SECURITIES & EXCHANGE COMMISSION EDGAR FILING

DOCUMENT SECURITY SYSTEMS INC

Form: 8-K

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Corporate Issuer CIK: 771999

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 17, 2021

DOCUMENT SECURITY SYSTEMS, INC.
(Exact name of registrant as specified in its charter)

New York	001-32146	16-1229730
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

6 Framark Drive
Victor, New York 14564

(Address of principal executive offices) (Zip Code)
Registrant's telephone number, including area code: (585) 325-3610

N/A
(Former name or former address, if changed since last report.)

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

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.02 Par Value	DSS	The NYSE American LLC

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

Emerging growth company [ ]

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

Item 1.01 Entry into a Material Definitive Agreement.

On May 17, 2021, Document Security Systems, Inc.'s (the "Company") wholly owned subsidiary, DSS PureAir , Inc., a Texas corporation ("DSS PureAir"), closed on a Securities Purchase Agreement ("Purchase Agreement") with Puradigm LLC, a Nevada limited liability corporation ("Puradigm"). Pursuant to the terms of the Purchase Agreement, DSS PureAir agreed to purchase from Puradigm a secured convertible promissory note in the maximum principal amount of $5,000,000.00 (the "Puradigm Note"). The Puradigm Note has a two year term with interest at 6.65% payable quarterly. All, or part of the Puradigm Note principal balance can be converted at the sole discretion of DSS PureAir for up to an 18% membership interest in Puradigm LLC. The Puradigm Note is secured by all the assets of Puradigm under a security agreement with Puradigm.

The foregoing description of the terms and conditions of the Purchase Agreement and Puradigm Note are not complete and are qualified in their entirety by reference to the full text of the Purchase Agreement and the Puradigm Note, a copies of which are attached as exhibits hereto.

Item 8.01 Other Events.

On May 19, 2021, the Company issued a press release relating to the Purchase Agreement and Puradigm Note. A copy of this press release is filed as Exhibit 99.1 hereto, and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

Number	Description
10.1	Securities Purchase Agreement dated May 14, 2021
10.2	Secured Convertible Note dated May 14, 2021
99.1	Press Release issued May 19, 2021

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DOCUMENT SECURITY SYSTEMS, INC.

May 21, 2021

By: */s/ Frank D. Heuszel*
Name: Frank D. Heuszel
Title: Chief Executive Officer

Exhibit 10.1

SECURITIES PURCHASE AGREEMENT

This **SECURITIES PURCHASE AGREEMENT** (this "**Agreement**"), is dated as of May 14, 2021, entered into by and among Puradigm LLC, a Nevada limited liability company (the "**Company**"), and DSS PureAir, Inc., a Texas corporation (the "**Investor**").

WITNESSETH:

WHEREAS, the Company and Investor are 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(b) of Regulation D ("**Regulation D**") as promulgated by the United States Securities and Exchange Commission (the "**SEC**") under the Securities Act;

WHEREAS, the Company has authorized a new secured convertible note of the Company in the form attached hereto as **Exhibit B** (the "**Note**"), which Note shall be convertible into membership interests (the "**Membership Interests**") of the Company (such interests issuable pursuant to the terms of the Note upon conversion or otherwise, collectively, the "**Note Conversion Units**") (together with the Note, the "**Securities**"), in accordance with the terms of the Note;

WHEREAS, the Investor wishes to purchase, and the Company wishes to sell, upon the terms and conditions stated in this Agreement, a Note in the maximum principal amount of $5,000,000.00 (the "**Loan Commitment Amount**"); and

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **PURCHASE AND SALE OF NOTE**

(a) Purchase of Note. Subject to the terms and conditions of this Agreement, the Company shall issue and sell to the Investor, and the Investor agrees to purchase from the Company the Note. The Note shall be substantially in the form attached as **Exhibit B** to this Agreement.

(b) Commitment Amount Limits. The maximum principal amount of the Note that is offered for purchase shall not exceed the Loan Commitment Amount.

(c) Advances. Subject to the terms and conditions of Section 6 of this Agreement, Investor agrees to advance funds under the Note in such amounts as may be advanced from time to time by Investor to or for the account of the Company under the Note (each such amount being an "**Advance**" and more than one such amounts being "**Advances**"), for the account of the Company.

(d) Closing. The initial closing of the purchase and sale of the Note (the "**Closing**") shall take place on the date when all of the Transaction Documents (as defined below) have been executed and delivered by the applicable parties and the other conditions to the Closing set forth herein and in Sections 4 and 5 below have been satisfied or waived (or such later date as is mutually agreed to by the Company and the Investor) (the "**Closing Date**").

(e) Security. The Note shall be secured by the Note Conversion Units and a Security Agreement among the parties in the form attached hereto as **Exhibit C** (the "**Security Agreement**").

(f) Delivery of Note. On the Closing Date, the Company shall deliver to the Investor the Note to be issued at such Closing, duly executed on behalf of the Company.

(g) Use of Note Proceeds. Pursuant to the terms of the Note, the Company agrees that it not use any proceeds of the Note to pay employee bonuses, shareholder dividends, nontrade payable debt retirement or other similar expenses. Except for aforementioned, such proceeds will be used for the primary purpose of inventory financing, including manufacturing, marketing, research and development, and shipping. In addition, the Company may use the proceeds of the Note for reasonable working capital expense, including payment of legal fees, interest carry on the Note, the Origination Fee (as defined below) and other business-related expenses as the parties shall agree.

(h) Origination Fee. Subject to the terms and conditions of this Agreement, at the Closing (as defined herein) the Company hereby agrees to pay to the Investor an origination fee equal of $75,000.00 (the "**Origination Fee**"). The Company intends to pay the Origination Fee from a portion of funds from its first Advance hereunder, and shall deliver to the Investor the Origination Fee by wire transfer of immediately available funds within ten (10) days of the Closing.

2. **REPRESENTATIONS AND WARRANTIES.**

(a) Representations and Warranties of the Company. The Company hereby makes the following representations and warranties to the Investor:

(i) Organization and Authority. The Company is an entity duly incorporated or otherwise organized, validly existing, and, if applicable under the laws of the jurisdiction in which it is formed, in good standing under the laws of the jurisdiction of its incorporation or organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. Company has full corporate power and authority to enter into this Transactions Documents, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery, and performance by Company of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of Company, including the approval of the Company's

managing members. This Agreement and the documents to be delivered hereunder have been duly executed and delivered by Company, and this Agreement and the documents to be delivered hereunder constitute legal, valid, and binding obligations of the Company, enforceable against Company, except as may be limited by any bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other similar laws affecting the enforcement of creditors' rights generally or by general principles of equity. "**Transaction Documents**" means, collectively, this Agreement, the Note, the Security Agreement, the Distribution Agreement and each of the other agreements and instruments entered into or delivered by any of the parties hereto in connection with the transaction contemplated hereby and thereby, as may be amended from time to time.

(ii) Legal Proceedings. Except as set forth on **Schedule 2(a)(ii)**, there is no claim, action, suit, proceeding or governmental investigation ("**Action**") of any nature pending or, to Company's knowledge, threatened against or by Company (a) relating to or affecting the Securities; or (b) that challenges or seeks to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement, except any Actions that would not, individually or in the aggregate, have a material adverse effect on the Company's ability to consummate the transactions contemplated hereby on a timely basis. To Company's knowledge, no event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

(iii) Financial Statements. Copies of financial statements of the Company as of and for the fiscal year ended December 31, 2020 are attached as **Exhibit E** hereto. To Company's knowledge, the Financial Statements are true, correct, and complete.] Beginning for the year-ended December 31, 2021, the Company will deliver to the Investor CPA reviewed financial statements within ninety (90) days after the fiscal year end. In addition, the Company will provide and deliver to the Investor internally prepared interim financial statements of the Company within thirty (30) days upon Investor's requests. The Company will be responsible for reviewing its results and data and for informing Investor immediately of any post-closing adjustments that come to its attention.

(iv) No Material Adverse Effect. The Company is not in violation nor default of any of the provisions of its respective certificate or articles of incorporation, bylaws or other organizational or charter documents. The Company is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not have or reasonably be expected to result in: (i) a material adverse effect on the legality, validity or enforceability of any Transaction Documents , (ii) a material adverse effect on the results of operations, assets, business, prospects or condition (financial or otherwise) of the Company , or (iii) a material adverse effect on the Company's ability to perform in any material respect on a timely basis its obligations under any Transaction Document (any of (i), (ii) or (iii), a "**Material Adverse Effect**") and no Action has been instituted in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

(v) Issuance of Securities. The Securities are duly authorized and, when issued and paid for in accordance with the applicable Transaction Documents, will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Company other than restrictions on transfer provided for in the Transaction Documents. Upon issuance or conversion or conversion in accordance with the Note, the Note Conversion Units when issued and payment is made, if required, will be validly issued, fully paid and non-assessable and free from all preemptive or similar rights or Liens with respect to the issuance thereof, with the holder being entitled to all rights accorded to a holder of Membership Interests. Subject to the accuracy of the representations and warranties of the Investor in this Agreement, the offer and issuance by the Company of the Securities is exempt from registration under the Securities Act. For purposes of this Agreement, "Liens" means any and all liens, encumbrances, pledges, security interests or other restrictions on transfer; provided, however, that the Securities will be subject to all restrictions on transfer set forth in the Company's internal governing documents, with the express exception that Investor may transfer the Securities to an Affiliate of Investor without regard to any restriction in the Company's internal governing documents (a "Permitted Transfer"), so long as such Permitted Transfer complies with all relevant securities laws.

(vi) No Conflicts. The execution, delivery and performance by the Company of this Agreement, and the other Transaction Documents to which it is a party, the issuance and sale of the Securities and the consummation by it of the transactions contemplated hereby and thereby do not and will not (i) conflict with or violate any provision of the Company's certificate or articles of incorporation, bylaws or other organizational or charter documents, or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any Lien upon any of the properties or assets of the Company, or give to others any rights of termination, amendment, anti-dilution or similar adjustments, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing a Company debt or otherwise) or other understanding to which the Company is a party or by which any property or asset of the Company is bound or affected, or (iii) conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company is subject (including federal and state securities laws and regulations), or by which any property or asset of the Company is bound or affected; except in the case of each of clauses (ii) and (iii), such as could not have or reasonably be expected to result in a Material Adverse Effect.

(vii) Capitalization. The capitalization of the Company is as set forth on **Schedule 2(a)(vii)**, which **Schedule 2(a)(vii)**, shall also include the number and percentage of Membership Interests owned beneficially, and of record, by Affiliates of the Company as of the date hereof. Except as set forth on **Schedule 2(a)(vii)**, (x) no person or entity 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; (y) the issuance and sale of the Securities will not obligate the Company to issue Membership Interests or other securities to any person or entity (other than the Investor); and (z) there are no outstanding securities or instruments of the Company with any provision that adjusts the exercise, conversion or reset price of such security or instrument upon an issuance of the Securities by the Company. For purposes of this Agreement, "Affiliate" means, with respect to any Person, any other Person who is an "affiliate" (as defined in Rule 12b-2 of the General Rules and Regulations under the Exchange Act), and "control" for purposes of that definition shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person or entity, whether through ownership of voting securities, by contract or otherwise.) of such Person. "Person" means any individual, firm, corporation, partnership, trust, incorporated or unincorporated association, joint venture, joint stock company, limited liability company, governmental authority or other entity of any kind, and shall include any successor (by merger or otherwise) of such entity.

(viii) Compliance. Except as set forth in **Schedule 2(a)(viii)**, the Company is not: (i) 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 under), nor has the received notice of a claim that it is in default under or that it is in violation of, any indenture, loan or credit agreement or any other agreement or instrument to which it is a party or by which it or any of its properties is bound (whether or not such default or violation has been waived), (ii) is in violation of any judgment, decree or order of any court, arbitrator or other governmental authority or (iii) is or has been in violation of any statute, rule, ordinance or regulation of any governmental authority, including without limitation all foreign, federal, state and local laws relating to taxes, environmental protection, occupational health and safety, product quality and safety and employment and labor matters, except in each case of (i), (ii) and (iii) as could not have or reasonably be expected to result in a Material Adverse Effect.

(b) Representations and Warranties of the Investor. Investor hereby makes the following representations and warranties to the Company:

(i) Investment Purpose. Investor is acquiring the Securities for its own account for investment only and not with a view towards, or for resale in connection with, the public sale or distribution thereof, except pursuant to sales registered or exempted under the Securities Act; provided, however, that by making the representations herein, such Investor reserves the right to dispose of the Securities at any time in accordance with or pursuant to an effective registration statement covering such Securities, or an available exemption under the Securities Act. The Buyer agrees not to sell, hypothecate or otherwise transfer the Securities unless such Securities are registered under the federal and applicable state securities laws or unless, in the opinion of counsel satisfactory to the Company, an exemption from such law is available.

(ii) Investor Status. At the time such Investor was offered the Securities, it was, and at the date hereof it is, an "accredited investor" as defined in Rule 501(a) under the Securities Act or a "qualified institutional buyer" as defined in Rule 144A(a) under the Securities Act. Such Investor is not a registered broker dealer registered under Section 15(a) of the Exchange Act, or a member of the Financial Industry Regulatory Authority, Inc. or an entity engaged in the business of being a broker dealer. Such Investor is not affiliated with any broker dealer registered under Section 15(a) of the Exchange Act, or a member of the Financial Industry Regulatory Authority, Inc. or an entity engaged in the business of being a broker dealer.

(iii) General Solicitation. Investor 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, broadcast over television or radio, disseminated over the Internet or presented at any seminar or any other general solicitation or general advertisement.

(iv) Experience of Investor. Investor, 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 Investor understands that it must bear the economic risk of this investment in the Securities indefinitely, and is able to bear such risk and is able to afford a complete loss of such investment.

(v) Access to Information. Investor acknowledges that it has been afforded: (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Company concerning the terms and conditions of the offering of the Securities and the merits and risks of investing in the Securities; (ii) access to information about the Company and each Subsidiary 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 Investor or its representatives or counsel shall modify, amend or affect such Investor's right to rely on the truth, accuracy and completeness of the Company's representations and warranties contained in the Transaction Documents.

(vi) Due Execution of the Delivery. The Transaction Documents constitute a legal, valid and binding obligation of the Investor and, when executed and enforced in accordance with their terms; no consent approval, authorization, order, filing, registration or qualification of or with any court, governmental authority or third person is required to obtained by the Company in connection with the execution and delivery of the, or the performance of the Company's obligations thereunder.

(vii) Acknowledgment. The Investor acknowledges the legal proceeding(s) as set forth in **Schedule 2(a)(ii)** and **Schedule 2(a)(viii)**.

3. OTHER AGREEMENTS OF THE PARTIES

(a) Transfer Restrictions. The Securities may only be disposed of in compliance with state and federal securities laws. In connection with any transfer of Securities other than pursuant to an effective registration statement, or Rule 144, 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 and obligations of an Investor under this Agreement.

(b) Legends. The Investor agree to the imprinting, so long as is required by this Section 4, of a legend on any of the Securities in substantially the following form:

[NEITHER] THIS SECURITY [NOR THE SECURITIES INTO WHICH THIS SECURITY IS EXERCISABLE] HAS [NOT] BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THESE SECURITIES [AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY] MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) IN COMPLIANCE WITH RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE

SECURITIES LAWS, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY.

(c) Right of First Refusal. Upon the Closing, the Investor shall have an irrevocable right of first refusal (the "**Right of First Refusal**"), for a period of thirty (30) months after the Closing Date to act as an advisor and/or sponsor for each and every future public or private equity or equity convertible offering of the Company (each, a "**Subject Transaction**"). If the Company receives an offer from a third party with regard to a public or private equity or equity convertible offering, whether as an investor, or an advisor or sponsor of a proposed Subject Transaction, or the Company of its own volition intends to pursue a Subject Transaction pursuant to terms which it has internally developed, the Company shall notify the Investor of its intention to pursue a Subject Transaction, including the material terms thereof, by providing written notice thereof to the Investor. If the Investor fails to exercise its Right of First Refusal with respect to any Subject Transaction within ten (10) Business Days after the receipt of such written notice, then the Investor shall have no further claim or right with respect to such Subject Transaction. If, thereafter, such proposal is modified in any Material respect, the Company will adopt the same procedure as with respect to the original Subject Transaction and the Investor shall have the right of first refusal with respect to such revised proposal; for purposes of the foregoing, "Material" shall mean either a change in total valuation of the Subject Transaction of greater than ten percent (10%) or a change in the form of equity being offered. The Investor may elect, in its sole and absolute discretion, not to exercise its Right of First Refusal with respect to any Subject Transaction; provided that any such election by the Investor shall not adversely affect the Investor's Right of First Refusal with respect to any other Subject Transaction. The Investor shall not have more than one opportunity to waive or terminate the right of first refusal in consideration of any Subject Transaction. The terms and conditions of any such engagements shall be set forth in separate agreements and may be subject to, among other things, satisfactory completion of due diligence by the Investor, market conditions, the absence of a material adverse change to the Company's business, financial condition and prospects, approval of the Investor's board of directors and any other conditions that the Investor may deem appropriate for transactions of such nature.

(d) Tag along Rights. If any holder of Membership Interests of the Company or the Investor, whether alone or in combination which hold a majority of the outstanding Membership Interests (the "**Tag-Along Seller**"), proposes to sell, assign, dispose of, exchange, pledge, encumber, hypothecate or otherwise transfer such Membership Interests or any participation or interest therein, whether directly or indirectly, or agree or commit to do any of the foregoing ("**Transfer**") to any third party (a "**Tag-Along Sale**"), the Tag-along (i) the Tag-Along Seller shall provide the Investor and other holders of Membership Interests a written notice of the terms and conditions of such proposed Transfer ("**Tag-Along Notice**") and offer the Investor or such other holder the opportunity to participate in such Transfer in accordance with this Section 3(d), and (ii) the Investor or other holder of Membership Interests may elect, at its option, to participate in the proposed Transfer in accordance with this Section 3(d). The Tag-Along Notice shall identify the number of Membership Interests proposed to be sold by the Tag-Along Seller and all other securities of the Company subject to the offer ("**Tag-Along Offer**"), the consideration for which the Transfer is proposed to be made, and all other material terms and conditions of the Tag-Along Offer, including the form of the proposed agreement, if any, and a firm offer by the proposed third party transferee to purchase the securities from the Tag-Along Seller in accordance with this Section 3(d). Notwithstanding the foregoing, the Investor may at any time Transfer any or all of its Membership Interests to an Affiliate without the consent of the Company and without compliance with this Section 3(d), as the case may be; provided, however, that any such transfer shall comply with Section 3(a).

(e) Board Seat. Subject to the Investor's continuous ownership of any equity interest in the Company or as long as Investor is the holder of the Note, the Investor shall have the right, and the Company shall be required upon the Investor's request, to place a member on the board of directors of the Company. In the event the Company does not have a board of directors then the Company shall designate the Investor as a Managing Member, as requested.

(f) Access to Products. The Company will provide to the Investor access to purchase its products at a pricing of cost of product plus 5% and up to 2,000 units annually.

(g) Distribution Agreement. As an inducement for the Investor to consummate the transactions contemplated by this Agreement, the Company and Investor are entering into the MOU attached hereto as Exhibit F concurrently with the Closing, and the parties shall use best efforts to enter into (or shall have entered into) a distribution agreement consistent with the MOU within 15 days from the date this Agreement is signed. The distribution agreement will include a minimum term of five (5) years.

4. CONDITIONS TO THE COMPANY'S OBLIGATION TO SELL

(a) The obligations of the Company hereunder to issue and sell the Securities to the Investor at the Closing is subject to the satisfaction, at or before the Closing Date, of each of the following conditions, provided that these conditions are for the sole benefit and may be waived by the Company at any time in its sole discretion by providing the Investor with prior written notice thereof:

(i) The Investor shall have executed each of the Transaction Documents to which it is a party and delivered the same to the Company.

(ii) The representations and warranties of the Investor are true and accurate in all material respects (or, to the extent representations or warranties are qualified by materiality or Material Adverse Effect, in all respects) when made and on the Closing Date in (unless as of a specific date therein in which case they shall be accurate as of such date).

5. CONDITIONS TO THE INVESTOR'S OBLIGATION TO PURCHASE

(a) The obligations of the Investor hereunder to purchase the Securities at the Closing is subject to the satisfaction, at or before the Closing Date, of each of the following conditions, provided that these conditions are for the sole benefit and may be waived by the Investor at any time in its sole discretion by providing the Investor with prior written notice thereof:

(i) The Company shall have executed each of the Transaction Documents to which it is a party and delivered the same to the Company.

(ii) The Company shall have delivered to the Investor the Origination Fee and Note.

(iii) The representations and warranties of the Company are true and accurate in all material respects (or, to the extent representations or warranties are qualified by materiality or Material Adverse Effect, in all respects) when made and on the Closing Date in (unless as of a specific date therein in which case they shall be accurate as of such date).

(iv) There shall have been no Material Adverse Effect with respect to the Company and no material change in the capital stock or debt of the Company since the date hereof.

(v) The Investor shall have received such documents, instruments and agreements, including UCC financing statements or amendments to UCC financing statements, as Investor shall reasonably request to evidence the perfection and priority of the security interests granted to Investor pursuant to the Security Agreement. Pursuant to the terms of the Security Agreement, the Company authorizes Investor to file any UCC financing statements, continuations of or amendments to UCC financing statements it deems necessary to perfect its security interest in the Collateral as defined therein.

6. ADVANCES

(a) Advance Requests. The Investor shall make Advances under the Note in the amounts, at the times, and to the accounts requested by the Company from time to time, in each case upon delivery to Investor of a written request by the Company for an Advance under the Note, in the form of request attached as **Exhibit A** hereto (each such request being an "**Advance Request**"); provided, however, that the aggregate principal amount of all Advances made under this Note may not exceed the Loan Commitment Amount.

(b) Timing. To be effective, an Advance Request must be received by the Investor on or before the third business day before the particular calendar date specified in such Advance Request that the Company requests to be the date on which the respective Advance is to be made.

(c) Authority. The Company hereby agrees that Investor, for its purposes, may consider any Advance Request approved by or on behalf of the authorized officers of the Company and delivered to Investor in accordance with the terms of this Agreement to be an accurate representation of the Company's request for an Advance under the Note and the Company's approval of that Advance Request.

(d) Conditions to Making Advances. Investor shall be under no obligation to make any Advance under the Note unless and until each of the conditions specified in this section 6(d) is satisfied. For each Advance, the Borrower shall have delivered to the Investor an Advance Request, which Advance Request shall specify, among other things:

(i) the particular amount of funds that the Company requests to be advanced (such amount being the "**Requested Advance Amount**" for the respective Advance);

(ii) the particular calendar date that the Company requests to be the date on which the respective Advance is to be made (such date being the "**Requested Advance Date**" for such Advance), which date: (A) must be a business day; and (B) shall not be earlier than the third business day to occur after the date on which the Investor shall have received the respective Advance Request; and

(iii) the particular bank account or accounts to which the Borrower requests that the respective Advance be made;

(e) Means of Advance. Each Advance shall be made in immediately available funds by electronic funds transfer to such bank account(s) as shall have been specified in the respective Advance Request.

7. MISCELLANEOUS

(a) Fees and Expenses. Except as expressly set forth in the Transaction Documents to the contrary, the Company shall pay Investor for all costs of preparing the Transaction Documents and recordation of any Transaction Document or exhibit thereto, payable up to $10,000.00.

(b) 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 and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules. There are no promises, representations or warranties between the Parties with regard to the Transaction Documents except as expressly set forth in the Transaction Documents. At or after the Closing, and without further consideration, the Company will execute and deliver to the Investors such further documents as may be reasonably requested in order to give practical effect to the intention of the parties under the Transaction Documents.

(c) Notices. Any notice, consents, waivers or other communication required or permitted to be given hereunder shall be in writing and will be deemed to have been delivered: (i) upon receipt, when personally delivered; (ii) upon receipt when sent by certified mail, return receipt requested, postage prepaid; (iii) when sent, if by e-mail, (provided that such sent e-mail is kept on file (whether electronically or otherwise) by the sending party and the sending party does not receive an automatically generated message from the recipient's e-mail server that such e-mail could not be delivered to such recipient); or (iv) one (1) business day after deposit with a nationally recognized overnight courier service with next day delivery specified, in each case, properly addressed to the party to receive the same. The addresses and email addresses for such communications shall be:

If to the Company, to: Puradigm, LLC
111 C Street, Encinitas, CA 92024
Attention: Padraig Lawlor, Chief Operating Officer
Email: plawlor@puradigm.com

If to the Investor, to: DSS PureAir, Inc.

1400 Broadfield, Suite 100
Houston, Texas 77084
Attention: President
Email: fheuszel@dsssecure.com

(d) Waivers. Either hereto may by written notice to the other: (i) extend the time for the performance of any of the obligations or other actions of the other party under this Agreement; (ii) waive compliance with any of the conditions or covenants of the other party contained in this Agreement; and (iii) waive or modify performance of any of the obligations of the other party under this Agreement. Except as provided in the preceding sentence, no action taken pursuant to this Agreement, including, without any limitations, any investigation by or on behalf of either party, shall be deemed to constitute a wavier by the party taking such action of compliance with any representations, warranties, covenants or agreements contained herein. The wavier by the either party hereof of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any preceding or succeeding breach and no failure by either party to exercise any right or privilege hereunder shall be deemed a waiver of such party's rights or privileges hereunder or shall be deemed a waiver of such party's rights to exerciser the same at any subsequent time or times hereunder.

(e) Conflicts of Interest. The Company and the Investor, for themselves and on behalf of their Affiliates, successors and assigns, expressly waive any conflicts of interest or potential conflicts of interest and agree that the each of the Company and the Investor, and its Affiliates, respectively, shall have no liability to the other party or their Affiliates, successors and assigns with respect to such conflicts of interest or potential conflicts of interest; provided, however, that nothing in the foregoing shall waive or excuse any party from a breach of any contractual obligations between the parties, including, but not limited to, this Agreement or the distribution agreement to be entered into by the parties.

(f) 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.

(g) Assignability. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by either the Company or Investor without the prior written consent of the other parties hereto, which may not be unreasonably withheld provided that such Assignment is to an Affiliate.

(h) Amendments. Neither this Agreement nor any term or provision hereof may be amended, modified, waived or supplemented orally, but only by a written consent executed by the parties hereto.

(i) Publicity. The Company and the Investor shall have the right to review a reasonable period of time before issuance of any press releases, SEC, Trading Market or FINRA filings, or any other public statements with respect to the transactions contemplated hereby; provided, however, that (i) the Company and Investor shall make a joint announcement with respect to the Note with such announcement to include only the material economic terms of the Note or such other terms as may is required by applicable law and regulations; and (ii) each of the Company and Investor shall be entitled, without the prior approval of the other party, to make any press release or SEC, Trading Market or FINRA filings with respect to such transactions as is required by applicable law and regulations (although the other party shall be consulted by the disclosing party in connection with any such press release prior to its release and shall be provided with a copy thereof and be given an opportunity to comment thereon). It is intended that the Company and Investor shall make a joint.

(j) Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Texas without regard to the principles of conflict of laws. The parties further agree that any action between them shall be heard exclusively in federal or state court sitting in the Harris County, Texas.

(k) Severability. If any provision of this Agreement shall be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of any provision of this Agreement in any other jurisdiction.

(l) Survival. Unless this Agreement is terminated under Section 7(n), the representations and warranties of the Company and the Investor and the agreements and covenants set forth in this Agreement shall survive the Closing for a period of twelve (12) months following the later of the date on which the Note is repaid in full or converted into Note Conversion Units in their entirety as provided in the Transaction Documents; provided, however, that such representations and warranties shall in no way be affected by any investigation or knowledge of the subject matter thereof made by or on behalf of the Investor or the Company.

(m) Further Assurances. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

(n) Termination. In the event that the Closing shall not have occurred on or before May 17, 2021 due to the Company's or the Investor's failure to satisfy the conditions set forth in Sections 4 and 5 above (and the non-breaching party's failure to waive such unsatisfied condition(s)), the non-breaching party shall have the option to terminate this Agreement with respect to such breaching party by providing five (5) days' written notice to such breaching party of the non-breaching party's intent to terminate this Agreement (and if the non-breaching party is the Investor, to also withdraw its subscription) at the close of business on such date without liability of any party to any other party.

(o) 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.

(p) Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, the Investor and the Company will be entitled to specific performance under this Agreement. 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 the defense that a remedy at law would be adequate.

[*Signature Page Follows*]

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

COMPANY:
PURADIGM, LLC.

By: _____
Name:
Title: Managing Member

INVESTOR:
DSS PUREAIR, INC.

By: _____
Name: Frank D. Heuszel
Title: President

EXHIBIT A

Advance Request

EXHIBIT B

Convertible Promissory Note

EXHIBIT C

Security Agreement

EXHIBIT D

Distribution Agreement

EXHIBIT E

Financial Statements

EXHIBIT F

Memorandum of Understanding

Exhibit 10.2

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (C) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (D) IN COMPLIANCE WITH RULE 144 OR 144A THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (E) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF (D) or (E) ABOVE, THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL AND/OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE U.S. SECURITIES ACT.

$5,000,000 SECURED CONVERTIBLE NOTE

PURADIGM, LLC

DUE: May 14, 2023

Original Issue Date: May 14, **2021** **US$5,000,000.00**

Article I.

Section 1.01 Principal and Interest. `

(a) **FOR VALUE RECEIVED**, **Puradigm, LLC**, a Nevada limited liability company (the "Borrower") hereby promises to pay to the order of **DSS PureAir, Inc.**, a Texas corporation (together with its successors and assigns, the "Holder"), in lawful money of the United States of America and in immediately available funds, the principal sum of **Five Million 00/100 Dollars ($5,000,000.00)** (the "Maximum Principal Amount")**,** or such amounts as may be advanced from time to time by Holder to or for the account of the Borrower under this Note (each such amount being an "Advance" and more than one such amounts being "Advances"), with such principal amounts and accrued interest to be due on May 14, 2023 (the "Maturity Date"), subject to earlier conversion of this Note as provided herein. The Borrower authorizes and appoints the Holder to enter each borrowing and repayment of principal under this Note on Schedule A without any further authorization on the part of the Borrower or any endorser or guarantor of this Note, and to the extent interest is not paid when due, the Holder is authorized and directed to enter the amount of such interest as an additional borrowing of principal under this Note on the Schedule A, and the Borrower agrees that such entries shall be conclusive evidence of the principal balance due under this Note at any time, absent manifest error. The Holder's failure to make an entry, however, shall not limit or otherwise affect the obligations of the Borrower or any endorser or guarantor of this Note.

(b) Advances; Advance Requests; Advance Form.

(i) Subject to the terms and conditions of the Purchase Agreement, Holder shall make Advances under this Note in the amounts, at the times, and to the accounts requested by the Borrower from time to time, in each case upon delivery to Holder of a written request by the Borrower for an Advance under this Note, in the form of request attached to the Purchase Agreement as Exhibit A thereto (each such request being an "Advance Request"), completed as prescribed in the Purchase Agreement; provided, however,that the aggregate principal amount of all Advances made under this Note may not exceed the Maximum Principal Amount.

(ii) To be effective, an Advance Request must be received by Holder on or before the third Business Day before the particular calendar date specified in such Advance Request that the Borrower requests to be the date on which the respective Advance is to be made.

(iii) The Borrower hereby agrees that Holder, for its purposes, may consider any Advance Request approved by or on behalf of the authorized officers of the Borrower and delivered to Holder in accordance with the terms of the Purchase Agreement to be an accurate representation of the Borrower's request for an Advance under this Note and the Borrower's approval of that Advance Request

(c) Interest Rate: Interest on the outstanding principal of each Advance shall accrue from the date on which the respective Advance is made to the date on which such principal is due. Interest on each Advance shall be computed on the basis of (1) actual days elapsed from (but not including) the date on which the respective Advance is made (for the first payment of interest due under this Note for the respective Advance) or the date on which the payment of interest was last due (for all other payments of interest due under this Note for the respective Advance), to (and including) the date on which payment is next due, and (2) a year of 360 days. The interest rate applicable to each Advance shall bear interest at six and sixty-five hundredths percent (6.65%) per annum.

(d) Maximum Lawful Interest: The term "Maximum Lawful Rate" means the maximum rate of interest and the term "Maximum Lawful Amount" means the maximum amount of interest that is permissible under applicable state or federal law for the type of loan evidenced by this Note. If applicable state or federal law does not permit a higher interest rate, the "weekly ceiling" (as defined in Chapter 303 of the Texas Finance Code) shall be the interest rate ceiling applicable to this Note and shall be the basis for determining the Maximum Lawful Rate in effect from time to time during the term of this Note. If applicable state or federal law allows a higher interest rate or federal law preempts the state law limiting the rate of interest, then the foregoing interest rate ceiling shall not be applicable to this Note. If the interest rate ceiling is increased by statute or other governmental action subsequent to the date of this Note, then the new interest rate ceiling shall be applicable to this Note from the effective date thereof, unless otherwise prohibited by applicable law.

(e) Spreading of Interest: Holder does not intend to contract for, charge or receive more than the Maximum Lawful Rate or Maximum Lawful Amount permitted by applicable state or federal law, and to prevent such an occurrence Holder and Borrower agree that all amounts of interest, whenever contracted for, charged or received by Holder, with respect to the loan of money evidenced by this Note, shall be spread, prorated or allocated over the full period of time this Note is unpaid, including the period of any renewal or extension of this Note. If

demand for payment of this Note is made by Holder prior to the full stated term, the total amount of interest contracted for, charged or received to the time of such demand shall be spread, prorated or allocated along with any interest thereafter accruing over the full period of time that this Note thereafter remains unpaid for the purpose of determining if such interest exceeds the Maximum Lawful Amount.

(f) Excess Interest: At Maturity or on earlier final payment of this Note, Holder shall compute the total amount of interest that has been contracted for, charged or received by Holder or payable by Borrower under this Note and compare such amount to the Maximum Lawful Amount that could have been contracted for, charged or received by Holder. If such computation reflects that the total amount of interest that has been contracted for, charged or received by Holder or payable by Borrower exceeds the Maximum Lawful Amount, then Holder shall apply such excess to the reduction of the principal balance and not to the payment of interest; or if such excess interest exceeds the unpaid principal balance, such excess shall be refunded to Borrower. This provision concerning the crediting or refund of excess interest shall control and take precedence over all other agreements between Borrower and Holder so that under no circumstances shall the total interest contracted for, charged or received by Holder exceed the Maximum Lawful Amount.

(g) Interest After Default: At Holder's option, and to the extent permitted by applicable law, the unpaid principal balance shall bear interest after default and after maturity (whether by acceleration or otherwise) at the Default Interest Rate. The "Default Interest Rate" shall be, at Holder's option, a) eighteen percent (18%) per annum, or b) such lesser rate of interest as Holder in its sole discretion may choose to charge; but never more than the Maximum Lawful Rate or at a rate that would cause the total interest contracted for, charged or received by Holder to exceed the Maximum Lawful Amount.

(h) Daily Computation of Interest: To the extent permitted by applicable law, Holder at its option may either c) calculate the per diem interest rate or amount based on the actual number of days in the year (365 or 366, as the case may be), and charge that per diem interest rate or amount each day, or d) calculate the per diem interest rate or amount as if each year has only 360 days, and charge that per diem interest rate or amount each day for the actual number of days of the year (365 or 366 as the case may be). If this Note calls for monthly or quarterly payments, Holder at its option may determine the payment amount based on the assumption that each year has only 360 days and each month has 30 days. In no event shall Holder compute the interest in a manner that would cause Holder to contract for, charge or receive interest that would exceed the Maximum Lawful Rate or the Maximum Lawful Amount.

(i) Except as otherwise set forth in this Note, the Borrower may prepay any portion of the principal amount of this Note any time following but not prior to the one year anniversary of the Original Issue Date (the "Prepayment Period"). During the Prepayment Period, the Borrower shall have the right to prepay this Note in whole or in part at any time for cash on 10 business days' written notice, subject to the right of Holder to convert this Note in accordance with Section 1.03. The Borrower shall honor any Conversion Notice (as defined in Section 1.03) delivered by the Holder up to 10 business days following the notice of prepayment.

Section 1.02 Reference to Certain Agreements. The obligations of the Borrower under this Note are secured pursuant to the Security Agreement of even date herewith ("Security Agreement") among the Borrower and the Holder. In addition, this Note is the "Note" referred to in, and entitled to the benefits of, the Securities Purchase Agreement dated as of even date herewith, made by and among Holder and the Borrower (such agreement, as it may be amended, supplemented, and restated from time to time in accordance with its terms, being the "Purchase Agreement").

Section 1.03 Optional Conversion. At any time, before or after the occurrence of an Event of Default, the Holder shall be entitled, at its option, to convert all, or a portion of all, of the outstanding principal amount of this Note, plus accrued but unpaid interest thereon, into a number of newly issued membership units of the Borrower (the "Borrower Securities"), with the Maximum Principal Amount and all outstanding interest equal to eighteen percent (18%) of the total number of Borrower Securities that will be outstanding upon such conversion, calculated on a fully-diluted basis, giving effect to the exercise, exchange or conversion of all options, warrants, convertible debt and any other securities or instruments exercisable or exchangeable for or convertible into Borrower Securities, whether or not then vest or immediately exercisable or exchangeable for or convertible. Any partial conversion shall use the same eighteen percent (18%) ratio and percentage based on the amount of the outstanding principal amount being converted as compared to Maximum Principal Amount. The Membership Units issuable from time to time by the Borrower upon a conversion hereunder are referred to herein as the "Conversion Units." Upon any conversion pursuant to this Note, Holder shall execute a joinder to the Borrower's Operating Agreement, or any similar successor document to the Operating Agreement, and shall hold the Conversion Units subject to all the terms and conditions of the Operating Agreement, except for the express exceptions to same set forth in the Transaction Documents

In the event the Borrower changes it corporate structure to a corporation than all references in this Note to units and membership units shall be deemed to mean to shares.

The Borrower shall provide to the Holder in writing from time to time promptly upon request a calculation of the then number of Conversion Units in a format in in detail reasonably satisfactory to the Holder, provided that any error in such calculation by the Borrower shall not limit or otherwise affect the obligations of the Borrower or any endorser or guarantor of this Note.

To convert this Note, the Holder hereof shall deliver written notice thereof, substantially in the form ofExhibit B to this Note, with appropriate insertions (the "Conversion Notice"), to the Borrower at its address as set forth herein. The date upon which the conversion shall be effective (the "Conversion Date") shall be deemed to be the date set forth in the Conversion Notice.

The Borrower shall deliver, or cause to be delivered, a certificate or certificates representing the Conversion Units, registered in the name of the Holder, to the address specified in the Conversion Notice, within five (5) business days after the Conversion Date. The Holder shall be deemed to be the holder of record of the Conversion Units for all purposes as of the Conversion Date.

Section 1.04 Reservation of Borrower Securities. The Borrower shall reserve and keep available solely for the purpose of conversion of this Note that number of Borrower Securities to which this Note is convertible from time to time.

Section 1.05 Absolute Obligation/Ranking. Except as expressly provided herein, no provision of this Note shall alter or impair the obligation of the Borrower, which is absolute and unconditional, to pay the unpaid principal of this Note and accrued but unpaid interest thereon, at the

time, place and rate, and in the coin or currency, herein prescribed. This Note is a direct debt obligation of the Borrower.

Section 1.06 Different Denominations. This Note is exchangeable for an equal aggregate unpaid principal amount of Notes of like tenor of different authorized denominations, as requested by the Holder surrendering the same. No service charge will be made for such registration of transfer or exchange.

Section 1.07 Use of Note Proceeds. The Company's use of proceeds from this Note is subject to the restrictions set forth in the Purchase Agreement.

Section 1.08 Events of Default. Each of the following events shall constitute a default under this Note (each an "Event of Default"):

(a) failure by the Borrower to pay any principal or interest amount due hereunder when due;

(b) failure by the Borrower to issue and deliver certificates representing the appropriate number of Conversion Units to the Holder within five (5) business days after the Conversion Date set forth in a Conversion Notice from Holder; provided, however, that Holder's refusal to sign Borrower's Operating Agreement or similar successor agreement in order to receive the Conversion Units shall not give rise to an Event of Default;

(c) a default shall occur and be continuing under the Security Agreement after any time provided therein for curing the same shall have expired, or the Security Agreement shall fail to remain in full force and effect or to create a valid and perfected first priority security interest in and to the Collateral (as defined therein) (subject to the conditions and exceptions provided therein), or any action shall be taken to discontinue the Security Agreement or to assert the invalidity thereof;

(d) the Borrower shall: (1) make a general assignment for the benefit of its creditors; (2) apply for or consent to the appointment of a receiver, trustee, assignee, custodian, sequestrator, liquidator or similar official for itself or any of its assets and properties; (3) commence a voluntary case for relief as a debtor under the United States Bankruptcy Code; (4) file with or otherwise submit to any governmental authority any petition, answer or other document seeking: (A) reorganization based on any insolvency of Borrower, (B) an arrangement with creditors or (C) to take advantage of any other present or future applicable law respecting bankruptcy, reorganization based on insolvency, insolvency, readjustment of debts, relief of debtors, dissolution or liquidation; (5) file or otherwise submit any answer or other document admitting or failing to contest the material allegations of a petition or other document filed or otherwise submitted against it in any proceeding under any applicable law cited in subsection 1.08(d)(4), or (6) be adjudicated a bankrupt or insolvent by a court of competent jurisdiction;

(e) any case, proceeding or other action shall be commenced against the Borrower for the purpose of effecting, or an order, judgment or decree shall be entered by any court of competent jurisdiction approving (in whole or in part) anything specified in Section 1.08(d) hereof, or any receiver, trustee, assignee, custodian, sequestrator, liquidator or other official shall be appointed with respect to the Borrower, or shall be appointed to take or shall otherwise acquire possession or control of all or a substantial part of the assets and properties of the Borrower, and any of the foregoing shall continue unstayed and in effect for any period of sixty (60) days; or

(f) any default, whether in whole or in part, shall occur in the due observance or performance of any other material obligations or covenants, terms or provisions to be performed under this Note which is not cured by the Borrower within ten (10) days after receipt of written notice thereof.

Section 1.09 If any Event of Default specified in clauses (d) or (e) of Section 1.08 occurs, the full unpaid principal amount of this Note, together with any interest and other amounts owing in respect hereof, shall become immediately due and payable in cash without any action on the part of the Holder; or if any other Event of Default occurs, the Holder may by written notice to the Borrower declare the full unpaid principal amount of this Note, together with any interest and other amounts owing in respect hereof, to be immediately due and payable in cash, whereupon the same shall become immediately due and payable in cash; and, in any case, except for the notices specified in this sentence, Borrower waives demand, presentment, protest, notice of protest, dishonor, notice of dishonor or any other notice of any kind. Such declaration may be rescinded and annulled by the Holder at any time prior to payment hereunder, and the Holder shall continue to have all rights as a Note holder until such time, if any, as the full payment under this Section shall have been received by it. Any notice specified in this paragraph by the Holder to the Borrower of the occurrence of a failure to pay or other default must be delivered as specified in Section 2.01 and must clearly specify that it is a notice of default under this paragraph

Section 1.10 Change in Control; Closing Payment. For the purposes of this Note, a "Change in Control" shall be deemed to occur upon (i) the sale, lease, license or transfer, in a single transaction or a series of transactions, of all or substantially all of the Borrower's assets; (ii) the sale or transfer, in a single transaction or a series of transactions, of 50% or more of the presently outstanding Membership Units of the Borrower, or (iii) the issuance by the Borrower of Membership Units, whether in one or more transactions, which individually or in the aggregate results in the ownership, following such transaction or transactions, by the present stockholders of the Borrower of less than 50% of the Membership Units of the Borrower. In the event of a Change in Control, the Borrower shall pay to the Holder the outstanding principal balance under the Note and all accrued and unpaid interest hereunder, which payments shall be paid to the Holder on or before the closing of such Change in Control. Notwithstanding the foregoing, in no event shall a Change of Control result from a debt or equity financing where the purpose of such transaction is raising capital for the Borrower.

Section 1.11 Adjustments to Note; Payment Schedule. The Payment Schedule attached hereto shall reflect, at all times while any amounts are outstanding under this Note, the total principal amount outstanding under this Note and the amounts and dates of all Advances made under this Note. Adjustments to the Payment Schedule shall be made as follows:

(a) Additional Advances. To request an Advance under the terms of the Note, the Borrower shall submit shall complete, execute and submit a "Loan Advance Request Form" in substantially the form attached hereto as Exhibit A. Each such Loan Advance Request Form shall state the amount, date of the Advance, and purpose of the Advance. Within 3 days of the receipt of the properly completed Loan

Advance Request Form, the Holder shall acknowledge receipt and approval/denial of the Advance request, and if approved shall fund the Advance within two business days.

(b) The Holder shall track all loan advances, loan payments, interest accrual and other amounts that may be owing on the Note on a frequency of no less than on a monthly basis. Further, upon the Borrower's two business days' notice and request, the Holder shall provide the Borrower with a calculation of the outstanding balance of the amount owing under the terms of the Note, and/or a Note advance and payment history.

(c) Prepayment Adjustment. Subject to Section 1.01(i), promptly upon the Holder's receipt of any repayment by the Borrower of principal and interest on any Advance, the Holder shall make the appropriate adjustment to the total principal amount outstanding under this Note on its books and records...

Article II.

Section 2.01 Notice. Notices regarding this Note shall be sent to the parties at the following addresses, unless a party notifies the other parties, in writing, of a change of address, in which case to such new address:

If to the Borrower, to:	Puradigm, LLC 111 C Street, Encinitas, CA 92024 E-mail: plawlor@puradigm.com Attention: Padraig Lawlor, Chief Operating Officer
If to the Holder:	DSS PureAir, Inc. 1400 Broadfield Blvd., Suite 100, Houston, Texas 77084 E-mail: fheuszel@dsssecure.com Attention: Frank D. Heuszel, President

Section 2.02 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Note shall be governed by and construed and enforced in accordance with the internal laws of the State of Texas. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Note (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees or agents) shall be commenced only in the state and federal courts sitting in Harris County (the "Harris County Courts"). Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the Harris Co. 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 suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, or such Harris County Courts are improper or inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Note 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.

Section 2.03 WAIVER OF JURY TRIAL.

BORROWER AND HOLDER HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHTS TO TRIAL BY JURY WITH REGARDS TO ANY "DISPUTE" AND ANY ACTION ON SUCH "DISPUTE". THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY BORROWER(S) AND HOLDER, AND BORROWER AND HOLDER HEREBY REPRESENT THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY PERSON OR ENTITY TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT. BORROWER AND HOLDER ARE EACH HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION HEREOF IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER OF JURY TRIAL. BORROWER FURTHER REPRESENTS AND WARRANTS THAT (1) IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS AGREEMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, OR (2) HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND (3) EACH HAVE HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

Section 2.04 Severability. The invalidity of any of the provisions of this Note shall not invalidate or otherwise affect any of the other provisions of this Note, which shall remain in full force and effect.

Section 2.05 Assignment. This Note may not be sold, transferred or assigned by the Holder without consent of the Borrower; provided, however, that the Holder may assign the Note, Security Agreement, Securities Purchase Agreement and perfecting documents to an Affiliate without Borrower's consent. For purposes of this Section 2.05, "Affiliate" means, with respect to any Person, any other Person who is an "affiliate" (as defined in Rule 12b-2 of the General Rules and Regulations under the Exchange Act), and "control" for purposes of that definition shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person or entity, whether through ownership of voting securities, by contract or otherwise.) of such Person. "Person" means any individual, firm, corporation, partnership, trust, incorporated or unincorporated association, joint venture, joint stock company, limited liability company, governmental authority or other entity of any kind, and shall include any successor (by merger or otherwise) of such entity.

Section 2.06 . The Borrower may not assign any of its obligations hereunder.

Section 2.07 Entire Agreement and Amendments. This Note, together with the Security Agreement and Purchase Agreement, represents the entire agreement between the parties hereto with respect to the subject matter hereof and there are no representations, warranties or commitments, except as set forth herein. This Note may be amended only by an instrument in writing executed by each of the parties

hereto.

Article III.

Section 3.01 Other Provisions.

(a) Non-Waiver by Holder: Any previous extension of time, forbearance, failure to pursue any remedy, acceptance of late payments, or acceptance of partial payment by Holder, before or after Maturity, does not constitute a waiver by Holder of its subsequent right to strictly enforce the collection of this Note according to its terms.

(b) No Duty or Special Relationship: Borrower acknowledges that Holder has no duty of good faith to Borrower, and acknowledges that no fiduciary, trust or other special relationship exists between Holder and Borrower.

(c) Other Remedies Not Required: Borrower may be required to pay this Note in full without the assistance of any other party, or any collateral or security for this Note. Holder shall not be required to mitigate damages, file suit, or take any action to foreclose, proceed against or exhaust any collateral or security in order to enforce payment of this Note.

(d) Attorney's Fees: If Holder requires the services of an attorney to enforce the payment of this Note, or if this Note is collected through any lawsuit, probate, bankruptcy, or other judicial proceeding, Borrower agrees to pay Holder all court costs, reasonable attorney's fees and expenses, and other collection costs incurred by Holder. This provision shall be limited by any applicable statutory restrictions relating to the collection of attorney's fees.

(e) No Oral Agreements: This Note represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties, nor are there any promises, representations or warranties with regard to the Note except as set forth herein and in the Purchase Agreement and Security Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, with the intent to be legally bound hereby, the Borrower as executed this Note as of the date first written above.

PURADIGM, LLC

By: _____
Name:
Title:

[SIGNATURE PAGE TO $5,000,000 SECURED CONVERTIBLE NOTE]

EXHIBIT A

LOAN ADVANCE REQUEST FORM

EXHIBIT B

NOTICE OF CONVERSION

`PURADIGM, LLC

$5,000,000.00 SECURED CONVERTIBLE NOTE

(To be executed by the Holder in order to convert the Note)

Original Issue Date of Note:

TO:

The undersigned hereby irrevocably elects to convert the principal amount of the above Note in whole or in part specified below into Borrower Securities of Puradigm, LLC, according to the conditions stated therein, as of the Conversion Date written below.

Conversion Date: _____

Principal amount to be converted: $

Please deliver the Conversion Units to the following address:

Name of Holder (as shown on Note):

Signature of Holder or authorized officer or representative of Holder:

Name:

Title:

Exhibit 99.1

DSS Launches DSS PureAir, Inc. and Makes Investment into Innovative Proactive Air and Surface Purification Solutions Technology from Puradigm LLC

A study done by the University of Florida using the SARS-CoV-2 virus showed a significant decrease in infectivity of the virus immediately after exposure to Puradigm's technology

The SARS-CoV-2 virus was undetectable after 24 hours of exposure to Puradigm's technology in the study

ROCHESTER, N.Y., May xx, 2021 (GLOBE NEWSWIRE) — Document Security Systems, Inc. ("DSS" or the "Company") (NYSE American: DSS), a multinational company operating businesses in consumer packaging, brand protection technology, blockchain security, direct marketing, healthcare, real estate, renewable energy, and securitized digital assets, today announced the launch of DSS PureAir, Inc. ("DSS PureAir"), the Company's new wholly owned subsidiary targeting commercial and residential air purification markets, following a significant investment into Puradigm LLC, a manufacturer of proactive air and surface purification solutions that have proven to be safe, scalable and provide 24/7 protection to all indoor environments.

"We are excited to launch our newest division, DSS PureAir, to further our vision of securing healthy living," stated Frank D. Heuszel, CEO of DSS. "Before COVID-19, the market for air purifiers was strong, and now growth is accelerating even more. We are excited to support and partner with Puradigm to enable us to rapidly enter this growing global market with best-in-class products."

The global air purifier market was valued at $10.7 billion in 2020 and is forecasted to grow at a 10% compound annual growth rate (CAGR) from 2021 through 2028, according to data from Grandview Research.

Puradigm's patented, scalable purification products actively and safely purify both air *and surfaces* in any room. They can be customized for indoor spaces of all sizes, including homes, offices, schools, restaurants, gyms, hospitals, assisted living facilities, food processing facilities, and more, and include free standing, wall mounted, HVAC and personal protection devices.

Puradigm is unique from other disinfection technologies (chemical cleaning, UV light, vaporized hydrogen peroxide) because it produces Non-Thermal Plasma (NTP) particles in very large quantities, which actively purify both air *and surfaces* safely, while people are present. These highly energized plasma molecules kill bacteria and viruses by piercing their cell walls, similar to a pin pricking a balloon. There are no downtime periods, chemical handling procedures, harmful residues, room clearance protocols, manpower requirements or adverse side effects.

Puradigm's proactive technology has been shown to be effective against a wide variety of pathogens, including SARS-CoV-2, H1N1, E. coli, MRSA, Listeria, C. difficile, staph, and many more. It is the most validated purifier on the market.

A new study from the University of Florida ("UF") confirms the efficacy of Puradigm in inactivating SARS-CoV-2, the virus that causes COVID-19. Researchers at UF's Department of Medicine found that Puradigm's proactive air and surface purification technology inactivates 73.33% of infectious high levels of SARS-CoV-2 on stainless steel surfaces within only 15 minutes of exposure to the technology, 93.3% after 60 minutes, and 97.7% after 4 hours. After 24 hours of exposure to Puradigm's proactive technology the study shows the SARS-CoV-2 was undetectable.

These results are consistent with those of an independent study done by Central Michigan University and Insight Research Institute which tested the effectiveness of Puradigm's technology on S. aureus, C. difficile and Dengue virus type 2 (DenV-2) used as a surrogate for SARS-CoV-2. Their results showed that Puradigm's technology caused a > 99% average reduction in bacterial growth and a 98.5% average reduction in viral infectivity. These findings were published in the March 2021 edition of *Infectious Disease Reports*, an international, open access peer-reviewed journal that publishes scientific papers about infectious diseases.

"We are thrilled to be working with DSS PureAir as our strategic partner for global expansion. Puradigm has seen its sales pipeline increase more than 500% in the past 12 months and this investment will allow us to accelerate our product rollout to multiple key markets around the world," added James Gabriel, CEO of Puradigm. "We believe our technology is critical to contain current as well as future pandemics and can dramatically minimize contamination in indoor spaces. Most importantly, our technology can run safely on a continuous basis even in fully occupied spaces."

About Puradigm LLC

Puradigm offers proactive air and surface purification solutions that have proven to be safe and scalable and provide 24/7 protection for any indoor environment. Puradigm's technology is patented around the world and has been validated by many testing organizations in the reduction of mold, bacteria, virus, and other harmful pathogens. Puradigm's technology is the most validated in the industry and can be customized for any indoor environment.
For more information on Puradigm visit http://www.puradigm.com.

About Document Security Systems, Inc.

DSS is a multinational company operating businesses focused on brand protection technology, blockchain security, direct marketing, healthcare, real estate, and securitized digital assets. Its business model is based on a distribution sharing system in which shareholders will receive shares in its subsidiaries as DSS strategically spins them out into IPOs. Its historic business revolves around counterfeit deterrent and authentication technologies, smart packaging, and consumer product engagement. DSS is led by its Chairman and largest shareholder, Mr. Fai Chan, a highly successful global business veteran of more than 40 years specializing in corporate transformation while managing risk. He

has successfully restructured more than 35 corporations with a combined value of $25 billion.

For more information on DSS visit http://www.dsssecure.com.

Investor Contact:
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RedChip Companies Inc.
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Safe Harbor Disclosure

This press release contains forward-looking statements that are made pursuant to the safe harbor provisions within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements include, but are not limited to, statements related to the Company's intended use of proceeds and other statements that are not historical facts. Forward-looking statements are based on management's current expectations and are subject to risks and uncertainties that may cause actual results or events to differ materially from those projected. These risks and uncertainties, many of which are beyond our control, include: risks relating to our growth strategy; our ability to obtain, perform under and maintain financing and strategic agreements and relationships; risks relating to the results of development activities; our ability to attract, integrate and retain key personnel; our need for substantial additional funds; patent and intellectual property matters; competition; as well as other risks described in the section entitled "Risk Factors" in the prospectus and in our other filings with the SEC, including, without limitation, our reports on Forms 8-K and 10-Q, all of which can be obtained on the SEC website at www.sec.gov. Readers are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date on which they are made and reflect management's current estimates, projections, expectations, and beliefs. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations or any changes in events, conditions, or circumstances on which any such statement is based, except as required by law.