosure is applicable, the Company hereby represents and warrants as of the date hereof and the Closing Date (except for the representations and warranties that speak as of a specific date, which shall be made as of such date), to each of the Purchasers:

(a) Subsidiaries. The Company has no direct or indirect Subsidiaries other than those listed in Schedule 3.1(a) hereto. Except as disclosed in Schedule 3.1(a) hereto, the Company owns, directly or indirectly, all of the capital stock or comparable equity interests of each Subsidiary free and clear of any and all Liens, and all the issued and outstanding shares of capital stock or comparable equity interest of each Subsidiary are validly issued and are fully paid, non-assessable and free of preemptive and similar rights to subscribe for or purchase securities.

(b) Organization and Qualification. The Company and each of its Subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization (as applicable), with the requisite corporate power and authority to own or lease and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any Subsidiary is in violation or default of any of the provisions of its respective certificate or articles of incorporation, bylaws or other organizational or charter documents. The Company and each of its Subsidiaries are 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, as the case may be, would not have or reasonably be expected to result in a Material Adverse Effect, and no Proceeding has been instituted, is pending, or, to the Company's Knowledge, has been threatened in writing in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

(c) Authorization; Enforcement; Validity. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by each of the Transaction Documents to which it is a party and otherwise to carry out its obligations hereunder and thereunder. The Company's execution and delivery of each of the Transaction Documents to which it is a party and the consummation by it of the transactions contemplated hereby and thereby (including, but not limited to, the sale and delivery of the Units and the reservation for issuance and the subsequent issuance of the Warrant Shares upon exercise of the Warrants) have been duly authorized by all necessary corporate action on the part of the Company, and no further corporate action is required by the Company, its Board of Directors or its stockholders

in connection therewith other than in connection with the Required Approvals. Each of the Transaction Documents to which it is a party has been (or upon delivery will have been) duly executed by the Company and is, or when delivered in accordance with the terms hereof, will constitute the legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application, (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.

(d) No Conflicts. The execution, delivery and performance by the Company of the Transaction Documents to which it is a party and the consummation by the Company of the transactions contemplated hereby or thereby (including, without limitation, the issuance of the Units and the reservation for issuance and issuance of the Warrant Shares) do not and will not (i) conflict with or violate any provisions of the Company's or any Subsidiary's certificate or articles of incorporation, bylaws or otherwise result in a violation of the organizational documents of the Company, (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would result in a default) under, result in the creation of any Lien upon any of the properties or assets of the Company or any Subsidiary or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any Material Contract, or (iii) subject to the Required Approvals, 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 Company or a Subsidiary is subject (including federal and state securities laws and regulations and the rules and regulations, assuming the correctness of the representations and warranties made by the Purchasers herein, of any self-regulatory organization to which the Company or its securities are subject, including all applicable Trading Markets), or by which any property or asset of the Company or a Subsidiary is bound or affected, except in the case of clauses (ii) and (iii) such as would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect.

(e) Filings, Consents and Approvals. Neither the Company nor any of its Subsidiaries is required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority or other Person in connection with the execution, delivery and performance by the Company of the Transaction Documents (including the issuance of the Securities), other than (i) filings required by applicable state securities laws, (ii) the filing of a Notice of Sale of Securities on Form D with the Commission under Regulation D of the Securities Act, (iii) the filing of any requisite notices and/or application(s) to the Principal Trading Market for the issuance and sale of the Securities and the listing of the Shares and Warrant Shares for trading or quotation, as the case may be, thereon in the time and manner required thereby, (iv) the filings required in accordance with Section 4.5 of this Agreement, and (v) those that have been made or obtained prior to the date of this Agreement (collectively, the "Required Approvals").

(f) Issuance of the Securities. The Shares have been duly authorized and, when issued and paid for in accordance with the terms of the Transaction Documents, will be duly and validly issued, fully paid and nonassessable and free and clear of all Liens, other than restrictions on transfer provided for in the Transaction Documents or imposed by applicable securities laws, and shall not be subject to preemptive or similar rights. The Warrants have been duly authorized and, when issued and paid for in accordance with the terms of the Transaction Documents, will be duly and validly issued, free and clear of all Liens, other than restrictions on transfer provided for in the Transaction Documents or imposed by applicable securities laws, and shall not be subject to preemptive or similar rights of stockholders. The Warrant Shares issuable upon exercise of the Warrants have been duly authorized and, when issued and paid for in accordance with the terms of the Transaction Documents and the Warrants will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens, other than restrictions on transfer provided for in the Transaction Documents or imposed by applicable securities laws, and shall not be subject to preemptive or similar rights of stockholders. Assuming the accuracy of the representations and warranties of the Purchasers in this Agreement, the Securities will be issued in compliance with all applicable federal and state securities laws. As of the Closing Date, the Company shall have reserved from its duly authorized capital stock the number of Warrant Shares (without

taking into account any limitations on the exercise of the Warrants set forth in the Warrants). The Company shall, so long as any of the Warrants are outstanding, take all action necessary to reserve and keep available out of its authorized and unissued capital stock, solely for the purpose of effecting the exercise of the Warrants, the number of Warrant Shares (without taking into account any limitations on the exercise of the Warrants set forth in the Warrants).

(g) **Capitalization.** The number of shares and type of all authorized, issued and outstanding capital stock, options and other securities of the Company (whether or not presently convertible into or exercisable or exchangeable for shares of capital stock of the Company) is as set forth on Schedule 3.1(g). No Person has any right of first refusal, preemptive right, right of participation, or any similar right to participate in the transactions contemplated by the Transaction Documents that have not been effectively waived as of the Closing Date. Except as set forth on Schedule 3.1(g) or as a result of the purchase and sale of the Units, there are no outstanding options, warrants, scrip rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities, rights or obligations convertible into or exercisable or exchangeable for, or giving any Person any right to subscribe for or acquire any shares of Common Stock, or contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to issue additional shares of Common Stock or Common Stock Equivalents. The issuance and sale of the Units will not obligate the Company to issue shares of Common Stock or other securities to any Person (other than the Purchasers) and will not result in a right of any holder of Company securities to adjust the exercise, conversion, exchange or reset price under any of such securities other than as described in Schedule 3.1(g). All the outstanding shares of capital stock of the Company are validly issued, fully paid and nonassessable, and none of such outstanding shares was issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. No further approval or authorization of any stockholder, the Board of Directors or others is required for the issuance and sale of the Securities. There are no stockholders' agreements, voting agreements or other similar agreements with respect to the Company's capital stock to which the Company is a party or, to the Company's Knowledge, between or among any of the Company's stockholders.

(h) **Material Changes.** Except as set forth on Schedule 3.1(h), since the date of the latest audited financial statements included within the SEC Reports, except as specifically disclosed in a subsequent SEC Report filed prior to the date hereof, (i) there have been no events, occurrences or developments that have had or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, (ii) the Company has not incurred any material liabilities (contingent or otherwise) other than (A) trade payables and accrued expenses incurred in the ordinary course of business consistent with past practice and (B) liabilities not required to be reflected in the Company's financial statements pursuant to GAAP or disclosed in filings made with the Commission, (iii) the Company has not altered materially its method of accounting or the manner in which it keeps its accounting books and records, (iv) the Company has not declared or made any dividend or distribution of cash or other property to its stockholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its capital stock (other than in connection with repurchases of unvested stock issued to employees of the Company), and (v) the Company has not issued any equity securities to any officer, director or Affiliate, except Common Stock issued in the ordinary course as dividends on outstanding preferred stock or issued pursuant to existing Company stock option or stock purchase plans or executive and director compensation arrangements disclosed in the SEC Reports. Except for the issuance of the Shares and Warrants underlying the Units contemplated by this Agreement and except as set forth on Schedule 3.1(h), no event, liability or development has occurred or exists with respect to the Company or its Subsidiaries or their respective business, properties, operations or financial condition, that would be required to be disclosed by the Company under applicable securities laws at the time this representation is made that has not been publicly disclosed at least one (1) Trading Day prior to the date that this representation is made.

(i) **Litigation.** Except as set forth on Schedule 3.1(i), there is no Action which (i) adversely affects or challenges the legality, validity or enforceability of any of the Transaction Documents or the Securities or (ii) except as specifically disclosed in the SEC Reports, would, if there were an unfavorable decision, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect. Neither the Company nor any Subsidiary, nor to the Company's Knowledge any director or officer thereof, is

or has been the subject of any Action involving a claim of violation of or liability under federal or state securities laws or a claim of breach of fiduciary duty. There has not been, and to the Company's Knowledge there is not pending or contemplated, any investigation by the Commission involving the Company or any current or former director or officer of the Company. The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company or any of its Subsidiaries under the Exchange Act or the Securities Act.

(j) Employment Matters. No material labor dispute exists or, to the Company's Knowledge, is imminent with respect to any of the employees of the Company that would have or reasonably be expected to result in a Material Adverse Effect. None of the Company's or any Subsidiary's employees is a member of a union that relates to such employee's relationship with the Company, and neither the Company nor any of its Subsidiaries is a party to a collective bargaining agreement, and the Company and each Subsidiary believe that their relationships with their employees are good. No executive officer of the Company (as defined in Rule 501(f) of the Securities Act) has notified the Company or any such Subsidiary that such officer intends to leave the Company or any such Subsidiary in the foreseeable future or otherwise terminate such officer's employment with the Company or any such Subsidiary. To the Company's Knowledge, no executive officer, is, or is now expected to be, in violation of any term of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement or non-competition agreement, or any other contract or agreement or any restrictive covenant in favor of a third party, and to the Company's Knowledge, the continued employment of each such executive officer does not subject the Company or any Subsidiary to any liability with respect to any of the foregoing matters. The Company and its Subsidiaries are in compliance with all U.S. federal, state, local and foreign laws and regulations relating to employment and employment practices, terms and conditions of employment and wages and hours, except where the failure to be in compliance would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect.

(k) Compliance. Except as set forth on Schedule 3.1(k), neither the Company nor any of its Subsidiaries (i) is in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company or any of its Subsidiaries under), nor has the Company or any of its Subsidiaries received written notice of a claim that it is in default under or that it is in violation of, any Material Contract (whether or not such default or violation has been waived), (ii) is in violation of any order of any court, arbitrator or governmental body having jurisdiction over the Company or its properties or assets, or (iii) is in violation of, or in receipt of written notice that it is in violation of, any statute, rule or regulation of any governmental authority applicable to the Company, except in each case as would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect.

(l) Regulatory Permits. The Company and each of its Subsidiaries possess all certificates, authorizations and permits issued by the appropriate federal, state, local or foreign regulatory authorities necessary to conduct its respective business as currently conducted and as described in the SEC Reports, except where the failure to possess such permits, individually or in the aggregate, has not and would not have or reasonably be expected to result in a Material Adverse Effect ("Material Permits"), and neither the Company nor any of its Subsidiaries has received any notice of Proceedings relating to the revocation or modification of any such Material Permits.

(m) Title to Assets. The Company and its Subsidiaries have good and marketable title in fee simple to all real property owned by them. Except for the Liens held by the Persons set forth in Schedule 3.1(m) hereto, the Company and its Subsidiaries have good and marketable title to all tangible personal property owned by them that is material to the business of the Company and its Subsidiaries, taken as whole, in each case free and clear of all Liens, except such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company and any of its Subsidiaries. Any real property and facilities held under lease by the Company and any of its Subsidiaries are held by them under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company and

its Subsidiaries.

(n) Intellectual Property. The Company and the Subsidiaries own, possess, license or have other rights to use, all patents, patent applications, trade and service marks, trade and service mark applications and registrations, trade names, trade secrets, inventions, copyrights, licenses, technology, know-how and other intellectual property rights and similar rights described in the SEC Reports as necessary or material for use in connection with their respective businesses and which the failure to so have would have or reasonably be expected to result in a Material Adverse Effect (collectively, the "Intellectual Property Rights"). Neither the Company nor any Subsidiary has received a written notice that any of the Intellectual Property Rights used by the Company or any Subsidiary violates or infringes upon the rights of any Person. There is no pending or, to the Company's Knowledge, threatened, action, suit, proceeding or claim by any Person that the Company's business as now conducted infringes or otherwise violates any patent, trademark, copyright, trade secret or other proprietary rights of another. To the Company's Knowledge, there is no existing infringement by another Person of any of the Intellectual Property Rights that would have or would reasonably be expected to have a Material Adverse Effect. The Company and its Subsidiaries have taken reasonable security measures to protect the secrecy, confidentiality and value of all of their Intellectual Property Rights, except where failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(o) Insurance. The Company and each of the Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as the Company believes to be prudent and customary in the businesses and locations in which the Company and the Subsidiaries are engaged, including, but not limited to, directors and officers insurance coverage. Neither the Company nor any of its Subsidiaries has received any notice of cancellation of any such insurance, nor, to the Company's Knowledge, will it or any Subsidiary be unable to renew their respective existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a significant increase in cost.

(p) Transactions With Affiliates and Employees. Except as set forth in the SEC Reports or on Schedule 3.1(p), none of the officers or directors of the Company and, to the Company's Knowledge, none of the employees of the Company is presently a party to any transaction with the Company or any Subsidiary (other than for services as employees, officers and directors), that would be required to be disclosed pursuant to Item 404 of Regulation S-K promulgated under the Securities Act.

(q) Certain Fees. No person or entity will have, as a result of the transactions contemplated by this Agreement, any valid right, interest or claim against or upon the Company or a Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Company. The Purchasers shall have no obligation with respect to any fees or with respect to any claims made by or on behalf of other Persons for fees of a type contemplated in this paragraph (u) that may be due in connection with the transactions contemplated by the Transaction Documents. The Company shall indemnify, pay, and hold each Purchaser harmless against, any liability, loss, or expense (including, without limitation, attorneys' fees and out-of-pocket expenses) arising in connection with any such right, interest or claim.

(r) No Registration. Assuming the accuracy of the Purchasers' representations and warranties set forth in Section 3.2 of this Agreement and the accuracy of the information disclosed in the Investor Questionnaires provided by the Purchasers, no registration under the Securities Act is required for the offer and sale of the Securities by the Company to the Purchasers under the Transaction Documents. The issuance and sale of the Securities hereunder complies in all material respects with and does not contravene the rules and regulations of the Trading Market.

(s) Investment Company. The Company is not, and immediately after receipt of payment for the Units, will not be an "investment company" within the meaning of the Investment Company Act of 1940, as amended. The Company shall conduct its business in a manner so that it will not become subject to the Investment Company Act of 1940, as amended.

(t) Registration Rights. Other than each of the Purchasers as described in Section 4.13 or as set forth in Schedule 3.1(t) hereto and as disclosed in the SEC Reports, no Person has any right to cause the Company to effect the registration under the Securities Act of any securities of the Company other than those securities that are currently registered on an effective registration statement on file with the Commission.

(u) Listing and Maintenance Requirements. The Company has not, in the twelve (12) months preceding the date hereof, received written notice from any Trading Market on which the Common Stock is listed or quoted to the effect that the Company is not in compliance with the listing or maintenance requirements of such Trading Market.

(v) Application of Takeover Protections; Rights Agreements. The Company and the Board of Directors have taken all necessary action, if any, in order to render inapplicable any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under the Company's charter documents or the laws of its state of incorporation that is or could reasonably be expected to become applicable to any of the Purchasers as a result of the Purchasers and the Company fulfilling their obligations or exercising their rights under the Transaction Documents, including, without limitation, the Company's issuance of the Securities and the Purchasers' ownership of the Securities.

(w) Disclosure. The Company confirms that it has not provided, and to the Company's Knowledge, none of its officers or directors nor any other Person acting on its or their behalf has provided any Purchaser or its respective agents or counsel with any information that it believes constitutes material, non-public information except insofar as the existence, provisions and terms of the Transaction Documents and the proposed transactions hereunder may constitute such information, all of which will be disclosed by the Company in the Press Release as contemplated by Section 4.5 hereof. The Company understands and confirms that the Purchasers will rely on the foregoing representations in effecting transactions in securities of the Company. All written materials provided to the Purchasers regarding the Company and its Subsidiaries, their businesses and the transactions contemplated hereby, including the schedules to this Agreement, furnished by the Company is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. Each press release issued by the Company or any of its Subsidiaries during the twelve (12) months preceding the date of this Agreement did not at the time of release contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading. Except as set forth on Schedule 3.1(w), no event or circumstance has occurred or information exists with respect to the Company or any of its Subsidiaries or its or their business, properties, liabilities, prospects, operations (including results thereof) or conditions (financial or otherwise), which, under applicable law, rule or regulation, requires public disclosure at or before the date hereof or announcement by the Company but which has not been so publicly disclosed.

(x) No Integrated Offering. Assuming the accuracy of the Purchasers' representations and warranties set forth in Section 3.2, none of the Company, its Subsidiaries nor, to the Company's Knowledge, any of its Affiliates or any Person acting on its behalf has, directly or indirectly, at any time within the past six (6) months, made any offers or sales of any Company security or solicited any offers to buy any security under circumstances that would (i) eliminate the availability of the exemption from registration under Regulation D under the Securities Act in connection with the offer and sale by the Company of the Securities as contemplated hereby or (ii) cause the Offering to be integrated with prior offerings by the Company for purposes of any applicable law, regulation or stockholder approval provisions, including, without limitation, under the rules and regulations of any Trading Market on which any of the securities of the Company are listed or designated.

(y) Tax Matters. Except as set forth on Schedule 3.1(y), the Company and each of its Subsidiaries (i) has accurately and timely prepared and filed all foreign, federal and state income and all other tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due

on such returns, reports and declarations, except those being contested in good faith, with respect to which adequate reserves have been set aside on the books of the Company and (iii) has set aside on its books provisions reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply, except, in the case of clauses (i) and (ii) above, where the failure to so pay or file any such tax, assessment, charge or return would not have or reasonably be expected to result in a Material Adverse Effect. There are no unpaid taxes in any material amount claimed to be due by the Company or any of its Subsidiaries by the taxing authority of any jurisdiction.

(z) Environmental Matters. To the Company's Knowledge, neither the Company nor any of its Subsidiaries (i) is in violation of any statute, rule, regulation, decision or order of any governmental agency or body or any court, domestic or foreign, relating to the use, disposal or release of hazardous or toxic substances or relating to the protection or restoration of the environment or human exposure to hazardous or toxic substances (collectively, "Environmental Laws"), (ii) owns or operates any real property contaminated with any substance that is in violation of any Environmental Laws, (iii) is liable for any off-site disposal or contamination pursuant to any Environmental Laws, or (iv) is subject to any claim relating to any Environmental Laws; which violation, contamination, liability or claim has had or would have, individually or in the aggregate, a Material Adverse Effect; and, to the Company's knowledge there is no pending investigation or investigation threatened in writing that might lead to such a claim.

(aa) No General Solicitation. Neither the Company nor, to the Company's Knowledge, any person acting on behalf of the Company has offered or sold any of the Securities by any form of general solicitation or general advertising.

(bb) No Disqualification Events. With respect to the Securities to be offered and sold hereunder in reliance on Rule 506 under the Securities Act, none of the Company, any of its predecessors, any affiliated issuer, any director, executive officer, other officer of the Company participating in the Offering hereunder, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the Securities Act) connected with the Company in any capacity at the time of sale (each, an "Issuer Covered Person") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act (a "Disqualification Event"), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3). The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e), and has furnished to the Purchasers a copy of any disclosures provided thereunder. The Company will notify the Purchasers in writing, prior to the Closing Date of (i) any Disqualification Event relating to any Issuer Covered Person and (ii) any event that would, with the passage of time, reasonably be expected to become a Disqualification Event relating to any Issuer Covered Person, in each case of which it is aware.

(cc) Foreign Corrupt Practices. Neither the Company, nor to the Company's Knowledge, any agent or other person acting on behalf of the Company, has: (i) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company (or made by any Person acting on its behalf with the Company's knowledge) which is in violation of law or (iv) violated in any material respect any provision of the Foreign Corrupt Practices Act of 1977, as amended.

(dd) Off Balance Sheet Arrangements. There is no transaction, arrangement, or other relationship between the Company (or any Subsidiary) and an unconsolidated or other off balance sheet entity that is required to be disclosed by the Company in SEC Reports and is not so disclosed and would have or reasonably be expected to result in a Material Adverse Effect.

(ee) Acknowledgment Regarding Purchasers' Purchase of Securities. The Company acknowledges and agrees that each of the Purchasers is acting solely in the capacity of an arm's length

purchaser with respect to the Transaction Documents and the transactions contemplated hereby and thereby. Based on the representations made herein by the Purchasers, and other than with respect to such Purchasers that currently have a representative serving on the Company's Board of Directors, the Company further acknowledges that no Purchaser is acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated thereby and any advice given by any Purchaser or any of their respective representatives or agents in connection with the Transaction Documents and the transactions contemplated thereby is merely incidental to the Purchasers' purchase of the Securities. The Company further represents to each Purchaser that the Company's decision to enter into this Agreement and the other Transaction Documents has been based solely on the independent evaluation of the transactions contemplated hereby by the Company and its representatives.

(ff) Regulation M Compliance. The Company has not, and to the Company's Knowledge no one acting on its behalf has, (i) taken, directly or indirectly, any action designed to cause or to result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Securities, (ii) sold, bid for, purchased, or paid any compensation for soliciting purchases of, any of the securities of the Company or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(gg) PFIC. Neither the Company nor any Subsidiary is or intends to become a "passive foreign investment company" within the meaning of Section 1297 of the U.S. Internal Revenue Code of 1986, as amended.

(hh) OFAC. Neither the Company nor any Subsidiary nor, to the Company's Knowledge, any director, officer, agent, employee, Affiliate or Person acting on behalf of the Company or any Subsidiary is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC"); and the Company will not directly or indirectly use the proceeds of the sale of the Securities, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person or entity, towards any sales or operations in Cuba, Iran, Syria, Sudan, Myanmar or any other country sanctioned by OFAC or for the purpose of financing the activities of any Person currently subject to any U.S. sanctions administered by OFAC.

(ii) Employee Benefits. Each employee benefit plan is in compliance with all applicable law, except for such noncompliance that would not be reasonably likely to have a Material Adverse Effect. The Company does not have any liabilities, contingent or otherwise, including without limitation, liabilities for retiree health, retiree life, severance or retirement benefits, which are not fully reflected, to the extent required by GAAP, on its most recent balance sheet contained in the SEC Reports or fully funded. The term "liabilities" used in the preceding sentence shall be calculated in accordance with reasonable actuarial assumptions. The Company has not (i) terminated any "employee pension benefit plan" as defined in Section 3(2) of ERISA (as defined below) under circumstances that present a material risk of the Company or any of its Subsidiaries incurring any liability or obligation that would be reasonably likely to have a Material Adverse Effect, or (ii) incurred or expects to incur any outstanding liability under Title IV of the Employee Retirement Income Security Act of 1974, as amended and all rules and regulations promulgated thereunder ("ERISA").

(ij) No Additional Agreements. The Company does not have any agreement or understanding with any Purchaser with respect to the transactions contemplated by the Transaction Documents other than as specified in the Transaction Documents.

3.2 Representations and Warranties of the Purchasers. Each Purchaser hereby, for itself and for no other Purchaser, represents and warrants as of the date hereof and as of the Closing Date to the Company as follows:

(a) Organization; Authority. If such Purchaser is an entity, such Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with the requisite corporate or partnership power and authority to enter into and to consummate the transactions contemplated by the applicable Transaction Documents and otherwise to carry out its obligations hereunder

and thereunder. The execution and delivery of this Agreement by such Purchaser and performance by such Purchaser of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate or, if such Purchaser is not a corporation, such partnership, limited liability company or other applicable like action, on the part of such Purchaser. Each Transaction Document to which it is a party has been duly executed by such Purchaser, and when delivered by such Purchaser in accordance with the terms hereof, will constitute the valid and legally binding obligation of such Purchaser, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application.

(b) No Conflicts. The execution, delivery and performance by such Purchaser of the Transaction Documents to which such Purchaser is a party and the consummation by such Purchaser of the transactions contemplated hereby and thereby will not (i) result in a violation of the organizational documents of such Purchaser, (ii) 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 such Purchaser is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws) applicable to such Purchaser, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of such Purchaser to perform its obligations hereunder.

(c) Investment Intent. Such Purchaser understands that the Securities are "restricted securities" and have not been registered under the Securities Act or any applicable state securities law and is acquiring the Units and, upon exercise of the Warrants, will acquire the Warrant Shares issuable upon exercise thereof as principal for its own account and not with a view to, or for distributing or reselling such Securities or any part thereof in violation of the Securities Act or any applicable state securities laws, provided, however, that by making the representations herein, such Purchaser reserves the right, subject to the provisions of this Agreement, at all times to sell or otherwise dispose of all or any part of such Securities pursuant to an effective registration statement under the Securities Act or under an exemption from such registration and in compliance with applicable federal and state securities laws. Such Purchaser is acquiring the Securities hereunder in the ordinary course of its business. Such Purchaser does not presently have any agreement, plan or understanding, directly or indirectly, with any Person to distribute or effect any distribution of any of the Securities (or any securities which are derivatives thereof) to or through any person or entity; such Purchaser is not a registered broker-dealer under Section 15 of the Exchange Act or an entity engaged in a business that would require it to be so registered as a broker-dealer.

(d) Accredited Investor Status. The Purchaser is an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act that the Investor Questionnaire in the form of Exhibit B-1 attached hereto delivered by the Purchaser in connection with this Agreement is complete and accurate in all respects as of the date of this Agreement and will be correct as of the Closing Date and the effective date of the Registration Statement; provided, that the Purchaser shall be entitled to update such information by providing written notice thereof to the Company.

(e) General Solicitation. Such Purchaser is not purchasing the Securities as a result of any advertisement, article, notice or other communication regarding the Securities published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general advertisement.

(f) Experience of Such Purchaser. Such Purchaser, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Securities, and has so evaluated the merits and risks of such investment. Such Purchaser is able to bear the economic risk of an investment in the Securities and, at the present time, is able to afford a complete loss of such investment. Moreover, such Purchaser is aware that (i) the acquisition of the Units involves a high degree of risk and may result in a loss of the entire Purchase Price; (ii) the Company has limited working capital and limited sources

of financing available as of the date of this Agreement; (iii) there is no assurance that the Company's operations will be profitable or cash flow positive at any time in the future.

(g) Access to Information. Such Purchaser acknowledges that it has had the opportunity to review the Disclosure Materials and has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive satisfactory answers from, representatives of the Company concerning the terms and conditions of the Offering and the merits and risks of investing in the Securities; (ii) access to information about the Company and the Subsidiaries and their respective financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (iii) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment. Neither such inquiries nor any other investigation conducted by or on behalf of such Purchaser or its representatives or counsel shall modify, amend or affect such Purchaser's right to rely on the truth, accuracy and completeness of the Disclosure Materials and the Company's representations and warranties contained in the Transaction Documents. Such Purchaser has sought such accounting, legal and tax advice as it has considered necessary to make an informed decision with respect to its acquisition of the Securities.

(h) Financial Statements. The Purchaser acknowledges that, as disclosed in SEC Reports, the Company's previously issued unaudited condensed consolidated interim financial statements as of and for the three and six months ended November 30, 2019, included in the Company's Quarterly Report on Form 10-Q and Form 10-Q/A for such period filed with the Commission on January 22, 2020 are being restated due to certain material errors and should no longer be relied upon.

(i) SEC Reports. The Purchaser acknowledges that the Company has not filed with the Commission all of the SEC Reports required to be filed by it under Section 13(a) or 15(d) of the Exchange Act, including the Quarterly Report on Form 10-Q/A for the period ended November 30, 2019 (which will include the restated unaudited condensed consolidated interim financial statements for such period) and the Quarterly Report on Form 10-Q for the period ended February 29, 2020, and that the Company is unable to confirm when such delinquent SEC Reports will be filed with the Commission.

(j) Internal Accounting Controls. The Purchaser acknowledges that, as disclosed in SEC Reports, the Company's management has determined that the Company's internal control over financial reporting as of November 30, 2019 was not effective due to a number of material weaknesses and that the Company is, therefore, unable to represent that it maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset and liability accountability, (iii) access to assets or incurrence of liabilities is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets and liabilities is compared with the existing assets and liabilities at reasonable intervals and appropriate action is taken with respect to any differences. The Purchaser acknowledges that despite management's efforts to implement measures designed to remediate the material weaknesses and internal control deficiencies, there can be no assurance that the Company will be able to do so.

(k) Sarbanes-Oxley; Disclosure Controls. The Purchaser acknowledges that, as disclosed in SEC Reports, the Company's management has determined that as of November 30, 2019 the Company's disclosure controls and procedures (as such term is defined in Rule 13a-15(e) and 15d-15(e)) are ineffective and that the Company is, therefore, unable to represent that its disclosure controls and procedures are sufficient to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms. The Purchaser acknowledges that despite management's efforts to implement measures designed to remediate the disclosure control deficiencies, there can be no assurance that the Company will be able to do so.

(l) Certain Trading Activities. Other than with respect to the transactions contemplated

herein, since the time that such Purchaser was first contacted by the Company regarding the transactions contemplated hereby, neither the Purchaser nor any Affiliate of such Purchaser which (x) had knowledge of the transactions contemplated hereby, (y) has or shares discretion relating to such Purchaser's investments or trading or information concerning such Purchaser's investments, including in respect of the Securities, and (z) is subject to such Purchaser's review or input concerning such Affiliate's investments or trading (collectively, "Trading Affiliates") has directly or indirectly, nor has any Person acting on behalf of or pursuant to any understanding with such Purchaser or Trading Affiliate, effected or agreed to effect any purchases or sales of the securities of the Company (including, without limitation, any Short Sales involving the Company's securities). Notwithstanding the foregoing, in the case of a Purchaser and/or Trading Affiliate that is, individually or collectively, a multi-managed investment bank or vehicle whereby separate portfolio managers manage separate portions of such Purchaser's or Trading Affiliate's assets and the portfolio managers have no direct knowledge of the investment decisions made by the portfolio managers managing other portions of such Purchaser's or Trading Affiliate's assets, the representation set forth above shall apply only with respect to the portion of assets managed by the portfolio managers that have knowledge about the financing transaction contemplated by this Agreement. Other than to other Persons party to this Agreement, such Purchaser has maintained the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction). Notwithstanding the foregoing, for avoidance of doubt, nothing contained herein shall constitute a representation or warranty, or preclude any actions, with respect to the identification of the availability of, or securing of, available shares to borrow in order to effect short sales or similar transactions in the future in compliance with the Securities Act and the rules and regulations promulgated thereunder.

(m) Brokers and Finders. No Person will have, as a result of the transactions contemplated by this Agreement, any valid right, interest or claim against or upon the Company or any Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Purchaser.

(n) Independent Investment Decision. Such Purchaser has independently evaluated the merits of its decision to purchase Securities pursuant to the Transaction Documents, and such Purchaser confirms that it has not relied on the advice of any other Purchaser's business and/or legal counsel in making such decision. Such Purchaser understands that nothing in this Agreement or any other materials presented by or on behalf of the Company to the Purchaser in connection with the purchase of the Securities constitutes legal, tax or investment advice. Such Purchaser has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with its purchase of the Securities. Such Purchaser has not authorized any person or institution to act as its "purchaser representative" (as such term is defined in Rule 501 of Regulation D promulgated under the Securities Act) in connection with such Purchaser's acquisition of the Units.

(o) Reliance on Exemptions. Such Purchaser understands that the Securities are being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying upon the truth and accuracy of, and such Purchaser's compliance with, the representations, warranties, agreements, acknowledgements and understandings of such Purchaser set forth herein as part of its determination as to the availability of such exemptions and the eligibility of such Purchaser to acquire the Securities.

(p) No Governmental Review. Such Purchaser understands that no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Securities or the fairness or suitability of the investment in the Securities nor have such authorities passed upon or endorsed the merits of the Offering.

(q) Regulation M. Such Purchaser is aware that the anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of Common Stock and other activities with respect to the Common Stock by the Purchasers and agrees to comply with such rules.

(r) Beneficial Ownership. The purchase by such Purchaser of the Units issuable to it at

the Closing will not result in such Purchaser (individually or together with any other Person with whom such Purchaser has identified, or will have identified, itself as part of a "group" in a public filing made with the Commission involving the Company's securities) acquiring, or obtaining the right to acquire, in excess of 19.999% of the outstanding shares of Common Stock or the voting power of the Company on a post transaction basis that assumes that such Closing shall have occurred. Such Purchaser does not presently intend to, alone or together with others, make a public filing with the Commission to disclose that it has (or that it together with such other Persons have) acquired, or obtained the right to acquire, as a result of such Closing (when added to any other securities of the Company that it or they then own or have the right to acquire), in excess of 19.999% of the outstanding shares of Common Stock or the voting power of the Company on a post transaction basis that assumes that each Closing shall have occurred.

(s) Residency. Such Purchaser's residence (if an individual) or offices in which its investment decision with respect to the Securities was made (if an entity) are located at the address immediately below such Purchaser's name on its signature page hereto.

The Company and each of the Purchasers acknowledge and agree that no party to this Agreement has made or makes any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in this Article III and the Transaction Documents.

ARTICLE IV. OTHER AGREEMENTS OF THE PARTIES

4.1 Transfer Restrictions.

(a) Compliance with Laws. Notwithstanding any other provision of this Article IV, each Purchaser covenants that the Securities may be disposed of only pursuant to an effective registration statement under, and in compliance with the requirements of, the Securities Act, or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and in compliance with any applicable state and federal securities laws. In connection with any transfer of the Securities other than (i) pursuant to an effective registration statement, (ii) to the Company, (iii) pursuant to Rule 144 (provided that the Purchaser provides the Company with reasonable assurances (in the form of seller and, if applicable, broker representation letters) that the securities may be sold pursuant to such rule), or (iv) in connection with a bona fide pledge as contemplated in Section 4.1(c), the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Securities under the Securities Act. As a condition of transfer, any such transferee shall agree in writing to be bound by the terms of this Agreement and shall have the rights of a Purchaser under this Agreement with respect to such transferred Securities.

(b) Legends. Certificates evidencing the Securities shall bear any legend as required by the "blue sky" laws of any state and a restrictive legend in substantially the following form, until such time as they are not required under Section 4.1(d):

NEITHER THESE SECURITIES NOR ANY SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR (B) AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS OR BLUE SKY LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT OR (II) UNLESS SOLD PURSUANT TO RULE 144 UNDER THE SECURITIES ACT.

NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

(c) The Company acknowledges and agrees that a Purchaser may from time to time pledge, and/or grant a security interest in, some or all of the legended Securities in connection with applicable securities laws, pursuant to a bona fide margin agreement in compliance with a bona fide margin loan. Such a pledge would not be subject to approval or consent of the Company and no legal opinion of legal counsel to the pledgee, secured party or pledgor shall be required in connection with the pledge, but such legal opinion shall be required in connection with a subsequent transfer or foreclosure following default by the Purchaser transferee of the pledge. No notice shall be required of such pledge, but Purchaser's transferee shall promptly notify the Company of any such subsequent transfer or foreclosure. Each Purchaser acknowledges that the Company shall not be responsible for any pledges relating to, or the grant of any security interest in, any of the Securities or for any agreement, understanding or arrangement between any Purchaser and its pledgee or secured party. At the appropriate Purchaser's expense, the Company will execute and deliver such reasonable documentation as a pledgee or secured party of Securities may reasonably request in connection with a pledge or transfer of the Securities, including the preparation and filing of any required prospectus supplement under Rule 424(b)(3) of the Securities Act or other applicable provision of the Securities Act to appropriately amend the list of Selling Stockholders thereunder. Each Purchaser acknowledges and agrees that, except as otherwise provided in [Section 4.1\(d\)](#), any Securities subject to a pledge or security interest as contemplated by this [Section 4.1\(c\)](#) shall continue to bear the legend set forth in [Section 4.1\(b\)](#) and be subject to the restrictions on transfer set forth in [Section 4.1\(a\)](#).

(d) Removal of Legends. The legend set forth in [Section 4.1\(b\)](#) above shall be removed and the Company shall issue a certificate without such legend or any other legend to the holder of the applicable Securities upon which it is stamped or issue to such holder by electronic delivery at the applicable balance account at the Depository Trust Company ("DTC"), if (i) such Securities are registered for resale under the Securities Act (provided that, if the Purchaser is selling pursuant to the Registration Statement, the Purchaser agrees to only sell such Securities during such time that such Registration Statement is effective and current and not withdrawn or suspended, and only as permitted by such Registration Statement), (ii) such Securities are sold or transferred pursuant to Rule 144 (if the transferor is not an Affiliate of the Company), or (iii) such Securities are eligible for sale under Rule 144, without the requirement for the Company to be in compliance with the current public information required under Rule 144 as to such securities and without volume or manner-of-sale restrictions. Following the earlier of (i) the effective date of the Registration Statement or (ii) Rule 144 becoming available for the resale of Securities, without the requirement for the Company to be in compliance with the current public information required under Rule 144 as to such securities and without volume or manner-of-sale restrictions, the Company shall cause Company Counsel to issue to the Transfer Agent the legal opinion referred to in the Irrevocable Transfer Agent Instructions. Any fees (with respect to the Transfer Agent, Company Counsel or otherwise) associated with the issuance of such opinion or the removal of such legend shall be borne by the Company. Following the effective date of the Registration Statement, or at such earlier time as a legend is no longer required for certain Securities, the Company will no later than three (3) Trading Days following the delivery by a Purchaser to the Company (with notice to the Company) of (i) a legended certificate representing Shares or Warrant Shares (endorsed or with stock powers attached, signatures guaranteed, and otherwise in form necessary to affect the reissuance and/or transfer) or (ii) an Exercise Notice in the manner stated in the Warrants to effect the exercise of such Warrant in accordance with its terms, and an opinion of counsel to the extent required by [Section 4.1\(a\)](#) (such third (3rd) Trading Day, the "Legend Removal Date"), deliver or cause to be delivered to such Purchaser a certificate representing such Securities that is free from all restrictive and other legends other than any restrictions on transfer imposed by Purchaser in connection with a pledge of such Securities. The Company may not make any notation on its records or give instructions to the Transfer Agent that enlarge the restrictions on transfer set forth in this [Section 4.1\(d\)](#). Certificates for Shares or Warrant Shares subject to legend removal hereunder may be transmitted by the Transfer Agent to the Purchasers by crediting the account of the Purchaser's prime broker with DTC as directed by such Purchaser.

(e) Irrevocable Transfer Agent Instructions. The Company shall issue irrevocable

instructions to its transfer agent, and any subsequent transfer agent, in the form of Exhibit C attached hereto (the "Irrevocable Transfer Agent Instructions"). The Company represents and warrants that no instruction other than the Irrevocable Transfer Agent Instructions referred to in this Section 4.1(e) (or instructions that are consistent therewith) will be given by the Company to its transfer agent in connection with this Agreement, and that the Securities shall otherwise be freely transferable on the books and records of the Company as and to the extent provided in this Agreement and the other Transaction Documents and applicable law. The Company acknowledges that a breach by it of its obligations under this Section 4.1(e) will cause irreparable harm to a Purchaser. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Section 4.1(e) will be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Section 4.1(e), that a Purchaser shall be entitled, in addition to all other available remedies, to an order and/or injunction restraining any breach and requiring immediate issuance and transfer, without the necessity of showing economic loss and without any bond or other security being required.

(f) Buy-In. If the Company shall fail for any reason or for no reason to issue to a Purchaser unlegended certificates within three (3) Trading Days of receipt of all documents necessary for the removal of the legend set forth above (the "Deadline Date"), then, in addition to all other remedies available to such Purchaser, if on or after the Trading Day immediately following such three (3) Trading Day period, such Purchaser purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the holder of shares of Common Stock that such Purchaser anticipated receiving from the Company without any restrictive legend (a "Buy-In"), then the Company shall, within three (3) Trading Days after such Purchaser's request and in such Purchaser's sole discretion, either (i) pay cash to the Purchaser in an amount equal to such Purchaser's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased (the "Buy-In Price"), at which point the Company's obligation to deliver such certificate (and to issue such shares of Common Stock) shall terminate, or (ii) promptly honor its obligation to deliver to such Purchaser a certificate or certificates representing such shares of Common Stock and pay cash to the Purchaser in an amount equal to the excess (if any) of the Buy-In Price over the product of (a) such number of shares of Common Stock, times (b) the Closing Bid Price on the Deadline Date.

4.2 Reservation of Common Stock. The Company shall take all action necessary to at all times have authorized, and reserved for the purpose of issuance from and after the Closing Date, the number of Warrant Shares issuable upon exercise of the Warrants issued at the Closing (without taking into account any limitations on exercise of the Warrants set forth in the Warrants).

4.3 Furnishing of Information. In order to enable the Purchasers to sell the Securities under Rule 144, for a period of twelve (12) months from the Closing, the Company shall use its commercially reasonable best efforts to (i) become current with respect to all reports required to be filed by the Company prior to the Effective Date pursuant to the Exchange Act and (ii) file all reports required to be filed by the Company after the Effective Date pursuant to Exchange Act by their respective deadline or as soon thereafter as is reasonably practicable. During such twelve (12) month period, if the Company is not required to file reports pursuant to the Exchange Act, it will prepare and furnish to the Purchasers and make publicly available in accordance with Rule 144(c) such information as is required for the Purchasers to sell the Securities under Rule 144.

4.4 Integration. The Company shall not, and shall use its commercially reasonable efforts to ensure that no Affiliate of the Company shall, sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act) that will be integrated with the offer or sale of the Securities in a manner that would require the registration under the Securities Act of the sale of the Securities to the Purchasers, or that will be integrated with the offer or sale of the Securities for purposes of the rules and regulations of any Trading Market such that it would require stockholder approval prior to the closing of such other transaction unless stockholder approval is obtained before the closing of such subsequent transaction.

4.5 Securities Laws Disclosure; Publicity. By 9:00 A.M., New York City time, on the Trading Day immediately following the date hereof, the Company shall issue a press release (the "Press Release") disclosing all material terms of the transactions contemplated hereby. On or before 9:00 A.M., New York City time, on

the second (2nd) Trading Day immediately following the execution of this Agreement, the Company will file a Current Report on Form 8-K with the Commission describing the terms of the Transaction Documents (and including as exhibits to such Current Report on Form 8-K the material Transaction Documents (including, without limitation, this Agreement and the form of Warrant). Notwithstanding the foregoing, the Company shall not publicly disclose the name of any Purchaser or an Affiliate of any Purchaser, or include the name of any Purchaser or an Affiliate of any Purchaser in any press release or filing with the Commission (other than the Registration Statement) or any regulatory agency or Trading Market, without the prior written consent of such Purchaser, except (i) as required by federal securities law in connection with (A) any Registration Statement contemplated by Section 4.13 of this Agreement and (B) the filing of final Transaction Documents (including signature pages thereto) with the Commission and (ii) to the extent such disclosure is required by law, request of the Staff of the Commission or Trading Market regulations, in which case the Company shall provide the Purchasers with prior written notice of such disclosure permitted under this subclause (ii). From and after the issuance of the Press Release, no Purchaser shall be in possession of any material, non-public information received from the Company, any Subsidiary or any of their respective officers, directors, employees or agents, that is not disclosed in the Press Release unless a Purchaser shall have executed a written agreement after the issuance of the Press Release regarding the confidentiality and use of such information. Each Purchaser, severally and not jointly with the other Purchasers, covenants that until such time as the transactions contemplated by this Agreement are required to be publicly disclosed by the Company as described in this Section 4.5, such Purchaser will maintain the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction) and will not trade in the Company's securities.

4.6 Shareholder Rights Plan. No claim will be made or enforced by the Company or, with the consent of the Company, any other Person, that any Purchaser is an "Acquiring Person" under any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or similar anti-takeover plan or arrangement in effect as of the date of this Agreement or the Closing Date or that any Purchaser could be deemed to trigger the provisions of any such plan or arrangement, solely by virtue of receiving Securities under the Transaction Documents; provided, however, that no such Purchaser owns any equity in the Company prior to its purchase of the Securities hereunder.

4.7 Non-Public Information. Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents, including this Agreement, or as expressly required by any applicable securities law, the Company covenants and agrees that neither it, nor any other Person acting on its behalf, will provide any Purchaser or its agents or counsel with any information regarding the Company that the Company believes constitutes material non-public information without the express written consent of such Purchaser, unless prior thereto such Purchaser shall have executed a written agreement regarding the confidentiality and use of such information. The Company understands and confirms that each Purchaser shall be relying on the foregoing covenant in effecting transactions in securities of the Company.

4.8 Use of Proceeds. The Company shall use the net proceeds from the sale of the Units hereunder for working capital and other general corporate purposes and shall not use such proceeds for the redemption of any Common Stock or Common Stock Equivalents.

4.9 Indemnification of Purchasers. Subject to the provisions of this Section 4.9, the Company will indemnify and hold each Purchaser and its directors, officers, shareholders, members, partners, employees and agents (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls such Purchaser (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners or employees (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling persons (each, a "Purchaser Party") harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees and costs of investigation that any such Purchaser Party may suffer or incur as a result of or relating to (a) any breach of any of the representations, warranties, covenants or agreements made

by the Company in this Agreement or in the other Transaction Documents or (b) any action instituted against a Purchaser in any capacity, or any of them or their respective Affiliates, by any stockholder of the Company who is not an Affiliate of such Purchaser, with respect to any of the transactions contemplated by the Transaction Documents (unless such action is based upon a breach of such Purchaser's representations, warranties or covenants under the Transaction Documents or any agreements or understandings such Purchaser may have with any such stockholder or any violations by the Purchaser of state or federal securities laws or any conduct by such Purchaser which constitutes fraud, gross negligence, willful misconduct or malfeasance). Promptly after receipt by any Person (the "Indemnified Person") of notice of any demand, claim or circumstances which would or might give rise to a claim or the commencement of any action, proceeding or investigation in respect of which indemnity may be sought pursuant to this Section 4.9, such Indemnified Person shall promptly notify the Company in writing and the Company shall assume the defense thereof, including the employment of counsel reasonably satisfactory to such Indemnified Person, and shall assume the payment of all fees and expenses; provided, however, that the failure of any Indemnified Person so to notify the Company shall not relieve the Company of its obligations hereunder except to the extent that the Company is actually and materially prejudiced by such failure to notify. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless: (i) the Company and the Indemnified Person shall have mutually agreed to the retention of such counsel; (ii) the Company shall have failed promptly to assume the defense of such proceeding and to employ counsel reasonably satisfactory to such Indemnified Person in such proceeding; or (iii) in the reasonable judgment of counsel to such Indemnified Person, representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. The Company shall not be liable for any settlement of any proceeding effected without its written consent, which consent shall not be unreasonably withheld, delayed, or conditioned. Without the prior written consent of the Indemnified Person, which consent shall not be unreasonably withheld, delayed or conditioned, the Company shall not effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement includes an unconditional release of such Indemnified Person from all liability arising out of such proceeding.

4.10 Form D; Blue Sky. The Company agrees to timely file a Form D with respect to the Securities as required under Regulation D and to provide a copy thereof, promptly upon the written request of any Purchaser. The Company, on or before the Closing Date, shall take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for or to qualify the Securities for sale to the Purchasers under applicable securities or "Blue Sky" laws of the states of the United States (or to obtain an exemption from such qualification) and shall provide evidence of such actions promptly upon the written request of any Purchaser.

4.11 Delivery of Units After Closing. The Company shall deliver, or cause to be delivered, the respective Shares and Warrants purchased by each Purchaser to such Purchaser within three (3) Trading Days of the Closing Date, unless the Company uses a book entry system in which a computerized or manual entry is made in the records of the Company to evidence the issuance and ownership of such Shares, in which case the Shares need not be delivered.

4.12 Short Sales and Confidentiality After the Date Hereof. Each Purchaser shall not, and shall cause its Trading Affiliates not to, engage, directly or indirectly, in any purchases and sales of the Company's securities (including, without limitation, any Short Sales involving the Company's securities) during the period from the date hereof until the earlier of such time as (i) the transactions contemplated by this Agreement are first publicly announced as required by and described in Section 4.5 or (ii) this Agreement is terminated in full pursuant to Section 6.18. Each Purchaser, severally and not jointly with the other Purchasers, covenants that until such time as the transactions contemplated by this Agreement are publicly disclosed by the Company as described in Section 4.5, such Purchaser will maintain the confidentiality of the existence and terms of this transaction and the information included in the Transaction Documents and Disclosure Schedules. Notwithstanding the foregoing, no Purchaser makes any representation, warranty or covenant hereby that it will not engage in Short Sales in the securities of the Company after the time that the transactions contemplated

by this Agreement are first publicly announced as described in [Section 4.5](#).

4.13 Piggyback Registration Rights. If the Company at any time determines to file a registration statement under the Securities Act to register the offer and sale, by the Company, of Common Stock (other than (x) on Form S-4 or Form S-8 under the Securities Act or any successor forms thereto, (y) an at-the-market offering, or (z) a registration of securities solely relating to an offering and sale to employees or directors of the Company pursuant to any employee stock plan or other employee benefit plan arrangement), the Company shall, as soon as reasonably practicable, give written notice to the Purchasers of its intention to so register the offer and sale of Common Stock and, upon the written request, given within five (5) Business Days after delivery of any such notice by the Company, of the Purchaser to include in such registration the Purchaser's Registrable Securities (which request shall specify the number of Registrable Securities proposed to be included in such registration), the Company shall cause all such Registrable Securities to be included in such registration statement (the "Registration Statement") on the same terms and conditions as the Common Stock otherwise being sold pursuant to such registered offering.

ARTICLE V.
CONDITIONS PRECEDENT TO CLOSING

5.1 Conditions Precedent to the Obligations of the Purchasers to Purchase Securities. The obligation of each Purchaser to acquire the Units at the Closing is subject to the fulfillment to such Purchaser's satisfaction, on or prior to the Closing Date, of each of the following conditions, any of which may be waived by such Purchaser (as to itself only):

(a) Representations and Warranties. The representations and warranties of the Company contained herein shall be true and correct in all material respects (except for those representations and warranties which are qualified as to materiality, in which case such representations and warranties shall be true and correct in all respects) as of the date when made and as of the Closing Date, as though made on and as of such date, except for such representations and warranties that speak as of a specific date.

(b) Performance. The Company shall have performed, satisfied, and complied in all material respects with all covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied, or complied with by it at or prior to the Closing.

(c) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents.

(d) Consents. The Company shall have obtained in a timely fashion any and all consents, permits, approvals, registrations and waivers necessary for consummation of the purchase and sale of the Securities (including all Required Approvals), all of which shall be and remain so long as necessary in full force and effect.

(e) Adverse Changes. Since the date of execution of this Agreement, no event or series of events shall have occurred that has had or would reasonably be expected to have a Material Adverse Effect.

(f) No Suspensions of Trading in Common Stock. The Common Stock shall not have been suspended, as of the Closing Date, by the Commission or the Principal Trading Market from trading on the Principal Trading Market nor shall suspension by the Commission or the Principal Trading Market have been threatened, as of the Closing Date, either (A) in writing by the Commission or the Principal Trading Market or (B) by falling below the minimum listing maintenance requirements of the Principal Trading Market.

(g) Company Deliverables. The Company shall have delivered the Company Deliverables in accordance with [Section 2.2\(a\)](#).

(h) Termination. This Agreement shall not have been terminated as to such Purchaser in accordance with Section 6.18 herein.

5.2 Conditions Precedent to the Obligations of the Company to sell Securities. The Company's obligation to sell and issue the Units at the Closing to the Purchasers is subject to the fulfillment to the satisfaction of the Company on or prior to the Closing Date of the following conditions, any of which may be waived by the Company:

(a) Representations and Warranties. The representations and warranties made by the Purchasers in Section 3.2 hereof shall be true and correct in all material respects (except for those representations and warranties which are qualified as to materiality, in which case such representations and warranties shall be true and correct in all respects) as of the date when made, and as of the Closing Date as though made on and as of such date, except for representations and warranties that speak as of a specific date.

(b) Performance. Such Purchaser shall have performed, satisfied, and complied in all material respects with all covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied or complied with by such Purchaser at or prior to the Closing Date.

(c) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents.

(d) Consents. The Company shall have obtained in a timely fashion any and all consents, permits, approvals, registrations and waivers necessary for consummation of the purchase and sale of the Securities, all of which shall be and remain so long as necessary in full force and effect.

(e) Purchasers Deliverables. Such Purchaser shall have delivered its Purchaser Deliverables in accordance with Section 2.2(b).

(f) Termination. This Agreement shall not have been terminated as to such Purchaser in accordance with Section 6.18 herein.

ARTICLE VI. MISCELLANEOUS

6.1 Fees and Expenses. The Company and the Purchasers shall each pay the fees and expenses of their respective advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party in connection with the negotiation, preparation, execution, delivery and performance of this Agreement. The Company shall pay all Transfer Agent fees, stamp taxes and other taxes and duties levied in connection with the sale and issuance of the Securities to the Purchasers.

6.2 Entire Agreement. The Transaction Documents, together with the exhibits and schedules thereto, contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements, understandings, discussions and representations, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules. At or after the Closing, and without further consideration, the Company and the Purchasers will execute and deliver to the other such further documents as may be reasonably requested in order to give practical effect to the intention of the parties under the Transaction Documents.

6.3 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of (a) the date of transmission, if such notice or communication is delivered via facsimile (provided the sender receives a machine-generated confirmation of successful transmission) at the facsimile number specified in this Section

6.3 prior to 5:00 P.M., New York City time, on a Trading Day, (b) the next Trading Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number specified in this Section 6.3 on a day that is not a Trading Day or later than 5:00 P.M., New York City time, on any Trading Day, (c) the Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service with next day delivery specified, or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications shall be as follows:

If to the Company: Iota Communications, Inc.
600 Hamilton Street, Suite 1010
Allentown, PA 18101
Attention: Terrence DeFranco

With a copy to: Reed Smith LLP
(which shall not 599 Lexington Avenue
constitute notice) New York, NY 10002
Attention: Herbert Kozlov

If to a Purchaser: To the address set forth under such Purchaser's name on the signature page hereof;

or such other address as may be designated in writing hereafter, in the same manner, by such Person.

6.4 Amendments; Waivers; No Additional Consideration. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and the Purchasers of at least 66 2/3% of the Securities still held by Purchasers 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 subsequent default 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. No consideration shall be offered or paid to any Purchaser to amend or consent to a waiver or modification of any provision of this Agreement unless the same consideration is also offered to all Purchasers who then hold Securities.

6.5 Construction. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party. This Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement or any of the Transaction Documents.

6.6 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and be binding upon the parties and their successors and permitted assigns. This Agreement, or any rights or obligations hereunder, may not be assigned by the Company without the prior written consent of each Purchaser. Any Purchaser may assign its rights hereunder in whole or in part to any Person to whom such Purchaser assigns or transfers any Securities in compliance with the Transaction Documents and applicable law, provided such transferee shall agree in writing to be bound, with respect to the transferred Securities, by the terms and conditions of this Agreement that apply to the "Purchasers".

6.7 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, except each Purchaser Party as an intended third party beneficiary of Section 4.9.

6.8 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 New York, without regard to the principles of conflicts of law thereof. Each party agrees that all Proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective Affiliates, employees or agents) shall be commenced exclusively in the New York Courts. Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the New York Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any Proceeding, any claim that it is not personally subject to the jurisdiction of any such New York Court, or that such Proceeding has been commenced in an improper or inconvenient forum. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such Proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. **EACH PARTY HERETO HEREBY 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.**

6.9 Survival. Subject to applicable statute of limitations, the representations, warranties, agreements, and covenants contained herein shall survive the Closing and the delivery of the Securities.

6.10 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 both parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission, or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile signature page were an original thereof.

6.11 Severability. If any provision of this Agreement is held to 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 affected or impaired thereby and the parties will attempt to agree upon a valid and enforceable provision that is a reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Agreement.

6.12 Rescission and Withdrawal Right. Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) the Transaction Documents, whenever any Purchaser exercises a right, election, demand or option under a Transaction Document and the Company does not timely perform its related obligations within the periods therein provided, then such Purchaser may rescind or withdraw, in its sole discretion from time to time upon written notice to the Company, any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights.

6.13 Replacement of Securities. If any certificate or instrument evidencing any Securities is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof, or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company and the Transfer Agent of such loss, theft or destruction and the execution by the holder thereof of a customary lost certificate affidavit of that fact and an agreement to indemnify and hold harmless the Company and the Transfer Agent for any losses in connection therewith or, if required by the Transfer Agent, a bond in such form and amount as is required by the Transfer Agent. The applicants for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs associated with the issuance of such replacement Securities. If a replacement certificate or instrument evidencing any Securities is requested due to a mutilation thereof, the Company may

require delivery of such mutilated certificate or instrument as a condition precedent to any issuance of a replacement.

6.14 Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each of the Purchasers and the Company will be entitled to specific performance under the Transaction Documents. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations described in the foregoing sentence and hereby agree to waive in any action for specific performance of any such obligation (other than in connection with any action for a temporary restraining order) the defense that a remedy at law would be adequate.

6.15 Payment Set Aside. To the extent that the Company makes a payment or payments to any Purchaser pursuant to any Transaction Document or a Purchaser enforces or exercises its rights thereunder, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, disgorged by or are required to be refunded, repaid or otherwise restored to the Company, a trustee, receiver or any other person under any law (including, without limitation, any bankruptcy law, state or federal law, common law or equitable cause of action), then to the extent of any such restoration the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

6.16 Adjustments in Share Numbers and Prices. In the event of any stock split, subdivision, dividend or distribution payable in shares of Common Stock (or other securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly shares of Common Stock), combination or other similar recapitalization or event occurring after the date hereof and prior to the Closing, each reference in any Transaction Document to a number of shares or a price per share shall be deemed to be amended to appropriately account for such event.

6.17 Independent Nature of Purchasers' Obligations and Rights. The obligations of each Purchaser under any Transaction Document are several and not joint with the obligations of any other Purchaser, and no Purchaser shall be responsible in any way for the performance of the obligations of any other Purchaser under any Transaction Document. The decision of each Purchaser to purchase Securities pursuant to the Transaction Documents has been made by such Purchaser independently of any other Purchaser and independently of any information, materials, statements or opinions as to the business, affairs, operations, assets, properties, liabilities, results of operations, condition (financial or otherwise) or prospects of the Company or any Subsidiary which may have been made or given by any other Purchaser or by any agent or employee of any other Purchaser, and no Purchaser and any of its agents or employees shall have any liability to any other Purchaser (or any other Person) relating to or arising from any such information, materials, statement or opinions. Nothing contained herein or in any Transaction Document, and no action taken by any Purchaser pursuant thereto, shall be deemed to constitute the Purchasers as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Purchasers are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by the Transaction Documents. Each Purchaser acknowledges that no other Purchaser has acted as agent for such Purchaser in connection with making its investment hereunder and that no Purchaser will be acting as agent of such Purchaser in connection with monitoring its investment in the Securities or enforcing its rights under the Transaction Documents. Each Purchaser shall be entitled to independently protect and enforce its rights, including without limitation the rights arising out of this Agreement or out of the other Transaction Documents, and it shall not be necessary for any other Purchaser to be joined as an additional party in any proceeding for such purpose. Each Purchaser has been represented by its own separate legal counsel in its review and negotiation of the Transaction Documents. The Company has elected to provide all Purchasers with the same terms and Transaction Documents for the convenience of the Company and not because it was required or requested to do so by any Purchaser.

6.18 Termination. This Agreement may be terminated and the sale and purchase of the Units abandoned at any time prior to the Closing by either the Company or any Purchaser (with respect to itself only)

upon written notice to the other, if the Closing has not been consummated on or prior to 5:00 P.M., New York City time, on the Outside Date; provided, however, that the right to terminate this Agreement under this Section 6.18 shall not be available to any Person whose failure to comply with its obligations under this Agreement has been the cause of or resulted in the failure of the Closing to occur on or before such time. Nothing in this Section 6.18 shall be deemed to release any party from any liability for any breach by such party of the terms and provisions of this Agreement or the other Transaction Documents or to impair the right of any party to compel specific performance by any other party of its obligations under this Agreement or the other Transaction Documents. In the event of a termination pursuant to this Section 6.18, the Company shall promptly notify all non-terminating Purchasers. Upon a termination in accordance with this Section 6.18, the Company and the terminating Purchaser(s) shall not have any further obligation or liability (including arising from such termination) to the other, and no Purchaser will have any liability to any other Purchaser under the Transaction Documents as a result therefrom.

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IN WITNESS WHEREOF, the parties hereto have caused this Subscription Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

IOTA COMMUNICATIONS, INC.

By: _____
Name: Terrence DeFranco
Title: Chief Executive Officer

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NAME OF PURCHASER: _____

By: _____
Name:
Title:

Aggregate Purchase Price (Subscription Amount): \$ _____

Number of Units to be Acquired: _____

Number of Shares to be Acquired: _____

Underlying Shares Subject to Warrant: _____
(100% of the number of Shares to be acquired)

Tax ID No.: _____

Address for Notice:

Telephone No.: _____

Facsimile No.: _____

E-mail Address: _____

Attention: _____

Delivery Instructions:
(if different than above)

c/o _____

Street: _____

City/State/Zip: _____

Attention: _____

Telephone No.: _____

SCHEDULES:

Schedule 3.1(a)	Subsidiaries
Schedule 3.1(g)	Capitalization
Schedule 3.1(h)	Material Changes
Schedule 3.1(i)	Litigation
Schedule 3.1(k)	Compliance
Schedule 3.1(m)	Liens
Schedule 3.1(p)	Transactions with Affiliates and Employees
Schedule 3.1(t)	Registration Rights
Schedule 3.1(w)	Disclosure
Schedule 3.1(y)	Tax Matters

EXHIBITS:

A:	Form of Warrant
B-1:	Investor Questionnaire
B-2:	Stock Certificate Questionnaire
C:	Form of Irrevocable Transfer Agent Instructions
D:	Form of Secretary's Certificate
E:	Wire Instructions

SCHEDULE 3.1(A)
SUBSIDIARIES

Iota Networks, LLC

Iota Commercial Solutions, LLC

Iota Spectrum Holdings, LLC

Arkados, Inc.

SCHEDULE 3.1(G)
CAPITALIZATION

Common Stock			Preferred Stock			Warrants		Options	
# Shares Authorized	# Shares Issued	# Shares Outstanding	# Shares Authorized	# Shares Issued	# Shares Outstanding	# Outstanding	Wtd. Avg. Exercise Price	# Outstanding	Wtd. Avg. Exercise Price
600,000,000	281,615,983	281,615,983	5,000,000	-	-	42,393,013	0.30	23,625,000	0.46



SCHEDULE 3.1(H)
MATERIAL CHANGES

2019 Private Placement (closed in March 2020)

From September 2019 to March 2020, the Company issued units to purchase an aggregate of (i) 15.7 million shares of common stock and (ii) warrants to purchase 3.14 million shares of common stock at an exercise price of \$0.48, at a purchase price of \$0.32 per unit, for aggregate gross proceeds to the Company of \$5,012,174.

Note Purchase Agreement with AIP Asset Management, Inc.

On December 20, 2019, the Company issued a 12-month LIBOR + 10% Secured Non-Convertible Note in the principal amount of \$1,400,000 to AIP Global Macro Fund, L.P., due June 20, 2020, pursuant to an Agreement and Waiver Agreement, dated December 18, 2019, by and between the Company and AIP Asset Management, Inc. in settlement of the Company's default under certain outstanding promissory notes.

On April 1, 2020, the Company issued a 12-month LIBOR + 10% Secured Non-Convertible Note in the principal amount of \$1,000,000 to AIP Convertible Private Debt Fund L.P., due April 4, 2021, pursuant to an Agreement and Waiver Agreement, dated March 25, 2020, by and between the Company and AIP Asset Management, Inc. in settlement of the Company's default under certain outstanding promissory notes.

On June 2, 2020, the Company issued a 12-month LIBOR + 10% Secured Non-Convertible Note in the principal amount of \$500,000 to AIP Global Macro Fund, L.P., due April 4, 2021, pursuant to an Agreement and Waiver Agreement, dated June 2, 2020, by and between the Company and AIP Asset Management, Inc. in settlement of the Company's default under certain outstanding promissory notes.

Convertible Promissory Note with LGH Investments, LLC

On May 21, 2019, the Company issued a convertible promissory note in the principal amount of \$330,000 to LGH Investments, LLC, which was originally due and payable on November 30, 2019. The Company has entered into successive amendments to the original note, such that the maturity date for this note is now July 31, 2020 and \$20,000 was added to the principal amount due under this note.

Promissory Notes to Dana Wayne Amato

On June 1, 2020, the Company issued two promissory notes to Dana Wayne Amato - the first was a promissory note in the principal amount of \$350,000, due and payable on December 31, 2020, and the second was a promissory note in the principal amount of \$500,000, due and payable July 12, 2020.

Convertible Promissory Note to JSJ Investments, Inc.

On January 27, 2020, the Company issued a 10% Convertible Promissory Note to JSJ Investment, Inc. in the principal amount of \$77,000, due and payable on January 27, 2021.

Securities Purchase Agreements

On December 19, 2019, the Company entered into a securities purchase agreement with Oasis Capital, LLC, pursuant to which it issued a promissory note to Oasis Capital, LLC in the principal amount of \$238,352, due and payable June 19, 2019, and warrants to purchase 851,425 shares of common stock at an exercise price of \$0.308, for a total purchase price of \$238,352.

On January 16, 2020, the Company entered into a securities purchase agreement with Dean Wayne Amato,

pursuant to which it issued a promissory note to Mr. Amato in the principal amount of \$320,000, due and payable February 29, 2020, and 1,000,000 shares, for a total purchase price of \$320,000.

On February 17, 2020, the Company entered into a securities purchase agreement with Rodney D. Speight, pursuant to which it issued a promissory note to Mr. Speight in the principal amount of \$300,000, due and payable March 31, 2020, and 1,000,000 shares, for a total purchase price of \$300,000.

Debt Exchange Agreement with The Crone Law Group

The Company entered into a Debt Exchange Agreement with The Crone Law Group on June 16, 2020, pursuant to which The Crone Law Group agreed to convert \$90,670.86 in legal fees owed into 583,000 shares of the Company.

Amendment and Settlement Agreement with Lucas Hoppel

On May 5, 2020, the Company entered into an Amendment and Settlement Agreement with Lucas Hoppel, related to a securities purchase agreement entered into by the parties on September 18, 2019, pursuant to which the Company issued to Mr. Hoppel a promissory note in the principal amount of \$440,000. The parties entered into a settlement agreement on May 21, 2019, pursuant to which the Company issued Mr. Hoppel 1,330,000 shares and paid Mr. Hoppel \$50,000 in partial satisfaction of the "make whole" payments due under the settlement agreement. Pursuant to the terms of the Amendment and Settlement Agreement, the Company paid Mr. Hoppel an additional \$50,000 toward the make whole payments. The remaining \$83,057 in make whole payments may be converted to shares after June 1, 2020 at Mr. Hoppel's election.

Employment Compensation Agreement with Dana W. Amato

On June 1, 2020, the Company entered into an employment compensation agreement with Dana W. Amato, in resolution of certain unpaid past wage claims (including bonuses and stock options), pursuant to which Mr. Amato agreed to surrender 7 million shares of Company common stock to the Company in exchange for (i) a stock option to purchase up to 14 million shares at an exercise price of \$0.20 per share, (ii) a previously determined performance bonus of \$500,000 due upon the earlier to occur of (a) the Company's receipt of \$4.5 million from any source or (b) July 12, 2020; and (iii) a previously determined performance bonus of \$350,000 due upon the earlier to occur of (a) the Company's receipt of \$4.5 million from any source or (b) December 31, 2020. Should Iota default on the payment of either Bonus 1 or Bonus 2, the amounts due will accrue interest at the lesser of 21% per annum or the maximum amount allowed under Arizona usury laws.

Defaults Under Outstanding Debt Agreements

The Company is currently in default under certain promissory notes (matured and unpaid) in the aggregate amount of \$3,951,243.

Defaults under Billboard and Tower Lease Agreements

The Company is delinquent on payments under various billboard and tower lease agreements (approximately \$1.4 million is currently due under these agreements).

Also see information provided on Schedule 3.1(K), which is incorporated herein.

SCHEDULE 3.1(I)
LITIGATION

On April 17, 2019, Ladenburg Tharman & Co. Inc. ("Ladenburg") filed a complaint in The Circuit Court of the 11th Judicial Circuit in and for Miami-Dade County, Florida, Case No. 2019-011385-CA-01, against the Company claiming fees that are owed under an investment banking agreement with M2M Spectrum Networks, LLC. Ladenburg seeks \$758,891 based upon a transaction fee of \$737,000, out-of-pocket expenses of \$1,391 and four monthly retainers of \$5,000 each totaling \$20,000. Ladenburg claims an amendment to the contract with M2M Spectrum Networks, LLC, nearly doubling the transaction fee, was a valid and binding amendment. The Company believes the claim has no merit and that the amendment is void as it is without authority as to the Company, that it violates FINRA rules charging excessive fees and will either be dismissed or Ladenburg will need to substitute the proper party, Iota Networks, LLC. Iota Networks' motion to dismiss was denied on July 25, 2019, so an answer was filed on August 23, 2019. The case is now in the discovery phase. There has been limited exchanges of documents and no depositions have been scheduled.

SCHEDULE 3.1(K)
COMPLIANCE

Crown Castle Matter

On July 2, 2020, the Company received a demand notice from Crown Castle ("Crown") in which Crown demanded full payment of the Company's past due balance under certain tower license agreements previously entered into between the parties (the "CC Agreements") within five days of the Company's receipt of the demand notice. The demand notice alleged that the Company owed Crown \$657,967.56 in past due amounts under the CC Agreements (the "Past Due Balance") and that it had also failed to pay to Crown the Total Services Amount due of \$171,549.98, as such term was defined in the demand notice.

On July 13, 2020, the Company received a notice of default and termination from Crown, indicating that Crown will execute the following remedies provided for in the CC Agreements: (a) termination of the CC Agreements effective as of July 13, 2020; (b) demand for full payment of all amounts due and owing through the current term end of each of the CC Agreements, including late fees properly charged under the CC Agreements, which currently totals \$13,834,247.35; and (c) exercise by Crown of its Right to Re-Enter Upon Default and power down and/or decommission the Company's equipment installed pursuant to the CC Agreements.

The notice of default and termination also stated that the Company was in default of its contractual obligations under that certain Agreement Regarding Collocation And Settlement Of Past Due Balance dated October 30, 2019, which requires the execution of 20 new license agreements by the Deadline, as such term is defined therein. As of the date of its letter, the Company has executed only seven of those required agreements.

The Company is negotiating a settlement with Crown, who has agreed to hold off taking any action for the moment, but has indicated that it will not lift the default until the past due balance is paid and they are given assurances of the Company's ability to continue making payments through the lease terms.

Default under Syscom Master Utilization Rights Agreement (as amended)

Syscom Telecom, LLC ("Syscom") is a lessor of 200 network sites for the Company's billboard locations. Iota Networks, LLC (f/k/a M2M Spectrum Networks, LLC) is a party to a Master Utilization Rights Agreement, as amended, with Syscom and Lamar Media Corp. On May 4, 2020, the Company received a Notice of Default and Demand for Payment alleging that the Company was in default under the Asset Utilization Agreements (i.e., its License Fee under the Master Utilization Rights Agreement) due to its failure to make monthly payments, and demanding payment of \$11,199.95 within 30 days. The notice also alleged that the Company was in default under the Master Utilization Agreement due to its failure to pay by failing to pay any of the required Year 1 Monthly Threshold Differential Payments, and demanding payment of \$142,500 within 30 days, for a total payment of \$153,699.95. According to the notice, Syscom reserves the right to terminate the Master Utilization Rights Agreement.

SCHEDULE 3.1(M)
LIENS

Blanket lien on all assets of the Company pursuant to the Note Purchase Agreement dated October 31, 2018 between Solbright Group, Inc. and AIP Asset Management Inc. and AIP Global Micro Fund L.P.

SCHEDULE 3.1(P)

TRANSACTIONS WITH AFFILIATES AND EMPLOYEES

On February 29, 2020, the Company issued a promissory note for \$743,445.16 to J. Barclay Knapp (a current director of the Company), plus any sums advanced from time to time hereafter, together with interest thereon at the published Annual, Long-term, Applicable Federal Rate for March 2020 (1.93% per Rev. Rul. 2020-6 Table 1), compounding annually. The note is payable upon presentation by Mr. Knapp.

On May 8, 2020, the Company issued a promissory note for \$161,605.59 to Carole Downs (a former director of the Company), plus any sums advanced from time to time hereafter, together with interest thereon at the published Annual, Long-term, Applicable Federal Rate for May 2020 (1.15% per Rev. Rul. 2020-11 Table 1), compounding annually. Payment in the amount of \$7,500 is required to be made bi-weekly, beginning on July 24, 2020.

SCHEDULE 3.1(T)
REGISTRATION RIGHTS

On June 28, 2018, prior to the Merger, the Company entered into Note Purchase Agreements with certain “accredited investors”, pursuant to which the investors purchased 10% Secured Convertible Promissory Notes of the Company in the aggregate principal amount of up to \$5,000,000. The investors were granted piggyback registration rights with respect to these securities.

On May 21, 2019, the Company entered into a Securities Purchase Agreement with an “accredited investor”, pursuant to which the investor purchased (a) a Convertible Promissory Note in the principal amount of \$330,000, (b) warrants to purchase 600,000 shares of the Company’s Common Stock, and (c) 100,000 restricted shares of the Company’s Common Stock. The investor was granted piggyback registration rights with respect to these securities.

On September 16, 2019, the Company entered into a Securities Purchase Agreement with an “accredited investor”, pursuant to which, for a purchase price of \$300,000, the investor purchased (a) a Convertible Promissory Note in the principal amount of \$330,000, (b) warrants to purchase 600,000 shares of the Company’s Common Stock, and (c) 150,000 restricted shares of the Company’s Common Stock. The investor was granted piggyback registration rights with respect to these securities.

From September 2019 to March 2020, the Company issued units to purchase an aggregate of (i) 15.7 million shares of common stock and (ii) warrants to purchase 3.14 million shares of common stock at an exercise price of \$0.48, at a purchase price of \$0.32 per unit, for aggregate gross proceeds to the Company of \$5,012,174. The Company entered into a registration rights agreement with the subscribers in this offering, pursuant to which the Company agreed to file with the Commission as soon as practicable, but in any event no later than sixty (60) days after the final closing of the offering, a registration statement on Form S-1 to register the resale of the September 2019 Shares and the shares underlying the September 2019 Warrants under the Securities Act. The Company has not yet filed the registration statement required pursuant to the registration rights agreement due to the fact that it does not have the required financial statements to file such registration statement.

On October 3, 2019, the Company entered into a Securities Purchase Agreement with an “accredited investor”, pursuant to which, for a purchase price of \$250,000, the buyer purchased (a) a Convertible Promissory Note in the principal amount of \$225,000 and (b) 100,000 restricted shares of the Company’s Common Stock. The investor was granted piggyback registration rights with respect to these securities.

On October 29, 2019, the Company entered into a Securities Purchase Agreement with an “accredited

investor" pursuant to which, for a purchase price of \$1,088,830, the investor purchased (a) a Convertible Promissory Note in the principal amount of \$1,000,000, (b) warrants to purchase 3,888,679 shares of the Company's Common Stock, exercisable for a period of five years from the date of issuance, at an exercise price of \$0.308 per share, and (c) 969,697 restricted shares of the Company's Common Stock. The investor was granted piggyback registration rights with respect to these securities.

On December 19, 2019, the Company entered into a Securities Purchase Agreement with an "accredited investor" pursuant to which, for a purchase price of \$217,500, the investor purchased (a) a Convertible Promissory Note in the principal amount of \$238,352 and (b) warrants to purchase 851,425 shares of the Company's Common Stock, exercisable for a period of five years from the date of issuance, at an exercise price of \$0.308 per share. The investor was granted piggyback registration rights with respect to these securities.

SCHEDULE 3.1(W)

DISCLOSURE

See information provided on Schedules 3.1(H) and 3.1(K), which is incorporated herein.

SCHEDULE 3.1(Y)

TAX MATTERS

The Company is currently delinquent and/or a non-filer in several jurisdictions in which it has nexus. The Company has accrued \$500,000 for this potential indirect tax exposure in the 11/30/2019 restatement.

EXHIBIT A
FORM OF WARRANT
(See attached)

IOTA COMMUNICATIONS, INC.

COMMON STOCK PURCHASE WARRANT

THE WARRANT REPRESENTED BY THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND IS SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AS SET FORTH IN THIS CERTIFICATE. THIS WARRANT MAY NOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN OPINION OF COUNSEL, REASONABLY ACCEPTABLE TO COUNSEL FOR THE COMPANY, TO THE EFFECT THAT THE PROPOSED SALE, TRANSFER, OR DISPOSITION MAY BE EFFECTUATED WITHOUT REGISTRATION UNDER THE ACT.

WARRANT CERTIFICATE

Original Issue Date: _____

THIS WARRANT CERTIFICATE (the "Warrant Certificate") certifies that for value received, _____ (the "Holder"), is the owner of this warrant (the "Warrant"), which entitles the Holder to purchase at any time on or before the Expiration Date (as defined below) _____ shares (the "Warrant Shares") of fully paid non-assessable shares of the common stock (the "Common Stock") of IOTA COMMUNICATIONS, INC., a Delaware corporation (the "Company"), at a purchase price per Warrant Share of \$0.12 (the "Purchase Price"), in lawful money of the United States of America by bank or certified check, subject to adjustment as hereinafter provided. This Warrant is issued for services rendered by Holder to Company.

This Warrant is one of a series of warrants (collectively, the "Financing Warrants") of like tenor that have been issued in connection with the offering of the securities of the Company, which consisted of Common Stock and the Warrants.

1. WARRANT; PURCHASE PRICE.

This Warrant shall entitle the Holder to purchase the Warrant Shares at the Purchase Price. The Purchase Price and the number of Warrant Shares evidenced by this Warrant Certificate are subject to adjustment as provided in Article 6.

2. EXERCISE; EXPIRATION DATE.

(a) This Warrant is exercisable, at the option of the Holder, at any time after the date of issuance and on or before the Expiration Date (as defined below) by delivering to the Company written notice of exercise (the "Exercise Notice"), stating the number of Warrant Shares to be purchased thereby, accompanied by bank or certified check payable to the order of the Company for the Warrant Shares being purchased. Within ten (10) business days of the Company's receipt of the Exercise Notice accompanied by the consideration for the Warrant Shares being purchased, the Company shall instruct its transfer agent to issue and deliver to the Holder a certificate representing the Warrant Shares being purchased. In the case of exercise for less than all of the Warrant Shares represented by this Warrant Certificate, the Company shall cancel this Warrant Certificate upon the surrender thereof and shall execute and deliver a new Warrant Certificate for the balance of such Warrant Shares.

(b) Expiration. The term "Expiration Date" shall mean 5:00 p.m., New York time, on

the fifth (5th) anniversary of the Issue Date set forth above, or if such date in the State of New York shall be a holiday or a day on which banks are authorized to close, then 5:00 p.m., New York time, the next following day which in the State of New York is not a holiday or a day on which banks are authorized to close.

3. RESTRICTIONS ON TRANSFER.

(a) Restrictions. This Warrant, and the Warrant Shares or any other security issuable upon exercise of this Warrant may not be assigned, transferred, sold, or otherwise disposed of unless (i) there is in effect a registration statement under the Act covering such sale, transfer, or other disposition or (ii) the Holder furnishes to the Company an opinion of counsel, reasonably acceptable to counsel for the Company, to the effect that the proposed sale, transfer, or other disposition may be effected without registration under the Act, as well as such other documentation incident to such sale, transfer, or other disposition as the Company's counsel shall reasonably request.

(b) Legend. Any Warrant Shares issued upon the exercise of this Warrant shall bear substantially the following legend:

"THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE SHARES HAVE BEEN ACQUIRED FOR INVESTMENT AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AND WITH RESPECT TO THE SHARES OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF SAID ACT THAT IS THEN APPLICABLE TO THE SHARES, AS TO WHICH A PRIOR OPINION OF COUNSEL ACCEPTABLE TO THE ISSUER OR TRANSFER AGENT MAY BE REQUIRED."

4. RESERVATION OF SHARES.

The Company covenants that it will at all times reserve and keep available out of its authorized Common Stock, solely for the purpose of issuance upon exercise of this Warrant, such number of shares of Common Stock as shall then be issuable upon the exercise of this Warrant. The Company covenants that all shares of Common Stock which shall be issuable upon exercise of this Warrant shall be duly and validly issued and fully paid and non-assessable and free from all taxes, liens, and charges with respect to the issue thereof.

5. LOSS OR MUTILATION.

If the Holder loses this Warrant, or if this Warrant is stolen, destroyed or mutilated, the Company shall issue an identical replacement Warrant upon the Holder's delivery to the Company of a customary agreement to indemnify the Company for any losses resulting from the issuance of the replacement Warrant.

6. PROVISIONS REGARDING ADJUSTMENTS TO STOCK.

(a) Stock Dividends, Subdivisions and Combinations. If at any time the Company shall:

(i) take a record of the holders of its Common Stock for the purpose of

entitling them to receive a dividend payable in, or other distribution of, additional shares of Common Stock,

(ii) subdivide its outstanding shares of Common Stock into a larger number of shares of Common Stock, or

(iii) combine its outstanding shares of Common Stock into a smaller number of shares of Common Stock,

then (A) the number of shares of Common Stock for which this Warrant is exercisable into immediately after the occurrence of any such event shall be adjusted to equal the number of shares of Common Stock which a record holder of the same number of shares of Common Stock for which this Warrant is exercisable into immediately prior to the occurrence of such event would own or be entitled to receive after the happening of such event, and (B) the Purchase Price shall be adjusted to equal (x) the current Purchase Price immediately prior to the adjustment multiplied by the number of shares of Common Stock for which this Warrant is exercisable into immediately prior to the adjustment divided by (y) the number of shares of Common Stock for which this Warrant is exercisable into immediately after such adjustment.

(b) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Purchase Price, the Company, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to the Holder a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall, upon the written request at any time of the Holder, furnish or cause to be furnished to such holder a like certificate setting forth (i) such adjustments and readjustments, (ii) the Purchase Price at the time in effect for this Warrant and (iii) the number of shares of Common Stock and the amount, if any, or other property which at the time would be received upon the exercise of this Warrant.

(c) Notices of Record Date. In the event of any fixing by the Company of a record date for the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend) or other distribution, any shares of Common Stock or other securities, or any right to subscribe for, purchase or otherwise acquire, or any option for the purchase of, any shares of stock of any class or any other securities or property, or to receive any other right, the Company shall mail to the Holder at least thirty (30) days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or rights, and the amount and character of such dividend, distribution or right.

(d) Merger, Consolidation, etc. In case of any capital reorganization or any reclassification of the capital stock of the Company or in case of the consolidation or merger of the Company with another corporation (or in the case of any sale, transfer, or other disposition to another corporation of all or substantially all the property, assets, business, and goodwill of the Company), the Holder of this Warrant shall thereafter be entitled to purchase the kind and amount of shares of capital stock which this Warrant entitled the Holder to purchase immediately prior to such capital reorganization, reclassification of capital stock, consolidation, merger, sale, transfer, or other disposition; and in any such case appropriate adjustments shall be made in the application of the provisions of this Section 6 with respect to rights and interests thereafter of the Holder of this Warrant to the end that the provisions of this Section 6 shall thereafter be applicable, as near as reasonably may be, in relation to any shares or other property thereafter purchasable upon the exercise of this Warrant.

(e) Fractional Shares. No certificate for fractional shares shall be issued upon the exercise of this Warrant, but in lieu thereof the Company shall purchase any such fractional shares calculated to the nearest cent or round up the fraction to the next whole share.

(f) Rights of the Holder. The Holder of this Warrant shall not be entitled to any rights of a shareholder of the Company in respect of any Warrant Shares purchasable upon the exercise hereof until such Warrant Shares have been paid for in full and issued to it. As soon as practicable after such exercise, the Company shall deliver a certificate or certificates for the number of full shares of Common Stock issuable upon such exercise, to the person or persons entitled to receive the same.

7. REPRESENTATIONS AND WARRANTIES.

The Holder, by acceptance of this Warrant, represents and warrants to, and covenants and agrees with, the Company as follows:

(a) The Warrant is being acquired for the Holder's own account for investment and not with a view toward resale or distribution of any part thereof, and the Holder has no present intention of selling, granting any participation in, or otherwise distributing the same.

(b) The Holder is aware that the Warrant is not registered under the Act or any state securities or "blue sky" laws and, as a result, substantial restrictions exist with respect to the transferability of the Warrant and the Warrant Shares to be acquired upon exercise of the Warrant.

(c) The Holder is an accredited investor as defined in Rule 501(a) of Regulation D under the Act and is a sophisticated investor familiar with the type of risks inherent in the acquisition of securities such as the Warrant, and its financial position is such that it can afford to retain the Warrant and the Warrant Shares for an indefinite period of time without realizing any direct or indirect cash return on this investment.

8. NO IMPAIRMENT.

The Company shall not by any action including, without limitation, amending its certificate of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder against impairment. Without limiting the generality of the foregoing, the Company will (a) not increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant above the amount payable therefore upon such exercise immediately prior to such increase in par value, (b) take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and non-assessable shares of Common Stock upon the exercise of this Warrant, and (c) use its best efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof as may be necessary to enable the Company to perform its obligations under this Warrant. Upon the request of Holder, the Company will at any time during the period this Warrant is outstanding acknowledge in writing, in form satisfactory to Holder, the continuing validity of this Warrant and the obligations of the Company hereunder.

9. NO REGISTRATION RIGHTS.

There are no registration rights associated with this Warrant; the registration rights associated with the underlying Warrant Shares when issued are provided in the Subscription Agreement dated as of the date hereof by and among the Company and the signatories thereto.

10. SUPPLYING INFORMATION.

The Company shall cooperate with Holder and each holder of Warrant Shares in supplying such information pertaining to the Company as may be reasonably necessary for such Holder and each

holder of Warrant Shares to complete and file any information reporting forms presently or hereafter required by the Securities and Exchange Commission as a condition to the availability of an exemption from the Act for the sale of Warrant Shares.

11. LIMITATION OF LIABILITY.

No provision hereof, in the absence of affirmative action by Holder to purchase shares of Common Stock, and no enumeration herein of the rights or privileges of Holder hereof, shall give rise to any liability of Holder for the purchase price of any Common Stock or as a stockholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

12. MISCELLANEOUS.

(a) Transfer Taxes; Expenses. The Holder shall pay any and all underwriters' discounts, brokerage fees, and transfer taxes incident to the sale or exercise of this Warrant or the sale of the underlying shares issuable hereunder and shall pay the fees and expenses of any special attorneys or accountants retained by it.

(b) Successors and Assigns. Subject to compliance with the provisions of Section 3, this Warrant and the rights evidenced hereby shall inure to the benefit of and be binding upon the successors of the Company and the successors and assigns of Holder. The provisions of this Warrant are intended to be for the benefit of all Holders from time to time of this Warrant and shall be enforceable by any such Holder.

(c) Severability. If a court of competent jurisdiction holds any provision of this Warrant invalid or unenforceable, the other provisions of this Warrant will remain in full force and effect. Any provision of this Warrant held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

(d) Notice. Any notice or other communication required or permitted to be given to the Company shall be in writing and shall be delivered by certified mail with return receipt or delivered in person against receipt, addressed to the Company at 600 Hamilton Street, Suite 1010, Allentown, PA 18101.

(e) Amendments and Waivers. Any term of this Warrant may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), with the written consent of the Company and the Holders of a majority of the Financing Warrants.

(f) Governing Law. This Warrant Certificate shall be governed by, and construed in accordance with, the internal laws of the State of New York, without reference to the conflicts of laws provisions thereof.

IN WITNESS WHEREOF, the Company has caused this Warrant Certificate to be duly executed as of the date set forth below.

IOTA COMMUNICATIONS, INC.

By: _____
Name: Terrence DeFranco
Title: Chief Executive Officer

IOTA COMMUNICATIONS, INC.
FORM OF EXERCISE OF WARRANT

No. IOTA –

The undersigned hereby elects to exercise this Warrant as to _____ shares of the Common Stock of Iota Communications, Inc., a Delaware corporation, covered thereby. Enclosed herewith is a bank or certified check in the amount of \$ _____ payable to the Company.

Delivery of exercise notice requiring a payment by check must be by national courier (FedEx, UPS, etc.) to the Company at:

600 Hamilton Street, Suite 1010
Allentown, PA 18101
Attn: Terrence DeFranco

The shares should be sent to me at the address provided below.

Date: _____

(Signature)

Name *(Printed)*: _____

Address: _____

Social Security Number *(for individual holder)* or
Employer Identification Number (Tax ID) *(for entity)*:

EXHIBIT B-1

INVESTOR QUESTIONNAIRE
(See attached)



INVESTOR QUESTIONNAIRE

This Investor Questionnaire is being furnished by the investor named in Section A.1 of this Investor Questionnaire (the "Investor") to the Issuers, in connection with the subscription by the Investor for the Units, as defined in the Subscription Agreement being entered into between the Issuers and the Investor to which this Investor Questionnaire is attached. Defined terms used but not defined herein shall have the meanings set forth in the Subscription Agreement.

A. General Information

1. Print Full Name of Investor

Individual:

First Middle Last

Entity:

Name of Entity

Name of Parent Institution Known to the General Partner
(if different from Entity name above)

Beneficial Owner of Investment (optional)

Entity: To assist the General Partner of the Partnership in preparing the Partnership's tax filing, please check the category into which you fall:

- Partnership
- Corporation
- S-Corporation
- Estate
- Grantor Trust
- Trust-EIN (a trust with an EIN in this format: 12-3456789)
- Trust-SSN (a trust with an EIN in this format: 123-45-6789)
- IRA-EIN
- IRA-SSN
- Exempt Organization
- LLP
- LLC
- Nominee-EIN
- Nominee-SSN
- Other

2. U.S. Taxpayer Identification or Social Security Number:

Please provide information on all of the individuals who play a role in the Investor's investment in the Issuers, including contacts for business relationship matters and investment decision making, receiving financial information and maintaining records, distribution notices, legal documentation and tax matters.

3. Primary Contact Person for this investment and for Notices:

Name: _____
Address: _____

Telephone: _____
Fax: _____
E-mail: _____

(This Email address will be used to notify the Investor of any notices, reports, requests, demands, consents, or other communications).

4. Additional Contact Person

- For Business Relationship Matters with the General Partner and ICI (if different from #3 above)
- For Matters Relating to the Convertible Notes
- For Receiving Financial Information and Maintaining Records (including quarterly and annual financial reports and capital account statements)
- For Distribution Notices
- For Legal Documentation
- For Tax Matters (including K-1 distribution)

Name: _____
Address: _____
Telephone: _____
Fax: _____
E-mail: _____

5. For distributions and other payments of cash, please wire funds to the following bank account:

Bank Name: _____
Bank Location: _____
Account Number: _____
Account Name: _____
For further credit to: _____
(if any) _____

Reference: [REDACTED]

6. For distributions in-kind, please credit securities to the brokerage account at the following firm:

Firm Name: [REDACTED]

Address: [REDACTED]

Account Name: [REDACTED]

Account Number: [REDACTED]

DTC Number: [REDACTED]

7. Permanent Address of the Investor (if different from address for Notices above):

[REDACTED]

B. Accredited Investor Representation

The Investor hereby represents and warrants, pursuant to Section 3(i) of the Subscription Agreement, that he, she or it is correctly and in all respects described by the category or categories set forth below directly under which the Investor, or the authorized representative thereof, has signed his or her name.

FOR INDIVIDUALS ONLY:

1. A director, executive officer, or general partner of the issuer of the securities being offered or sold, or a director, executive officer, or general partner of a general partner of that issuer.

2. A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of purchase, exceeds \$1,000,000. For purposes of calculating net worth (a) do not include your primary residence as an asset and (b) do not include debt secured by your primary residence as a liability, provided, however, you must reduce your net worth by (c) any debt secured by your primary residence that is in excess of the estimated fair market value of your primary residence at the time of purchase and (d) any debt secured by your primary residence that is in excess of the amount of any such debt that was outstanding 60 days prior to the effective date of this Subscription Agreement, other than as a result of the initial acquisition of your primary residence.

3. A natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

FOR ENTITIES ONLY:

4. A bank as defined in Section 3(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity.

5. A broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934 (the "Exchange Act").

6. An insurance company as defined in Section 2(a)(13) of the Securities Act.

7. An investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that act.

8. A Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958.

9. A plan established and maintained by a state, its political subdivisions, or an agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of \$5,000,000.

10. An employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by Persons that are accredited investors.

11. A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act.

12. An organization described in Section 501(c)(3) of the Internal Revenue Code, a corporation, a Massachusetts or similar business trust, a partnership or a limited liability company, not formed for the specific purpose of acquiring the Units, with total assets in excess of \$5,000,000.

13. A trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Units, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the Securities Act.

14. An entity as to which all the equity owners (or, in the case of a trust, all the income beneficiaries) are accredited investors.

NOTE: If the undersigned qualifies as an "accredited investor" under this Category 14 only, a list of equity owners of the undersigned, and the accredited investor category in this Exhibit A that each such equity owner satisfies, should be listed on the below table as indicated. Please attach additional pages if necessary.

Equity Owners	Accredited Investor Category Under Exhibit A That Equity Owner Satisfies

C. Tax Exempt Status

Is the Investor exempt from taxation under Section 501 of the Internal Revenue Code of 1986, as amended, or otherwise?

Yes No

[remainder of page intentionally left blank]

The Investor understands that the foregoing information will be relied upon by the Issuers for the purpose of determining the eligibility of the Investor to purchase and own the Units. The Investor will notify the Issuers immediately if any representation or warranty contained in the Subscription Agreement, or any information in this Investor Questionnaire, becomes untrue at any time (as if made at such time). The Investor will provide, if requested, any additional information that may reasonably be required to substantiate the Investor's status as an accredited investor, or to otherwise determine the eligibility of the Investor to purchase the Units.

INDIVIDUAL INVESTOR:

(Print Name)

(Signature)

(Date)

PARTNERSHIP, CORPORATION, LIMITED LIABILITY
COMPANY, TRUST, CUSTODIAL ACCOUNT, OTHER INVESTOR:

(Print Name of Entity)

By: _____
(Signature)

(Print Name and Title)

(Date)

EXHIBIT B-2

STOCK CERTIFICATE QUESTIONNAIRE

Pursuant to Section 2.2(b) of the Agreement, please provide us with the following information:

1. The exact name that the Securities are to be registered in (this is the name that will appear on the stock certificate(s)). You may use a nominee name if appropriate: _____
2. The relationship between the Purchaser of the Securities and the Registered Holder listed in response to Item 1 above: _____
3. The mailing address, telephone, and teletype number of the Registered Holder listed in response to Item 1 above: _____

4. The Tax Identification Number (or, if an individual, the Social Security Number) of the Registered Holder listed in response to Item 1 above: _____

EXHIBIT C
FORM OF IRREVOCABLE TRANSFER AGENT INSTRUCTIONS

As of _____, 2020

VStock Transfer, LLC
18 Lafayette Place
Woodmere, New York 11598
Attn: _____

Ladies and Gentlemen:

Reference is made to that certain Subscription Agreement, dated as of _____, 2020 (the "Agreement"), by and among Iota Communications, Inc., a Delaware corporation (the "Company"), and the purchasers named on the signature pages thereto (collectively, and including permitted transferees, the "Holders"), pursuant to which the Company is issuing to the Holders shares (the "Shares") of Common Stock of the Company, par value \$0.0001 per share (the "Common Stock"), and warrants (the "Warrants"), which are exercisable into shares of Common Stock.

This letter shall serve as our irrevocable authorization and direction to you (provided that you are the transfer agent of the Company at such time and the conditions set forth in this letter are satisfied), subject to any stop transfer instructions that we may issue to you from time to time, if any:

(i) to issue certificates representing shares of Common Stock upon transfer or resale of the Shares; and

(ii) to issue shares of Common Stock upon the exercise of the Warrants (the "Warrant Shares") to or upon the order of a Holder from time to time upon delivery to you of a properly completed and duly executed Exercise Notice, in the form attached hereto as Annex I, which has been acknowledged by the Company as indicated by the signature of a duly authorized officer of the Company thereon together with indication of receipt of the exercise price therefor.

You acknowledge and agree that so long as you have received (a) written confirmation from the Company's legal counsel that either (1) a registration statement covering resales of the Shares and the Warrant Shares has been declared effective by the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), or (2) the Shares and the Warrant Shares have been sold in conformity with Rule 144 under the Securities Act ("Rule 144") or are eligible for sale under Rule 144, without the requirement for the Company to be in compliance with the current public information required under Rule 144 as to such securities and without volume or manner-of-sale restrictions and (b) if applicable, a copy of such registration statement, then, unless otherwise required by law, within three (3) Trading Days of your receipt of a notice of transfer, Shares or the Exercise Notice, you shall issue the certificates representing the Shares and/or the Warrant Shares, as the case may be, registered in the names of such Holders or transferees, as the case may be, and such certificates shall not bear any legend restricting transfer of the Shares or the Warrant Shares thereby and should not be subject to any stop-transfer restriction; provided, however, that if such Shares and Warrant Shares are not registered for resale under the Securities Act or able to be sold under Rule 144 without the requirement for the Company to be in compliance with the current public information required under Rule 144 as to such securities and without volume or manner-of-sale restrictions, then the certificates for such Shares and/or Warrant Shares shall bear the following legend:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR (B) AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS OR BLUE SKY LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT OR (II) UNLESS SOLD PURSUANT TO RULE 144 UNDER THE SECURITIES ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

A form of written confirmation to be delivered by the Company's outside legal counsel in the event a registration statement covering resales of the Shares and the Warrant Shares is declared effective by the Commission under the Securities Act is attached hereto as Annex II.

Please be advised that the Holders are relying upon this letter as an inducement to enter into the Agreement and, accordingly, each Holder is a third-party beneficiary to these instructions.

Please execute this letter in the space indicated to acknowledge your agreement to act in accordance with these instructions.

Very truly yours,

IOTA COMMUNICATIONS, INC.

By: _____
Name: _____
Title: _____

Acknowledged and Agreed:

By: _____
Name: _____
Title: _____
Date: _____, _____

FORM OF EXERCISE NOTICE

[To be executed by the Holder to purchase shares of Common Stock under the Warrant]

Ladies and Gentlemen:

- (1) The undersigned is the Holder of Warrant No. _____ (the "Warrant") issued by Iota Communications, Inc., a Delaware corporation (the "Company"). Capitalized terms used herein and not otherwise defined herein have the respective meanings set forth in the Warrant.
- (2) The undersigned hereby exercises its right to purchase _____ Warrant Shares pursuant to the Warrant.
- (3) The Holder shall pay the sum of \$ _____ in immediately available funds to the Company in accordance with the terms of the Warrant.
- (4) Pursuant to this Exercise Notice, the Company shall deliver to the Holder Warrant Shares determined in accordance with the terms of the Warrant.
- (5) By its delivery of this Exercise Notice, the undersigned represents and warrants to the Company that in giving effect to the exercise evidenced hereby the Holder will not beneficially own in excess of the number of shares of Common Stock (as determined in accordance with Section 13(d) of the Securities Exchange Act of 1934) permitted to be owned under Section 3.2(r) of the Purchase Agreement pursuant to which the Warrant to which this notice relates was granted.

Dated: _____

Name of Holder: _____

*By: _____

Name: _____

Title: _____

*(Signature must conform in all respects to name of Holder as specified on the face of the Warrant)

ACKNOWLEDGEMENT

The Company hereby acknowledges this Exercise Notice and receipt of the appropriate exercise price and hereby directs VStock Transfer, LLC to issue the above indicated number of shares of Common Stock in accordance with the Irrevocable Transfer Agent Instructions dated _____, 2020, from the Company and acknowledged and agreed to by VStock Transfer, LLC.

IOTA COMMUNICATIONS, INC.

By: _____
Name: _____
Title: _____

Annex II

FORM OF NOTICE OF EFFECTIVENESS OF REGISTRATION STATEMENT

[]

[Address]
[Address]

Attn: _____

Re: Iota Communications, Inc.

Ladies and Gentlemen:

We are counsel to Iota Communications, Inc., a Delaware corporation (the "Company"), and have represented the Company in connection with that certain Subscription Agreement, dated as of _____, 2020, entered into by and among the Company and the purchasers named therein (collectively, the "Purchasers") pursuant to which the Company issued to the Purchasers shares of the Company's common stock, \$0.0001 par value per share (the "Common Stock"), and warrants exercisable for shares of Common Stock (the "Warrants"). Pursuant to the Subscription Agreement, the Company granted the Purchasers certain piggyback registration rights providing for the registration of the resale of the Common Stock, including the shares of Common Stock issuable upon exercise of the Warrants (collectively, the "Registrable Securities"), under the Securities Act of 1933, as amended (the "Securities Act"), under certain circumstances as described in the Securities Agreement.

In connection with the Company's obligations under the Subscription Agreement, on _____, 2020, the Company filed a Registration Statement on Form S-1 (File No. 333-_____) (the "Registration Statement") with the Securities and Exchange Commission (the "Commission") providing for the registration of, among other things, the resale of the Registrable Securities which names each of the Purchasers as a selling stockholder thereunder.

In connection with the foregoing, we advise you that a member of the Commission's staff has advised us by telephone that the Commission has entered an order declaring the Registration Statement effective under the Securities Act at ____ [a.m.][p.m.] on _____, and we have no knowledge, after telephonic inquiry of a member of the staff, that any stop order suspending its effectiveness has been issued or that any proceedings for that purpose are pending before, or threatened by, the Commission and the Registrable Securities are available for resale under the Securities Act pursuant to the Registration Statement.

This letter shall serve as our standing notice to you that the Common Stock may be freely transferred by the Purchasers pursuant to the Registration Statement. You need not require further letters from us to effect any future legend-free issuance or reissuance of shares of Common Stock to the Purchasers or the transferees of the Purchasers, as the case may be, as contemplated by the Company's Irrevocable Transfer Agent Instructions dated _____, 2020, provided at the time of such reissuance, the Company has not otherwise notified you that the Registration Statement is unavailable for the resale of the Registrable Securities. This letter shall serve as our standing instructions with regard to this matter.

Very truly yours,

Reed Smith LLP

By: _____

C-5

EXHIBIT D

FORM OF SECRETARY'S CERTIFICATE

The undersigned hereby certifies that he is the duly elected, qualified and acting Secretary of Iota Communications, Inc., a Delaware corporation (the "Company"), and that as such he is authorized to execute and deliver this certificate in the name and on behalf of the Company and in connection with the Subscription Agreement, dated as of _____, 2020, by and among the Company and the investors party thereto (the "Subscription Agreement"), and further certifies in his official capacity, in the name and on behalf of the Company, the items set forth below.

1. Attached hereto as Exhibit A is a true, correct and complete copy of the resolutions duly adopted by the [Board of Directors of the Company][duly authorized Committee of the Board of Directors of the Company] at a meeting of the [Board of Directors][Committee] held on _____, 2020. Such resolutions have not in any way been amended, modified, revoked, or rescinded, have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect.
2. Attached hereto as Exhibit B is a true, correct and complete copy of the Certificate of Incorporation of the Company, together with any and all amendments thereto currently in effect, and no action has been taken to further amend, modify or repeal such Certificate of Incorporation, the same being in full force and effect in the attached form as of the date hereof.
3. Attached hereto as Exhibit C is a true, correct and complete copy of the Bylaws of the Company and any and all amendments thereto currently in effect, and no action has been taken to further amend, modify or repeal such Bylaws, the same being in full force and effect in the attached form as of the date hereof.
4. Each person listed below has been duly elected or appointed to the position(s) indicated opposite his name and is duly authorized to sign the Subscription Agreement and each of the Transaction Documents on behalf of the Company, and the signature appearing opposite such person's name below is such person's genuine signature.

<u>Name</u>	<u>Position</u>	<u>Signature</u>
Terrence DeFranco	Chief Executive Officer	_____
Terrence DeFranco	Secretary	_____
James Dullinger	Chief Financial Officer	_____

IN WITNESS WHEREOF, the undersigned has hereunto set his hand as of this ____day of _____, 2020.

Name: Terrence DeFranco
Title: Secretary

I, James Dullinger, Chief Financial Officer, hereby certify that Terrence DeFranco is the duly elected, qualified and acting Secretary of the Company and that the signature set forth above is his true signature.

Name: James Dullinger
Title: Chief Financial Officer

EXHIBIT A
Resolutions

EXHIBIT B
Certificate of Incorporation

EXHIBIT C
Bylaws

EXHIBIT E

WIRE INSTRUCTIONS

Receiving Bank: []

Beneficiary: Iota Communications, Inc.

Routing Number: []

Account Number: []

AMENDMENT

This Amendment (the "**Amendment**"), made this 5th day of November, 2020, is made by and between IOTA Communications, Inc., a Delaware corporation formerly known as Solbright Group, Inc., (the "**Company**"), and AIP Asset Management Inc., in its capacity as Security Agent for the Holders ("**AIP**").

Reference is hereby made to the Note Purchase Agreement made as of October 31, 2018, as amended (the "**Agreement**"), by and between the Company and AIP and the Holders and to the Debt Restructuring Agreement With Forced Conversion Rights made as of August 31, 2020 (the "**Debt Restructuring Agreement**"), by and between the Company and AIP. All capitalized terms used but not defined herein shall have the meanings set forth in the Agreement.

WHEREAS, the Company has been unable to meet certain deadlines set out in the Debt Restructuring Agreement;

WHEREAS, AIP desires to grant the Company an extension of time to satisfy certain deadlines set out in the Debt Restructuring Agreement;

NOW THEREFORE, the parties agree as follows:

1. Company agrees to issue, and the Noteholders agree to purchase, Additional Notes in the aggregate Principal Amount of \$500,000 as soon as practicable upon the execution of this Agreement, subject to the terms and conditions of the Agreement.

2. Section 4 of the Debt Restructuring Agreement is hereby amended to read in its entirety as follows "The Security Agent hereby waives compliance by the Company with, and waives any Default associated with the Company's failure to comply with, the following covenants set forth in Sections 8.1(b) and 8.1(o) of the Agreement, provided the Company:

- A. Raises \$3,000,000 of additional equity capital at a price no less favorable than \$0.12 per unit (each unit comprising one share of common stock and one warrant to purchase one share of common stock) no later than January 10, 2021; of this \$3,000,000 of additional equity capital, \$1,000,000 must be raised no later than November 13, 2020, and \$2,000,000 must be raised no later than November 20, 2020
- B. Files with the S.E.C. restated financial statements for the second quarter of its current fiscal year prior to November 12, 2020;
- C. Files with the S.E.C. restated financial statements for the third quarter of its fiscal year prior to November 30, 2020;

- D. Files with the S.E.C. audited annual financial statements for its current fiscal year prior to December 31, 2020;
- E. Files an application for its shares to be traded on the NASDAQ no later than January 15, 2021; and
- F. Becomes current in its reporting obligations under the Securities Exchange Act of 1934 by January 30, 2021.

3. Except as superseded in this Amendment, the terms and conditions of the Agreement, as amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this Agreement effective as of as of November 5, 2020.

IOTA COMMUNICATIONS, INC.

AIP ASSET MANAGEMENT INC.,
in its capacity as Security Agent for the Holders

By: 

By: 

Name: Terrence DeFranco

Name: Jay Bala, CFA

Title: Chief Executive Officer

Title: President

IOTA COMMUNICATIONS, INC.
CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Terrence DeFranco, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q/A (Amendment No. 2) of Iota Communications, Inc. for the period ended November 30, 2019;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Terrence DeFranco

Terrence DeFranco
Chief Executive Officer (Principal Executive Officer)
Date: November 6, 2020

IOTA COMMUNICATIONS, INC.
CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, James F. Dullinger, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q/A (Amendment No. 2) of Iota Communications, Inc. for the period ended November 30, 2019;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ James F. Dullinger

James F. Dullinger

Chief Financial Officer (Principal Financial and Accounting Officer)

Date: November 6, 2020

IOTA COMMUNICATIONS, INC.
CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report on Form 10-Q/A (Amendment No. 2) for the period ended November 30, 2019 of Iota Communications, Inc. (the "Company") as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

By: */s/ Terrence DeFranco*

Terrence DeFranco

Chief Executive Officer (Principal Executive Officer)

Date: November 6, 2020

IOTA COMMUNICATIONS, INC.
CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report on Form 10-Q/A (Amendment No. 2) for the period ended November 30, 2019 of Iota Communications, Inc. (the "Company") as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

By: */s/ James F. Dullinger*

James F. Dullinger

Chief Financial Officer (Principal Financial and Accounting Officer)

Date: November 6, 2020
