

**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): November 10, 2023

**ASSET ENTITIES INC.**

(Exact name of registrant as specified in its charter)

**Nevada**

(State or other jurisdiction  
of incorporation)

**001-41612**

(Commission File Number)

**88-1293236**

(IRS Employer  
Identification No.)

**100 Crescent Ct, 7th Floor, Dallas, TX**

(Address of principal executive offices)

**75201**

(Zip Code)

**(214) 459-3117**

(Registrant's telephone number, including area code)

(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:

| <b>Title of each class</b>                         | <b>Trading Symbol(s)</b> | <b>Name of each exchange on which registered</b> |
|--|--------------------------|--|
| Class B Common Stock, \$0.0001 par value per share | ASST                     | The NASDAQ Stock Market LLC                      |

Indicate by check mark whether the registrant is an emerging growth company 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 November 10, 2023, Asset Entities Inc., a Nevada corporation (the “Company”), entered into an asset purchase agreement (the “Asset Purchase Agreement”) with Ternary Inc., a Florida corporation (“Ternary FL”), Ternary Developments Inc., a Delaware corporation (“Ternary DE”), OptionsSwing Inc., a Florida corporation (“OSI,” and together with Ternary FL and Ternary DE, individually, a “Seller,” and collectively, the “Sellers”), and Jason Lee, the principal shareholder of each Seller (the “Shareholder”). Under the Asset Purchase Agreement, the Company agreed to purchase all of the Sellers’ right, title, and interest in and to substantially all of the assets and properties owned by the Sellers and used in connection with their business of Discord development, social media, online community management, marketing, and business-to-business software-as-a-service that offers sales, service, marketing, and analytics for the payment of \$100,000 in cash (the “Cash Consideration”), the issuance of 300,000 shares of Class B Common Stock, \$0.0001 par value per share, of the Company (the “Stock Consideration”), and other good and valuable consideration as described herein.

Pursuant to the Asset Purchase Agreement, on November 10, 2023, the Company paid the Sellers \$100,000, issued 177,000 shares of the Stock Consideration to the Shareholder, and 123,000 shares of the Stock Consideration in the aggregate to three other designated individuals, and the Sellers and the Shareholder delivered title to all of the assets of the Sellers. The Stock Consideration is subject to vesting conditions for the two-year period following the grant date, subject to immediate vesting upon a change of control of the Company or certain other events.

Pursuant to the Asset Purchase Agreement, the Company agreed to assume certain liabilities including accrued liabilities (other than taxes), customer deposits and accounts payable, the obligations, duties and liabilities with respect to the contracts used in conducting or relating to the business of the Sellers and other specified assets, in each case only to the extent arising from and after November 10, 2023. These assumed liabilities also exclude any obligations arising from the Sellers’ breach or default before November 10, 2023.

As required under the Asset Purchase Agreement, on November 10, 2023, the Company entered into employment agreements with the Shareholder and certain employees of the Sellers and an independent contractor agreement with one individual. Under the employment agreement with the Shareholder (the “Employment Agreement”), the Shareholder will be the Chief Technology Officer of the Company commencing November 15, 2023 for a two-year term unless terminated earlier by the Shareholder or by the Company for cause or by mutual agreement. The Shareholder will be paid a salary of \$100,000 per year and be eligible for standard employee benefits. In connection with the Employment Agreement, the Shareholder entered into an Employee Confidential Information and Inventions Assignment Agreement, which prohibits unauthorized use or disclosure of the Company’s proprietary information, contains a general assignment of rights to inventions and intellectual property rights, and contains non-competition provisions that apply during the term of employment, employee/contractor non-solicitation provisions that apply during the term of employment and for one year after the term of employment, and non-disparagement provisions that apply during and after the term of employment. The Asset Purchase Agreement provides that during the time of employment of the Shareholder and two years after, the Shareholder and the Sellers will be subject to non-competition and non-solicitation provisions. The Company will also provide standard indemnification and directors’ and officers’ insurance.

The Asset Purchase Agreement also contains mutual indemnification provisions with respect to breaches of representations and warranties as well as to certain third-party claims, and indemnification by the Company of the Sellers and the Shareholder with respect to certain damages with respect to the assumed liabilities and certain other liabilities asserted by a third party arising after November 10, 2023. In the case of indemnification provided with respect to breaches of certain non-fundamental representations and warranties, the indemnifying party will only become liable for indemnified losses to the extent that the amount exceeds an aggregate threshold of \$25,000. However, this threshold limitation does not apply to claims by the Company for breaches by the Seller or the Stockholder of certain fundamental representations and warranties. In addition, the Company’s aggregate remedy with respect to any and all indemnifiable losses may in no event exceed the purchase price, consisting of the Cash Consideration and the Stock Consideration.

The Asset Purchase Agreement and the Employment Agreement are filed as Exhibit 10.1 and Exhibit 10.2 to this Current Report on Form 8-K, respectively, and this description of the Asset Purchase Agreement and the Employment Agreement is qualified in its entirety by reference to such exhibits.

**Item 7.01. Regulation FD Disclosure.**

On November 15, 2023, the Company issued a press release announcing the signing of the Asset Purchase Agreement. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information furnished pursuant to this Item 7.01 (including Exhibit 99.1 hereto), shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing under the Exchange Act or the Securities Act of 1933, as amended (the “Securities Act”), except as expressly set forth by specific reference in such a filing.

**Forward-Looking Statements**

The press release and the statements contained therein include “forward-looking” statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act, which statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or the Company’s future financial or operating performance. In some cases, you can identify these statements because they contain words such as “may,” “will,” “believes,” “expects,” “anticipates,” “estimates,” “projects,” “intends,” “should,” “seeks,” “future,” “continue,” “plan,” “target,” “predict,” “potential,” or the negative of such terms, or other comparable terminology that concern the Company’s expectations, strategy, plans, or intentions. Forward-looking statements relating to expectations about future results or events are based upon information available to the Company as of the date of the press release and are not guarantees of the future performance of the Company, and actual results may vary materially from the results and expectations discussed. Forward-looking statements include, but are not limited to, the Company’s expectations regarding its financial position and operating performance, its expectations regarding its business initiatives, the Company’s expectations about its operating performance, trends in its business, the effectiveness of its strategies, its market opportunity, and demand for its products and services in general. The Company’s expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected, including risks and uncertainties described in the Company’s Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, and other filings with the Securities and Exchange Commission. All subsequent written and oral forward-looking statements concerning the Company or other matters and attributable to the Company or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above. The Company does not undertake any obligation to publicly update any of these forward-looking statements to reflect events or circumstances that may arise after the date hereof, except as required by law.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

| <b>Exhibit No.</b> | <b>Description of Exhibit</b>   |
|--------------------|---|
| 10.1               | <a href="#">Asset Purchase Agreement by and among Asset Entities Inc., Ternary Inc., Ternary Developments Inc., OptionsSwing Inc., and Jason Lee, dated as of November 10, 2023</a> |
| 10.2               | <a href="#">Employment Agreement between Asset Entities Inc. and Jason Lee, dated as of November 10, 2023</a>   |
| 99.1               | <a href="#">Press Release dated November 15, 2023</a>   |
| 104                | Cover Page Interactive Data File (embedded within the Inline XBRL document)   |

**SIGNATURES**

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

Date: November 15, 2023

ASSET ENTITIES INC.

/s/ Arshia Sarkhani

Name: Arshia Sarkhani

Title: Chief Executive Officer and President

**ASSET PURCHASE AGREEMENT**

This ASSET PURCHASE AGREEMENT (this “**Agreement**”), dated as of November 10, 2023, 2023, is entered into by and among **ASSET ENTITIES INC.**, a Nevada corporation (“**ASSET ENTITIES**”), or a designated affiliate of **ASSET ENTITIES** (either being referred to as “**Buyer**”), Ternary Inc., a Florida corporation (“**Ternary FL**”), Ternary Developments Inc., a Delaware corporation (“**Ternary DE**”), OptionsSwing Inc, a Florida corporation (“**OSI**,” and together with Ternary FL and Ternary DE, individually, a “**Seller**,” and collectively, “**Sellers**”) and Jason Lee, the principal shareholder of each Seller (the “**Shareholder**”). Buyer, Ternary FL, Ternary DE, OSI and the Shareholder are sometimes referred to herein individually, as a “**Party**,” and collectively, as the “**Parties**.”

**RECITALS**

A. Sellers are engaged in the business of Discord development, social media, online community management, marketing, B2B SaaS that offers sales, service, marketing, and analytics (the “**Business**”); and

B. Subject to and upon the terms and conditions set forth herein, Sellers wish to and the Shareholder wishes to cause Sellers to sell, assign, transfer, convey and deliver to Buyer, and Buyer desires to purchase, acquire and accept from Sellers, free and clear of all liens and liabilities of any kind (other than Assumed Liabilities, as hereinafter defined), all of Sellers’ right, title, and interest in and to substantially all of the assets and properties owned by Sellers and used in connection with the Business.

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises herein contained, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

**ARTICLE 1****SALE OF ASSETS AND ASSUMPTION OF LIABILITIES****1.1 Sale of Assets.****(a) Purchased Assets.**

(i) At the Closing (as defined below), Sellers shall and the Shareholder shall cause Sellers to sell, assign, transfer, convey and deliver to Buyer and Buyer shall accept and purchase all of Seller’s right, title and interest in and to all of the assets, properties, rights, interests, claims and goodwill of Sellers, tangible and intangible, of every kind and description, as the same shall exist as of the Closing Date (as defined below), including, without limitation, the assets, properties and rights of Sellers reflected in the Schedule of Purchased Assets attached hereto and labeled **Schedule 1.1(a)**, together with all assets, properties and rights acquired by Sellers of a similar nature since the date of such Schedule, less such assets, properties and rights as may have been disposed of since said date in the ordinary course of business; but specifically excluding the Excluded Assets (the “**Purchased Assets**”).

(ii) The Purchased Assets include, without limitation, all right, title, and interest in and to all of the assets of Sellers, including all of their (A) tangible personal property (such as tangible capital machinery and equipment (including without limitation all manufacturing and warehousing equipment), computer and communications equipment, inventories, raw materials, work in progress, supplies, furniture, tools, and other mobile equipment); (B) intellectual property (including any patent, registered or unregistered trademark or tradename, copyright, franchise, strategic alliance or joint venture), goodwill associated therewith, licenses and sublicenses granted and obtained with respect thereto, and rights thereunder, remedies against infringements thereof, and rights to protection of interests therein under the laws of all jurisdictions; (C) leases, (including equipment leases), subleases, and rights thereunder with respect to both real and personal property; (D) accounts, notes, trade and other receivables; (e) purchase orders, agreements, contracts, instruments, purchase commitments for raw materials, goods and other services and rights thereunder to the extent such items can be transferred, assigned, conveyed and/or delivered; (E) securities; (F) claims, deposits, rebates, discounts earned, prepayments, refunds, causes of action, choses in action, rights of recovery, rights of set off, and rights of recoupment; (G) franchises, approvals, permits, licenses, orders, registrations, certificates, variances, and similar rights obtained from governments and governmental agencies to the extent such items can be transferred, assigned, conveyed and/or delivered; (H) books, records, financial statements, ledgers, accounting systems, files, documents, collateral information, databases, plans, specifications, technical information, websites, electronic data and files, correspondence, pricing schedules, catalogs, advertising and promotional materials, studies, reports, customer and contractor lists, marketing and recruiting processes, employment and training manuals, and other printed or written material relating to the Purchased Assets and all proprietary rights pertaining to such materials; (I) all phone numbers, domain names and social media accounts related to the Purchased Assets; and (J) all other tangible and intangible assets of the Business; provided, however, that the Purchased Assets shall not include the Excluded Assets.

(b) Excluded Assets. The foregoing notwithstanding, Buyer shall not purchase, and Sellers shall not be deemed to sell: (i) any cash or cash equivalents held by Sellers; (ii) the consideration paid and to be paid to Sellers pursuant to this Agreement; (iii) all rights of Sellers under this Agreement and the other agreements, instruments and documents deliverable pursuant hereto (the “**Transaction Documents**”); and (iv) those other assets which are listed in the Schedule of Excluded Assets attached hereto and labeled **Schedule 1.1(b)**.

### 1.2 Assumption of Liabilities.

(c) Assumed Liabilities. As of the Closing Date, Buyer shall undertake, assume, and agree to perform, and otherwise pay, satisfy and discharge as of the Closing (a) all accrued liabilities (other than taxes), customer deposits and accounts payable of Sellers, those obligations, duties and liabilities of Seller with respect to the Assumed Contracts (as defined below), licenses and other arrangements included in, the Purchased Assets, in each case only to the extent arising from and after the Closing Date and not arising from or relating to any breach, default or failure by Sellers to perform any covenants or obligations required to be performed by Sellers of such Assumed Contracts, licenses and other arrangements included in the Purchased Assets prior to the Closing Date (the “**Assumed Liabilities**”); provided, however, that the Assumed Liabilities shall include no other liability of Sellers of any kind or nature whatsoever and shall not include any Excluded Liabilities (as defined below). “**Assumed Contracts**” means all of the Contracts (as defined below) used in conducting or relating to the Business (including, without limitation, non-competition agreements by and between any Seller and any employee, consultant or other person and any other engagement letters, contract extensions, rebids, existing proposals, bids, opportunities pursued, purchase orders and any sales contracts in the pipeline.

(d) Excluded Liabilities. Other than the Assumed Liabilities, all liabilities, liens and other obligations of Sellers or any affiliates of Sellers or the Shareholder relating to the Business or the Purchased Assets arising prior to the Closing Date (collectively, the “**Excluded Liabilities**”), shall remain the sole responsibility of and shall be retained, fully paid, fully performed and fully discharged solely by Sellers. Excluded Liabilities shall include, without limitation: any debts, liabilities or obligations not specifically listed in **Schedule 1.2(a)**, including (i) any liability of Sellers for income, transfer, sales, use, and all other taxes arising in connection with the consummation of the transactions contemplated hereby (including any income taxes arising because Sellers are transferring the Purchased Assets), whether imposed on Sellers as a matter of law, under this Agreement or otherwise; (ii) any liability of any Seller for taxes, including taxes of any person other than such Seller; (iii) any liability of a Seller with respect to any indebtedness for borrowed money or credit card payables; (iv) any liability of a Seller arising out of any threatened or pending litigation or other claim; (v) any liability, whether arising by operation of law, contract, past custom or otherwise, for unemployment compensation benefits, pension benefits, salaries, wages, bonuses, incentive compensation, sick leave, severance or termination pay, vacation and other forms of compensation or any other form of employee benefit plan (including the health benefits payable reflected on Sellers’ balance sheet), agreement (including employment agreements), arrangement or commitment payable to or for the benefit of any current or former officers, directors and other employees and independent contractors of Sellers; (vi) any liabilities of Sellers to the Shareholder or any affiliates of the Shareholder or any current or former shareholder in connection with this Agreement or any transactions contemplated hereby; (viii) any liability related to or arising out of the Excluded Assets; (ix) any negative cash or book balances or any intercompany debt by and between, or by and among, Sellers and any affiliate of Sellers; and (x) any environmental liability arising out of or relating to the operation of the Business or Sellers’ leasing, ownership or operation of real property. All Excluded Liabilities shall be the responsibility of Sellers, and Sellers and the Shareholder, jointly and severally, agree to indemnify and hold Buyer harmless against any Excluded Liabilities, debts, obligations, claims or damages therefrom, costs and expenses.

1.2 Closing. The consummation of the transactions contemplated by this Agreement (collectively, the “**Closing**”) will take place through the exchange of signature pages through electronic mail. The date and time of the Closing are referred to as the “**Closing Date**,” Which shall occur on November 10, 2023.

### 1.3 Purchase Price.

(a) In consideration for the sale, assignment and delivery of the Purchased Assets, the Buyer shall pay the aggregate purchase price for the Purchased Assets (the “**Purchase Price**”), as the same may be adjusted pursuant to this Agreement, payable in accordance with **Sections 1.4, 1.5 and 1.6**.

(b) The Purchase Price for the Purchased Assets shall contain the following components and be payable as follows:

(i) Cash Payment at Closing. At the Closing, the Buyer shall pay to the Seller One Hundred Thousand Dollars (\$100,000) in immediately available funds (the “**Cash Portion**”), subject to adjustment as provided in **Section 1.4(c)** below.

(ii) Stock Awards. At the Closing, Buyer shall issue and deliver to the individuals and in the amounts listed on **Schedule 1.4**, stock awards for an aggregate of 300,000 shares of Asset Entities Class B Common Stock, \$0.0001 par value per share. The stock awards shall be evidenced by , subject to the vesting schedule set forth in and governed by the other terms of Award Agreements in the form attached hereto as **Exhibit 1.4** (the “**Award Agreements**”).

(iii) Adjustment for Outstanding Indebtedness. The Cash Portion shall be decreased by the amount of any outstanding indebtedness of Sellers or the Business for borrowed money existing as of the Closing Date (other than any indebtedness constituting an Assumed Liability) and the deducted amount shall be utilized to pay off such outstanding indebtedness.

1.4 Allocation of Purchase Price. The Purchase Price for the Purchased Assets shall be allocated as forth in **Schedule 1.5**. The Parties shall provide such information as any of them shall reasonably request. The Parties shall (a) prepare each report relating to the federal, state and local and other tax consequences of the purchase and sale contemplated hereby (including the filing of Internal Revenue Service Form 8594) in a manner consistent herewith; and (b) not take any position in any tax filing, return, proceeding, audit or otherwise which is inconsistent with the position of the other parties unless permitted to do so by law.

1.5 Further Cooperation. From time to time after the Closing, Sellers and the Shareholder at Buyer's reasonable request and without further consideration, agree to execute and deliver or to cause to be executed and delivered such other instruments of transfer as Buyer may reasonably request that are necessary to transfer to Buyer more effectively the right, title and interest in or to the Purchased Assets and to take or cause to be taken such further or other action as may reasonably be necessary or appropriate in order to effectuate the transactions contemplated by this Agreement.

## ARTICLE 2

### REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties of Sellers and the Shareholder. Sellers and the Shareholder, jointly and severally, represent and warrant to, and agree with Buyer as of the date of this Agreement, except as set forth in the disclosure schedules to be delivered by Sellers and the Shareholder and attached to this Agreement (the "**Disclosure Schedules**"). The Disclosure Schedules will be arranged for purposes of convenience only, in sections corresponding to the Subsections of this **Section 2.1** and will provide exceptions to the representations and warranties contained in this **Section 2.1**, whether or not a specific reference to such Disclosure Schedules are included in a representation and warranty contained in this **Section 2.1**.

(a) Organization; No Subsidiaries; Ownership of Sellers. Each Seller is a corporation duly incorporated, validly existing and in good standing under the laws of the jurisdiction of its formation. No Seller currently owns or controls, directly or indirectly, any interest in any other corporation, partnership, trust, joint venture, limited liability company, association, or other business entity. No Seller is a participant in any joint venture, partnership or similar arrangement. Except for the Shareholder, who is the sole shareholder of each Seller,, no other person owns any right, title or interest in or to any capital stock of other equity interest in or any security that is exercisable or exchangeable for or convertible into any capital stock of or equity interest in Sellers.

(b) Binding Obligation. Each Seller has all requisite corporate power and authority to enter into and perform its obligations under this Agreement, the other agreements contemplated hereunder to which it is a party and to carry out the transactions contemplated hereby. Sellers and the Shareholder have each duly authorized the execution, delivery and performance of this Agreement and the other agreements contemplated hereunder (the "**Transaction Documents**") and the consummation of the transactions contemplated hereby and thereby and, no other corporate proceedings on the part of Sellers are necessary to authorize the execution, delivery and performance of this Agreement and the other Transaction Documents to which any Seller is a party and consummation of the transactions contemplated hereby and thereby. This Agreement and the other Transaction Documents have been duly executed and delivered by Sellers and/or the Shareholder (to the extent any Seller or the Shareholder is a party thereto and constitute the valid and binding obligation of Sellers and/or the Shareholder, enforceable in accordance with its terms. The execution, delivery and performance by each Seller of this Agreement and the other Transaction Documents to which such Seller is a party, does not and will not conflict with, or result in any violation of or default under, any provision of the Certificate of Incorporation, Bylaws or other comparable agreements or constituent instruments of such Seller or any ordinance, rule, regulation, judgment, order, decree, agreement, instrument or license applicable to such Seller, the Shareholder or to any of their respective properties or assets. No consent, approval, order or authorization of, or registration, declaration or filing with, any court, administrative agency or commission or other governmental authority or instrumentality, domestic or foreign, is required by or with respect to Sellers or the Shareholder in connection with its execution, delivery or performance of this Agreement and the other Transaction Documents to which any Seller or the Shareholder is a party.



(c) Purchased Assets. Except for assets disposed of in the ordinary course of business and Excluded Assets, the Purchased Assets consist of all material assets which have been used by Sellers in the Business prior to the date hereof. The Purchased Assets are sufficient for the continued conduct of the Business immediately after the Closing in substantially the same manner as conducted immediately prior to the Closing. Sellers have good and marketable title to the respective Purchased Assets owned by them, free and clear of all security interests, liens and encumbrances of any type and nature whatsoever and at Closing will transfer to Buyer and Buyer will receive good and marketable title to the Purchased Assets, free and clear of all security interests, liens and encumbrances of any type and nature whatsoever.

(d) Real Property. Sellers do not own or lease any real property.

(e) Contracts. **Schedule 2.1(e)** lists all Contracts included in the Purchased Assets. Except as set forth in **Schedule 2.1(e)**, no Seller is a party to or bound by any lease, agreement, contract or other commitment (individually, a “**Contract**” and collectively, the “**Contracts**”) which involves the payment or receipt of more than \$5,000 per year or that is not cancelable by such Seller on less than 60 days’ notice. Each Contract is a valid and binding obligation of the Seller who is party thereto and is in full force and effect. Each Seller has performed all material obligations required to be performed by it to date under the Contracts to it is a party and to the best knowledge of such Seller and the Shareholder, no other party to any Contract is in default of such party’s obligations thereunder. All Contracts are in the name of the Seller who is party thereto, and all Contracts included in the Assumed Liabilities will be effectively transferred to the Buyer at the time of the Closing.

(f) Litigation. There are no lawsuits, claims, proceedings or investigations pending or, to the best knowledge of Sellers or the Shareholder, threatened by or against or affecting any Seller or any of its properties, assets, operations or business which could adversely affect the transactions contemplated by this Agreement or Buyer’s right to utilize the Purchased Assets.

(g) Absence of Changes or Events. Since December 31, 2022, the Business has been operated in the ordinary course and there has not been any material adverse change in the financial condition, results of operations, business, assets or prospects of Sellers or the value or condition of the Purchased Assets.

(h) Compliance with Laws. To the best knowledge of Sellers and the Shareholder, no Seller is in violation with respect to its operation of the Purchased Assets of any law, order, ordinance, rule or regulation of any governmental authority, except for any violation that would not have a material adverse effect on the Business or its prospects.

(i) Employee Benefit Plans. There are no plans of Sellers in effect for pension, profit sharing, deferred compensation, severance pay, bonuses, stock options, stock purchases, or any other form of retirement or deferred benefit, or for any health, accident or other welfare plan, as to which the Buyer will become liable as a result of the transactions contemplated hereby.

(j) Financial Statements. Attached hereto as **Schedule 2.1(j)** are true, complete and correct copies of profit and loss statements for Sellers for the years ended December 31, 2021 and 2022 and for the period ended October 31, 2023 ((the “**Financial Statements**”). The Financial Statements (including the notes thereto, if any) are true, complete and correct, have been prepared from, and are consistent with, the books and records of Sellers (which are correct and complete in all material respects), and present the financial condition of the Sellers consistent and in accordance with the Seller’s historical practices for the periods of Sellers then ended. Sellers do not have any indebtedness for borrowed money pertaining to the Business except for indebtedness that will be paid off at Closing in accordance with **Section 1.4(c)**.

(k) Absence of Undisclosed Liabilities. Sellers do not have any liability or obligation, other than (i) liabilities and obligations which have arisen after December 31, 2022 in the ordinary course of business; or (ii) liabilities or obligations which are not material to Sellers, the Business or the Purchased Assets.

(l) Taxes. Each Seller has timely filed all tax returns that it was required to file with the appropriate governmental authorities in all jurisdictions in which such returns are required to be filed. All such tax returns accurately and correctly reflect the taxes of such Seller for the periods covered thereby and are complete in all material respects. All taxes owed by such Seller, or for which Seller may be liable (whether or not shown on any tax return), have been or will be timely paid. No Seller is currently the beneficiary of any extension of time within which to file any tax return. No claim has ever been made by an authority in a jurisdiction where any Seller does not file tax returns that such Seller is or may be subject to taxation by that jurisdiction. There are no liens on any of the Purchased Assets or assets of Sellers that arose in connection with any failure (or alleged failure) to pay any tax.

(m) Intellectual Property Rights.

(i) **Schedule 2.1(m)(i)** sets forth a correct, current and complete list of: (A) all patents, trademarks, copyrights or other material intellectual property rights that are used in the Business, specifying as to each, as applicable: the patent, registration or application serial number; the issue, registration or filing date; and the current status; (B) all unregistered trademarks; and (C) all proprietary software (collectively, the “**Intellectual Property Assets**”).

(ii) **Schedule 2.1(m)(ii)** sets forth a correct, current and complete list of Contracts under which any Seller is a licensor or otherwise grants to any person any right or interest relating to any Intellectual Property Assets.

(iii) Neither the execution, delivery, or performance of this Agreement or the other Transaction Documents, nor the consummation of the transactions contemplated hereunder or thereunder, will result in the loss or impairment of or payment of any additional amounts with respect to, or require the consent of any other person in respect of, the Buyer’s right to own or use any Intellectual Property Assets in the conduct of the Business as currently conducted. Immediately following the Closing, all Intellectual Property Assets will be owned or available for use by Buyer on identical terms as they were owned or available for use by Seller immediately prior to the Closing.

(iv) **Schedule 2.1(m)(iv)** contains a correct, current, and complete list of all social media accounts used by Sellers in the conduct of the Business. Seller has complied with all terms of use, terms of service, and other Contracts and all associated policies and guidelines relating to its use of any social media platforms, sites, or services in the conduct of the Business (collectively, “**Platform Agreements**”). There are no actions settled, pending, or threatened alleging (a) any breach or other violation of any Platform Agreement by any Seller; or (b) defamation, any violation of publicity rights of any person, or any other violation by any Seller in connection with its use of social media in the conduct of the Business.

(v) All software, computer hardware, servers, networks, platforms, peripherals, and similar or related items of automated, computerized, or other information technology (IT) networks and systems (including telecommunications networks and systems for voice, data, and video) owned, leased, licensed, or used (including through cloud-based or other third-party service providers) in the conduct of the Business (the “**Business IT Systems**”) are in good working condition and are sufficient for the operation of the Business as currently conducted. In the past two (2) years, there has been no malfunction, failure, continued substandard performance, denial-of-service, or other cyber incident, including any cyberattack, or other impairment of the Business IT Systems. Seller has taken all commercially reasonable steps to safeguard the confidentiality, availability, security, and integrity of the Business IT Systems, including implementing and maintaining appropriate backup, disaster recovery, and Software and hardware support arrangements.

(vi) Sellers have complied with all applicable laws and all internal or publicly posted policies, notices, and statements concerning the collection, use, processing, storage, transfer, and security of personal information in the conduct of the Business. In the past two (2) years, no Seller has (a) experienced any actual, alleged, or suspected data breach or other security incident involving personal information in its possession or control; or (b) been subject to or received any notice of any audit, investigation, complaint, or other action by any governmental authority or other person concerning the Business' collection, use, processing, storage, transfer, or protection of personal information or actual, alleged, or suspected violation of any applicable law concerning privacy, data security, or data breach notification, in each case in connection with the conduct of the Business, and, there are no facts or circumstances that could reasonably be expected to give rise to any such action.

(n) Brokerage. There are and will be no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement to which any Seller or the Shareholder is a party or to which the Business or the Purchased Assets are subject for which any Seller, the Shareholder or Buyer could become obligated after the Closing.

(o) Labor Matters.

(i) **Schedule 2.1(o)** sets forth a true, complete and correct list of (A) all employees and independent contractors of Sellers (collectively, the "**Employees**"); (B) the position, date of hire, current annual rate of compensation (or with respect to employees compensated on an hourly or per diem basis, the hourly or per diem rate of compensation), including any bonus, contingent or deferred compensation, and estimated or target annual incentive compensation of each such person; (C) the exempt or non-exempt classification of such person on the Fair Labor Standards Act and any other applicable law regarding the payment of wages; and (D) the total compensation for each executive and key employee during the fiscal year ending December 31, 2022, in each case including any bonus, contingent or deferred compensation. Current and complete copies of all employment contracts or, where oral, written summaries of the terms thereof, have been delivered or made available to Buyer.

(ii) Neither any Seller nor any affiliate of a Seller (to the extent related to the Business) has been a party to or otherwise bound by any collective bargaining agreement or relationship with any labor union, works council, trade association, or other such employee representative, have not committed any material unfair labor practice and have not, within the past three years, implemented any plant closing or layoff of employees that could implicate the Worker Adjustment and Retraining Notification Act of 1988, as amended, or any similar foreign, state, provincial or local plant closing or mass layoff Law (collectively, the "**WARN Act**").

(p) Affiliate Transactions.

(i) Except as set forth on **Schedule 2.1(p)**, no employee, officer, director or shareholder of Sellers or affiliate of Sellers, or any person in the immediate family group of any of the foregoing (each, a "**Seller Affiliate**") (i) is a party to any agreement, contract, commitment, arrangement, or transaction with Sellers or that pertains to the Business or the Purchased Assets other than any employment, non-competition, confidentiality or other similar agreements between a Seller and any person who is an officer, director or employee of Seller (each, an "**Affiliate Agreement**"); or (ii) owns, leases, or has any economic or other interest in any asset, tangible or intangible (including Intellectual Property Rights), that is used in, held for use in, or necessary for the operation of the Business as currently conducted and as currently proposed to be conducted (together with the Affiliate Agreements, collectively the "**Affiliate Transactions**").

(ii) As of the Closing, there will be no outstanding or unsatisfied obligations of any kind (including inter-company accounts, notes, guarantees, loans, or advances) between Sellers, on the one hand, and a Seller Affiliate on the other hand, except to the extent arising out of the post-Closing performance of an Affiliate Agreement

(q) Customers, Distributors and Vendors. **Schedule 2.1(q)** sets forth a complete and accurate list of: (i) the customers of the Business, from inception in 2020 through October 31, 2023 (the "Time Period"); and (ii) the vendors of the Business during the Time Period. No such material customer or material vendor has canceled or otherwise terminated, or threatened to cancel, or to the best knowledge of Sellers or the Shareholder, intends to cancel or terminate, its relationship with Seller. No material customer has decreased materially or threatened to decrease or limit materially its business with Sellers, or to the best knowledge of Sellers or the Shareholder, intends to modify materially its relationship with Sellers. The relationship of Sellers with each material customer and material vendor is, to the best knowledge of Sellers and the Shareholder, satisfactory and there are no unresolved material disputes with any material customer or material vendor.

(r) Accounts Receivable. All accounts and notes receivable reflected on the Sellers books and records are bona fide receivables arising in the ordinary course of business and to the best knowledge of Seller and none of such accounts receivable are not collectible. There are no liens on such receivables or any part thereof and no agreement for deduction, free goods, discount or other deferred price or quantity adjustment has been made with respect to any such receivables by Seller.

(s) Warranty Claims. Sellers do not provide any express warranties, guaranties or assurances of products and services.

(t) Foreign Corrupt Practices. Neither Sellers nor any shareholder, director, officer, employee, agent or other person acting on behalf of the Seller has, in the course of his, her or its actions for, or on behalf of Sellers, used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, or made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government official or employee.

(u) Full Disclosure. To the best knowledge of Sellers and the Shareholder, no representation or warranty by Sellers or the Shareholder in this Agreement and no statement contained in the Schedules to this Agreement or any certificate or other document furnished or to be furnished to Buyer pursuant to this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

2.2 Representations and Warranties of Buyer. The Buyer represents and warrants to, and agrees with, Sellers and the Shareholder as of the date of this Agreement as follows:

(a) Organization. Buyer is a corporation duly incorporated and in good standing under the laws of the State of Nevada.

(b) Binding Obligation. Buyer has all requisite corporate power and authority to enter into and perform its obligations under this Agreement. All corporate acts and other proceedings required to be taken by Buyer to authorize the execution, delivery and performance by Buyer of this Agreement and the other Transaction Documents to which it is a party and the transactions contemplated hereby, have been duly and properly taken. This Agreement and the other Transaction Documents to which Buyer is a party, have been duly executed and delivered by Buyer and constitutes the legal, valid and binding obligations of Buyer, enforceable against Buyer in accordance with its terms. The execution, delivery and performance by Buyer of this Agreement and the other Transaction Documents to which it is a party, does not and will not conflict with, or result in any violation of, any provision of the Articles of Incorporation or Bylaws of Buyer, or any provision of any law, ordinance, rule, regulation, judgment, order, decree, agreement, instrument or license applicable to Buyer or to its respective property or assets. No consent, approval, order or authorization of, or registration, declaration or filing with, any court, administrative agency or commission or other governmental authority or instrumentality, domestic or foreign, is required by or with respect to Buyer in connection with its execution, delivery or performance of this Agreement.

(c) Full Disclosure. To the best knowledge of the Buyer, no representation or warranty by Buyer in this Agreement and no statement contained in any schedule to this Agreement or any certificate or other document furnished or to be furnished to the Seller or The Shareholder pursuant to this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

### **ARTICLE 3**

#### **ADDITIONAL AGREEMENTS**

3.1 Expenses. Whether or not the transactions contemplated hereby are consummated, all costs and expenses incurred by Buyer, Sellers or the Shareholder in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs; provided, however, that if the Closing occurs, The Shareholder shall be responsible for and pay any and all transaction related expenses of Sellers if Sellers do not pay such expenses and none of such expenses shall be due and payable by Sellers following the Closing.

3.2 Press Release; Communications. None of the Parties shall issue a press release or other publicity announcing the sale of the Purchased Assets or any other aspect of the transactions contemplated hereby without the prior written approval of Buyer unless such disclosure is required by applicable law or unless such disclosure is made by the Buyer or its affiliates following the Closing. Sellers and the Shareholder acknowledge that the Buyer may be required by federal securities laws to disclose the material terms of this Agreement through the filing with the Securities and Exchange Commission of a Current Report on Form 8-K and that the Buyer may attach a copy of this Agreement as an exhibit to such Current Report or as an exhibit to the Buyer's next Quarterly Report on Form 10-Q. The Parties agree to work together to develop a communication and client positioning strategy to ensure maximum retention of clients of the Business. The Shareholder will communicate this transaction as a win-win strategic alliance that is beneficial for all parties including customers, when communicating with all external stakeholders.

3.3 Confidentiality. As of the Closing, each Seller and the Shareholder will treat and hold as such all of the Confidential Information, refrain from using any of the Confidential Information (as defined below) except in connection with this Agreement, and deliver promptly to the Buyer or destroy, at the request and option of the Buyer, all tangible embodiments (and all copies) of the Confidential Information which are in its or his possession. In the event that either any Seller or the Shareholder is requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, that party will notify the Buyer promptly of the request or requirement so that the Buyer may seek an appropriate protective order or waive compliance with the provisions of this **Section 3.3**. If, in the absence of a protective order or the receipt of a waiver hereunder, either Sellers or the Shareholder is, on the advice of counsel, compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, such Seller or the Shareholder may disclose the Confidential Information to the tribunal; provided, however, that the disclosing Seller or the Shareholder shall use his or its best efforts to obtain, at the request of the Buyer, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as the Buyer shall designate. The foregoing provisions shall not apply to any Confidential Information which is generally available to the public immediately prior to the time of disclosure.

“**Confidential Information**” means any information concerning the Business and affairs of Sellers that is not generally available to the public and shall include any and all information relating to the price and terms of this Agreement.

3.4 Covenant Not to Compete or Solicit. During the time Buyer employs the Shareholder and for a period of two (2) years thereafter (the “**Noncompetition Period**”), neither Sellers nor the Shareholder will engage directly or indirectly in any business that is directly competitive with the Business; provided, however, that no owner of less than 5% of the outstanding stock of any publicly traded corporation shall be deemed to engage solely by reason thereof in any of its businesses. During the Noncompetition Period, neither Sellers nor the Shareholder shall induce or attempt to induce any customer, or supplier of Buyer or any affiliate of Buyer to terminate its relationship with Buyer or any affiliate of Buyer or to enter into any business relationship to provide or purchase the same or substantially the same services as are provided to or purchased from the Business which might harm Buyer or any affiliate of Buyer. During the Noncompetition Period, neither the Sellers nor the Shareholder shall, on behalf of any entity other than Buyer or an affiliate of Buyer, hire or retain, or attempt to hire or retain, in any capacity any person who is, or was at any time during the preceding 12 months, an employee or officer of Buyer or an affiliate of Buyer. For purposes of this **Section 3.4**, an affiliate of Buyer shall refer to a person or entity, the identity of which is known to Sellers or the Shareholder as an affiliate of Buyer, and which is in the same business as the Business. If the final judgment of a court of competent jurisdiction declares that any term or provision of this **Section 3.4** is invalid or unenforceable, the parties agree that the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified after the expiration of the time within which the judgment may be appealed. Notwithstanding the foregoing, neither Sellers nor the Shareholder shall be required to comply with this **Section 3.4** at any time that Buyer is in material breach of this Agreement or any of the other Transaction Documents; provided that Sellers and the Shareholder provide the Buyer with written notice of such material breach and a thirty (30) day opportunity to cure such material breach.

3.5 Employee Benefit Matters. Sellers shall be responsible for and shall, as of the Closing Date, have fully paid and satisfied in full all other amounts owed to any Employee of Sellers as of the Closing Date (including, without limitation, all amounts owed through the most recent pay date prior to the Closing Date and all amounts owed to any Employee from and after such most recent pay date through the Closing Date), including payroll, wages, salaries, severance pay, accrued vacation, any employment, incentive, compensation or bonus agreements or other benefits or payments (including without limitation all payments, obligations and other entitlements associated with any Employee Benefit Plan) relating to the period of employment by Sellers, or any Affiliate of Seller (to the extent related to the Business) or on account of the termination thereof, and Sellers and the Shareholder, jointly and severally, shall indemnify Buyer and hold Buyer harmless from any liabilities or liens thereunder.

3.6 Tax Matters. Seller shall pay any sales, use, transfer tax or similar taxes that may arise out of or result from the transactions consummated pursuant to this Agreement or the Transaction Documents. Following the Closing, Buyer, Sellers and the Shareholder shall cooperate fully, as and to the extent reasonably requested by the other party and at the expense of the other party, in connection with the filing of any tax returns and any audit, litigation or other proceeding with respect to taxes. Such cooperation shall include the retention and (upon the other party's request) the provision of records and information which are reasonably relevant to any such audit, litigation or other proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Buyer agrees to retain all books and records with respect to tax matters pertinent to Seller relating to any taxable period beginning before the Closing Date until the expiration of the applicable statute of limitations of the respective taxable periods, and to abide by all record retention agreements entered into with any taxing authority. Sellers, Buyer and the Shareholder will cooperate in the preparation and filing of all tax returns and other documents relating to transfer taxes, including any that would relate to an applicable exemption or reduction for such taxes.

#### **ARTICLE 4**

##### **CONDITIONS PRECEDENT**

4.1 Conditions to Each Party's Obligation. The respective obligations of each Party hereunder shall be subject to the satisfaction prior to the Closing Date of the following conditions:

(a) Approvals. All authorizations, consents, orders or approvals of, or declarations or filings with, or expiration of waiting periods imposed by, any governmental entity necessary for the consummation of the transactions contemplated by this Agreement shall have been filed, occurred or been obtained.

(b) Legal Action. No action, suit or proceeding shall have been instituted or threatened before any court or governmental body seeking to challenge or restrain the transactions contemplated hereby.

(c) Employment and Independent Contractor Agreements. As of the Closing Date, Buyer shall have entered into (i) Employment Agreements with the Shareholder and certain Employees of Sellers in the forms of **Exhibit 4.1(c)(i)** (the "**Employment Agreements**"); and (ii) an Independent Contractor Agreement with one individual in the form of **Exhibit 4.1(c)(ii)** attached hereto (the "Independent Contractor").

(d) Intellectual Property Assignment Agreement. Buyer, Sellers, and the Shareholder as applicable, shall have entered into an Intellectual Property Assignment Agreement pursuant to which Sellers, and the Shareholder as applicable, assigns all rights, title, and interest in and to the Intellectual Property Assets of the Business at Closing so that such Intellectual Property Assets are transferred and assigned to Buyer.

(e) Closing Documents. The Transaction Documents to be delivered at the Closing shall be in form and substance reasonably satisfactory to each of the parties.

4.2 Conditions to Obligations of Buyer. The obligations of Buyer to effect the transactions contemplated hereby are subject to the satisfaction of the following conditions unless waived by Buyer:

(a) Representations and Warranties. The representations and warranties of Sellers and the Shareholder set forth in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date, and Buyer shall have received a certificate signed by the chief executive officer of each Seller and the Shareholder individually to such effect.

(b) Performance of Obligations of Sellers and the Shareholder. Sellers and the Shareholder shall have performed all obligations required to be performed by them under this Agreement prior to the Closing Date, and Buyer shall have received a certificate signed by the chief executive officer of each Seller and the Shareholder individually to such effect.

(c) Assumed Contracts. Buyer shall have confirmed the Assumed Contracts or received satisfactory alternative evidence that the Assumed Contracts are in full force and effect without default.

(d) No Material Adverse Change. There shall have been no material adverse change in the financial condition, results of operations, business or assets of Seller from that represented to Buyer.

(e) Consents and Actions. All requisite consents of any third parties to the transactions contemplated by this Agreement and the other Transaction Documents shall have been obtained.

(f) Closing Deliveries. Sellers shall deliver and the Shareholder shall deliver or cause to be delivered to Buyer at Closing the following documents:

(i) The certificates set forth in **Sections 4.2(a)** and **4.2(b)** above.

(ii) A bill of sale conveying all of Sellers' right, title and interest in all personal property included in the Purchased Assets, in form and substance satisfactory to Buyer and its counsel.

(iii) An assignment and assumption agreement conveying all of sellers' right, title and interest in the Assumed Contracts, in form and substance satisfactory to Buyer and its counsel.

(iv) (iv) The Intellectual Property Assignment Agreement set forth in **Section 4.2(d)**.

(v) The Employment Agreements and the Consulting Agreements.

(vi) The Award Agreements.

(vii) Such other documents, instruments or certificates as shall be reasonably requested by Buyer or its counsel.

4.3 Conditions to Obligations of Sellers and the Shareholder. The obligations of Sellers and the Shareholder to effect the transactions contemplated hereby are subject to the satisfaction of the following conditions unless waived by Sellers and the Shareholder:

(a) Representations and Warranties. The representations and warranties of Buyer set forth in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date, and Sellers and the Shareholder shall have received a certificate signed by the chief executive officer of the Buyer to such effect.

(b) Performance of Obligations of Buyer. Buyer shall have performed all obligations required to be performed by it and this Agreement prior to the Closing Date, and Sellers and the Shareholder shall have received a certificate signed by the chief executive officer of Buyer to such effect.

(c) Consents and Actions. All requisite consents of any third parties or governmental agencies to the transactions contemplated hereby shall have been obtained.



(d) Closing Deliveries. Buyer shall deliver to Buyer at Closing the following documents:

- (i) The certificates set forth in **Sections 4.3(a)** and **4.3(b)** above.
- (ii) The Intellectual Property Assignment Agreement set forth in **Section 4.3(d)**.
- (iii) The Employment Agreements and the Consulting Agreements.
- (iv) The Award Agreements.
- (v) Such other documents, instruments or certificates as shall be reasonably requested by Buyer or its counsel.

## ARTICLE 5

### INDEMNIFICATION

5.1 Survival of Representations and Warranties. All of the representations and warranties of Sellers and the Shareholder contained in this Agreement shall survive the Closing and continue in full force and effect for a period of eighteen (18) months thereafter, provided that the representations and warranties contained in **Sections 2.1(a), 2.1(b), 2.1(c), 2.1(i)** and **2.1(l)** (such representations being referred to herein as the “**Fundamental Representations**”) shall continue in full force and effect for a period equal to the applicable statute of limitations. The representations and warranties of Buyer shall survive the Closing and continue in full force and effect for a period equal to the applicable statute of limitations. This **Section 5.1** shall survive so long as any representations, warranties or indemnification obligations of any party survive hereunder.

#### 5.2 Indemnification Provisions for Benefit of the Buyer.

(a) Subject to **Section 5.1**, in the event Sellers or the Shareholder breaches any of their or his respective representations, warranties, and covenants contained in this Agreement, and, if there is an applicable survival period pursuant to **Section 5.1** above, provided that the Buyer makes a written claim for indemnification against Sellers and/or the Shareholder pursuant to **Section 5.6** below within such survival period, which written claim shall, to the extent possible, specifically identify the basis for indemnification and any relevant facts forming the basis for such claim, then Sellers and the Shareholder, jointly and severally, agree to indemnify the Buyer from and against the entirety of any Adverse Consequences (as defined below) the Buyer may suffer through and after the date of the claim for indemnification (including any Adverse Consequences the Buyer or such affiliate of the Buyer may suffer after the end of any applicable survival period) resulting from, arising out of, relating to, in the nature of, or caused by the breach. For purposes of this Agreement, “**Adverse Consequences**” means all actions, suits, proceedings, hearings, investigations, charges, complaints, claims, demands, injunctions, judgments, orders, decrees, rulings, damages, dues, penalties, fines, costs, amounts paid in settlement, liabilities, obligations, taxes, liens, losses, lost value, expenses, and fees, including court costs and attorneys’ fees and expenses.

(b) In addition to the indemnification provided in **Section 5.2(a)**, Sellers and the Shareholder, jointly and severally, agree to indemnify the Buyer from and against the entirety of any Adverse Consequences Buyer and any affiliate of Buyer may suffer resulting from, arising out of, relating to, in the nature of, or caused by:

(i) Any Excluded Liability; and

(ii) Any liability of Sellers which is not an Assumed Liability and which is imposed upon Buyer under any bulk transfer law of any jurisdiction or under any common law doctrine of de facto merger or successor liability so long as such liability arises out of the ownership, use or operation of the assets of Sellers, or the operation or conduct of the Business prior to the Closing.

### 5.3 Indemnification Provisions for Benefit of the Seller and The Shareholder.

(a) In the event the Buyer breaches any of its representations, warranties, and covenants contained in this Agreement, and, if there is an applicable survival period pursuant to **Section 5.1** above, provided that any of the Sellers and/or the Shareholder make a written claim for indemnification against Buyer pursuant to **Section 5.6** below within such survival period which written claim shall, to the extent possible, specifically identify the basis for indemnification and any relevant facts forming the basis for such claim, then Buyer agrees to indemnify Sellers and the Shareholder from and against the entirety of any Adverse Consequences Sellers and the Shareholder may suffer through and after the date of the claim for indemnification (including any Adverse Consequences Sellers and the Shareholder may suffer after the end of any applicable survival period) resulting from, arising out of, relating to, in the nature of, or caused by the breach.

(b) In addition to the indemnification provided in **Section 5.3(a)**, Buyer agrees to indemnify Sellers and the Shareholder from and against the entirety of any Adverse Consequences any Seller or the Shareholder may suffer resulting from, arising out of, relating to, in the nature of, or caused by:

(i) Any Assumed Liability; or

(ii) Any liability (other than any Excluded Liability) asserted by a third party against any Sellers or the Shareholder which arises out of the ownership of the Purchased Assets after the Closing or the operation by Buyer of the business conducted with the Purchased Assets after the Closing Date.

5.4 Limitation on Indemnification. Notwithstanding anything to the contrary in **Section 5.2(a)** or **Section 5.3(a)**, in no event shall Buyer have or assert any claim against Sellers or the Shareholder, or Sellers or the Shareholder have or assert any claim against Buyer based upon or arising out of the breach of any representation or warranty, unless, until and to the extent that the aggregate of all such claims under **Section 5.2(a)**, in the case of claims by Buyer, or under **Section 5.3(a)**, in the case of claims by Sellers or the Shareholder, exceeds a Twenty-Five Thousand Dollar (\$25,000) aggregate threshold. Notwithstanding the foregoing, the threshold limitation expressed in the immediately preceding sentence shall not apply to claims by Buyer for breach by Sellers or the Shareholder of any of the Fundamental Representations. In addition, Buyer's aggregate remedy with respect to any and all indemnifiable losses shall in no event exceed the Purchase Price.

### 5.5 Matters Involving Third Parties.

(a) If any third party shall notify any party (the "**Indemnified Party**") with respect to any matter (a "**Third Party Claim**") which may give rise to a claim for indemnification against any other Party (the "**Indemnifying Party**") under this **Article 5**, then the Indemnified Party shall promptly notify each Indemnifying Party thereof in writing; provided, however, that no delay on the part of the Indemnified Party in notifying any Indemnifying Party shall relieve the Indemnifying Party from any obligation hereunder unless (and then solely to the extent) the Indemnifying Party thereby is prejudiced by such delay.

(b) Any Indemnifying Party will have the right to defend the Indemnified Party against the Third Party Claim with counsel of its choice reasonably satisfactory to the Indemnified Party so long as (i) the Indemnifying Party notifies the Indemnified Party in writing within 15 days after the Indemnified Party has given written notice of the Third Party Claim that the Indemnifying Party will indemnify the Indemnified Party from and against any Adverse Consequences the Indemnified Party may suffer resulting from, arising out of, relating to, in the nature of, or caused by the Third Party Claim; (ii) the Indemnifying Party provides the Indemnified Party with evidence reasonably acceptable to the Indemnified Party that the Indemnifying Party will have the financial resources to defend against the Third Party Claim and fulfill its indemnification obligations hereunder; (iii) the Third Party Claim involves only money damages and does not seek an injunction or other equitable relief; (iv) settlement of, or an adverse judgment with respect to, the Third Party Claim is not, in the good faith judgment of the Indemnified Party, likely to establish a precedential custom or practice materially adverse to the continuing business interests of the Indemnified Party (it being understood that any Third Party Claim involving a person or entity which is a customer or supplier of Buyer following the Closing, will be deemed to involve the possibility of such a precedential custom or practice); and (E) the Indemnifying Party conducts the defense of the Third Party Claim actively and diligently.

(c) So long as the Indemnifying Party is conducting the defense of the Third Party Claim in accordance with **Section 5.5(b)** above, (i) the Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third Party Claim; (ii) the Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Indemnifying Party (not to be withheld unreasonably); and (iii) the Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Indemnified Party (not to be withheld unreasonably).

(d) In the event any of the conditions in **Section 5.5(b)** above is or becomes unsatisfied, however, (i) the Indemnified Party may defend against, and consent to the entry of any judgment or enter into any settlement with respect to, the Third Party Claim in any manner it reasonably may deem appropriate (and the Indemnified Party need not consult with, or obtain any consent from, any Indemnifying Party in connection therewith); (ii) the Indemnifying Parties will reimburse the Indemnified Party promptly and periodically for the costs of defending against the Third Party Claim (including reasonable attorneys' fees and expenses); and (C) the Indemnifying Parties will remain responsible for any Adverse Consequences the Indemnified Party may suffer resulting from, arising out of, relating to, in the nature of, or caused by the Third Party Claim to the fullest extent provided in this **Article 5**.

5.6 Recoupment. The Buyer shall have the option of recouping all or any part of any Adverse Consequences it may suffer (in lieu of seeking any indemnification to which it is entitled under this Section 6) by notifying The Shareholder that the Buyer is reducing the Installment Payments or Earnout Payments by the amount of such Adverse Consequences.

## **ARTICLE 6**

### **GENERAL PROVISIONS**

6.1 Sales Taxes. All sales and use taxes, if any, due under the laws of any state, any local government authority, or the federal government of the United States, in connection with the purchase and sale of the Purchased Assets shall be paid by Buyer.

6.2 Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile, .PDF or other electronic transmission), all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party, it being understood that all parties need not sign the same counterpart.

6.3 Governing Law and Jurisdiction. This Agreement shall be governed in all respects, including validity, interpretation and effect, by the internal laws of the state of Texas without regard to conflict of law principles thereof. Any dispute shall be resolved in the Texas State District Court in Dallas County Texas . The provisions of this **Section 6.3** shall survive the entry of any judgment, and will not merge, or be deemed to have merged, into any judgment.

6.4 Entire Agreement. This Agreement (including the documents referred to herein) constitutes the entire agreement among the parties and supersedes any prior understandings, agreements, or representations by or among the parties, written or oral, to the extent they related in any way to the subject matter hereof.

6.5 Amendment. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the Parties.

6.6 Succession and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective (as applicable) heirs, legal representatives successors and permitted assigns. No Party may assign either this Agreement or any of his or its rights, interests, or obligations hereunder without the prior written approval of Buyer and the Shareholder; provided, however, that Buyer may (a) assign any or all of its rights and interests hereunder to one or more of its affiliates; (b) designate one or more of its affiliates to perform its obligations hereunder (in any or all of which cases the Buyer nonetheless shall remain responsible for the performance of all of its obligations hereunder); and (c) collaterally assign any or all of its rights and interests hereunder to one or more lenders of Buyer.

6.7 Notices.

(a) All notices, requests, claims, demands and other communications among the Parties shall be in writing and given to the respective Parties at their respective addresses set forth on the signature page to this Agreement (or to such other address as the Party shall have furnished to the other Parties in writing in accordance with the provisions of this **Section 6.7**).

(b) All notices shall be delivered (i) in person; or (ii) by a nationally recognized next day courier service to the address of the Party specified on the signature page to this Agreement or such other address as either party may specify in writing.

(c) All notices shall be effective upon receipt by the Party to which notice is given.

6.8 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

6.9 Specific Performance. Each of the Parties acknowledges and agrees that the other Parties would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached. Accordingly, each of the Parties agrees that the other parties shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof in any action instituted in any court of the United States or any state thereof having jurisdiction over the Parties and the matter, in addition to any other remedy to which they may be entitled, at law or in equity.

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, Buyer, Sellers and the Shareholder have executed this Agreement as of the date first written above.

**BUYER:**

**ASSET ENTITIES INC.**

By: /s/ Arshia Sarkhani  
Arshia Sarkhani, Chief Executive Officer

Address for Notices: 100 Crescent Court, 7<sup>th</sup> Floor  
Dallas, Texas 75201  
Attn: Matthew Krueger, Chief Financial Officer  
Email: cfo@assetentities.com

with a copy, which shall not constitute notice to Buyer, to:

BEVILACQUA PLLC  
1050 Connecticut Avenue, NW  
Suite 500  
Washington, DC 20036  
Attention: Louis A. Bevilacqua, Esq.  
Email: lou@bevilacquapllc.com

Lewis Brisbois Bisgaard & Smith LLP  
110 SE. 6<sup>th</sup> Street  
Fort Lauderdale, FL  
Attention: Michael Platner, Esq.  
Email: michael.platner@lewisbrisbois.com

**[SIGNATURES CONTINUE ON FOLLOWING PAGE]**

---

**SELLERS:**

**TERNARY, INC.**

By: /s/ Jason Lee  
Name: Jason Lee  
Title: Founder & CEO

**OPTIONSSWING INC.**

By: /s/ Jason Lee  
Name: Jason Lee  
Title: Founder & CEO

**TERNARY DEVELOPMENTS, INC.**

By: /s/ Jason Lee  
Name: Jason Lee  
Title: Founder & CEO

**THE SHAREHOLDER:**

/s/ Jason Lee  
Jason Lee

Sellers and the Shareholders Address for Notice:

2045 Biscayne Blvd Unit 316  
Miami, FL 33137  
Attn: Jason Lee  
Email: jason@ternarydev.com

with a copy, which shall not constitute notice to Buyer, to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Email: \_\_\_\_\_

\_\_\_\_\_

**Schedule 1.1(a)**

**Purchased Assets**

- Assumed Contracts – See Schedule 2.1(e)
  - Assigned Intellectual Property – See Assignment of Intellectual Property Agreements, dated November 10, 2023
-

**Schedule 1.1(b)**

**Excluded Assets**

- None
-



**Schedule 1.2(a)**

**Assumed Liabilities**

- Liabilities arising from the Assumed Contracts included in the Purchase Assets and set forth on Schedule 2.1(e)
-

**Schedule 1.4**

**Stock Awards**

[Schedule 1.4 lists the individuals, stock award amounts, and grant dates for the stock awards]

---

**Schedule 1.5**

**Purchase Price Allocation**

[Schedule 1.5 lists the assets for the total purchase price allocation of \$100,000]

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**Schedule 2.1(e)**

**Contracts**

[Schedule 2.1(e) included a list of contracts for Ternary and stated that OptionsSwing had none listed]

---

**Schedule 2.1(j)**

**Financial Statements**

[Schedule 2.1(j) included links to Profit and Loss Statements of OptionsSwing and Ternary]

---

**Schedule 2.1(m)(i)**

**Intellectual Property Assets**

- Assigned Intellectual Property – See Assignment of Intellectual Property Agreements, dated November 10, 2023
-

**Schedule 2.1(m)(ii)**

**Licensing Contracts Related to Assigned Intellectual Property Assets**

- Assigned Intellectual Property – See Assignment of Intellectual Property Agreements, dated November 10, 2023
-

**Schedule 2.1(m)(iv)**

**Social Media Accounts and Platform Agreements**

- Assigned Intellectual Property – See Assignment of Intellectual Property Agreements, dated November 10, 2023
-



**Schedule 2.1(o)**

**Employees**

[Schedule 2.1(o) included a list of the current contractor and employee agreements and the payroll for both OptionsSwing and Ternary]

---

**Schedule 2.1(p)**

**Seller Affiliate / Affiliate Agreements**

- None
-

**Schedule 2.1(q)**

**Customers / Material Vendors**

[Schedule 2.1(q) included a list of active and non-active customers and material vendors for Ternary and stated that OptionsSwing none listed]

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**Exhibit 4.l(c)(i)**

**Employment Agreements**

See attached.

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**Exhibit 4.l(c)(ii)**

**Independent Contractor Agreements**

See attached.

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ASSET ENTITIES INC.  
100 Crescent Ct, 7<sup>th</sup> Floor  
Dallas, TX 75201

November 10, 2023

JASON LEE  
2045 Biscayne Blvd, Unit 316  
Miami, FL 33137

**Re: Employment Terms**

Dear Jason:

Asset Entities Inc. (the "**Company**") is pleased to offer you the position of Chief Technology Officer ("CTO") on the following terms.

Effective as of the Effective Date (as defined below), you will be responsible for duties that are customary for a CTO of a company like the Company, including, but not limited to, overseeing and operating the Ternary platform and the OptionsSwing Discord server/community, and creating a strategy for implementing, using and managing technology platforms, training IT staff, implementing technological solutions to meet current and projected needs, managing technology performance metrics, inspecting all system designs and changes in system architecture, designing standards and practices for the use of technology, ensuring adherence by all staff members, assisting in controlling the annual operating and capital budgets for technological purchasing, staffing and operations, driving technical thought leadership, innovation and creativity, and overseeing cybersecurity.

You will report to the CEO and CXO of the Company. You will be a full-time employee and your work will be performed in-person with occasional remote meeting depending on travel schedules. Of course, the Company may change your position, duties, and work location from time to time in its discretion.

Effective as of the Effective Date, your salary will be \$100,000 per year, less payroll deductions and withholdings, paid on the Company's normal payroll schedule.

Subject to the approval of the Company's Board of Directors, you will be granted restricted stock in the amount of 177,000 shares of Class B Common Stock (the "**Shares**"). The Shares will be subject to the terms and conditions applicable to restricted stock granted under the Company's 2022 Equity Incentive Plan (the "**Plan**"), as described in the Plan and the applicable Restricted Stock Award Agreement (the "**Award Agreement**"). The Shares will vest equally over two (2) years on each six month anniversary of the Award Agreement provided you remain in continuous service with the Company, as described in the applicable Award Agreement. Upon a change of control of the Company, all of the Shares will vest immediately. The Award Agreement will also contain non-competition and non-solicitation provisions.

During your employment, you will be eligible to participate in the standard benefits plans offered to similarly situated employees by the Company from time to time, subject to plan terms and generally applicable Company policies. A full description of these benefits is available upon request. The Company may change compensation and benefits from time to time in its discretion.

As a condition of employment, you must sign and comply with the attached Employee Confidential Information and Inventions Assignment Agreement which prohibits unauthorized use or disclosure of the Company's proprietary information, among other obligations, and the attached Indemnification Agreement which indemnifies the Company's directors and officers.

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In your work for the Company, you will be expected not to use or disclose any confidential information, including trade secrets, of any former employer or other person to whom you have an obligation of confidentiality. Rather, you will be expected to use only that information which is generally known and used by persons with training and experience comparable to your own, which is common knowledge in the industry or otherwise legally in the public domain, or which is otherwise provided or developed by the Company. You agree that you will not bring onto Company premises any unpublished documents or property belonging to any former employer or other person to whom you have an obligation of confidentiality. You hereby represent that you have disclosed to the Company any contract you have signed that may restrict your activities on behalf of the Company.

Normal business hours are from 9:00 a.m. to 5:00 p.m., Monday through Friday. As an exempt salaried employee, you will be expected to work additional hours as required by the nature of your work assignments.

The term of employment under this agreement shall commence on November 15, 2023 (the “**Effective Date**”) and shall continue until the two (2)-year anniversary of the Effective Date unless terminated earlier as hereinafter provided in this agreement, or unless extended, on these or different terms, by mutual written agreement of you and the Company. You may terminate your employment with the Company at any time and for any reason whatsoever simply by notifying the Company. The Company may terminate your employment for “cause” by written notice to you. As used herein, “cause” shall mean (a) conviction of or plea of guilty or nolo contendere to a felony under the laws of the United States or any state thereof; (b) commission of fraud or embezzlement on the Company or any of its subsidiaries; (c) willful act or omission which results in an assessment of a civil or criminal penalty against the Company or any of its subsidiaries that causes material financial or reputational harm to the Company or any of its subsidiaries; (d) any intentional act of dishonesty resulting or intending to result in personal gain or enrichment at the expense of the Company or any of its subsidiaries; (e) a violation by of law (whether statutory, regulatory or common law), causing a material financial harm or material reputational harm to the Company or any of its subsidiaries; (f) a material violation of the Company’s (or any of its subsidiaries’) bona fide, written equal employment opportunity, antidiscrimination, anti-harassment, or anti-retaliation policies; (g) material breach of this agreement; (h) the consistent abuse of alcohol, prescription drugs or controlled substances, which interferes with the performance of your duties to the Company; (i) failure to execute the duties and responsibilities of the officer position which you hold; (j) a breach or default of your obligations to the Company or under this Agreement; or (k) excessive absenteeism other than for reasons of illness.

This offer is contingent upon a reference check and satisfactory proof of your right to work in the United States. You agree to assist as needed and to complete any documentation at the Company’s request to meet these conditions.

This letter, together with the Employee Confidential Information and Inventions Assignment Agreement and Indemnification Agreement, forms the complete and exclusive statement of your employment agreement with the Company. It supersedes any other agreements or promises made to you by anyone, whether oral or written. Changes in your employment terms, other than those changes expressly reserved to the Company’s discretion in this letter, require a written modification signed by an officer of the Company.

Please sign and date this letter, and the enclosed Employee Confidential Information and Inventions Assignment Agreement and Indemnification Agreement and return them to me by November 10, 2023, if you wish to accept employment at the Company under the terms described above. If you accept our offer, this agreement will become effective as of the Effective Date.

We look forward to your favorable reply and to a productive and enjoyable work relationship.

Sincerely,

/s/ Arshia Sarkhani

Arshia Sarkhani, Chief Executive Officer

Understood and Accepted:

/s/ Jason Lee

Jason Lee

November 10, 2023

Date

Attachments: Employee Confidential Information and Inventions Assignment Agreement  
Indemnification Agreement



## EMPLOYEE CONFIDENTIAL INFORMATION AND INVENTIONS ASSIGNMENT AGREEMENT

In consideration of my employment or continued employment by ASSET ENTITIES INC., a Nevada corporation (“*Company*”), and the compensation being paid or to be paid to me during my employment with Company, I agree to the terms of this Agreement as follows:

### 1. CONFIDENTIAL INFORMATION PROTECTIONS.

**1.1 Nondisclosure; Recognition of Company’s Rights.** At all times during and after my employment, I will hold in confidence and will not disclose, use, lecture upon, or publish any of Company’s Confidential Information (defined below), except (i) as may be required in connection with my work for Company, (ii) as expressly authorized by an authorized officer of Company at the direction of the Board of Directors of Company; or (iii) as required or permitted to be disclosed pursuant to Rule 21F-17(a) under the Securities Exchange Act of 1934, as amended, or other applicable law, legal process or government regulation, provided, however, that prior to any disclosure of confidential information as required by such applicable law, I shall, to the extent such applicable law so permits, use my best efforts to advise Company in advance of my making any such permitted or required disclosure and cooperate with Company in order to afford Company a reasonable opportunity to take any legally-permissible actions to contest, limit, remove the basis for, or otherwise address such disclosure in connection with my work for Company. Except as provided above, I will obtain the written approval of an authorized officer of Company before publishing or submitting for publication any material (written, oral, or otherwise) that relates to my work at Company and/or incorporates any Confidential Information. Except as otherwise provided by applicable law I hereby assign to Company any rights I may have or acquire in any and all Confidential Information and recognize that all Confidential Information shall be the sole and exclusive property of Company and its assigns.

**1.2 Confidential Information.** The term “*Confidential Information*” shall mean any and all confidential knowledge, data or information related to Company’s business or its actual or demonstrably anticipated research or development, including without limitation (a) trade secrets, inventions, ideas, processes, computer source and object code, data, formulae, programs, other works of authorship, know-how, improvements, discoveries, developments, designs, and techniques; (b) information regarding products, services, plans for research and development, marketing and business plans, budgets, financial statements, contracts, prices, suppliers, and customers; (c) information regarding the skills and compensation of Company’s employees, contractors, and any other service providers of Company; and (d) the existence of any business discussions, negotiations, or agreements between Company and any third party.

**1.3 Third Party Information.** I understand that Company has received and in the future will receive from third parties confidential or proprietary information (“*Third Party Information*”) subject to a duty on Company’s part to maintain the confidentiality of such information and to use it only for certain limited purposes. During and after the term of my employment, I will hold Third Party Information in strict confidence and will not disclose to anyone (other than Company personnel who need to know such information in connection with their work for Company) or use, Third Party Information, except in connection with my work for Company or unless expressly authorized by an officer of Company in writing.

**1.4 No Improper Use of Information of Prior Employers and Others.** I represent that my employment by Company does not and will not breach any agreement with any former employer, including any noncompete agreement or any agreement to keep in confidence or refrain from using information acquired by me prior to my employment by Company. I further represent that I have not entered into, and will not enter into, any agreement, either written or oral, in conflict with my obligations under this Agreement. During my employment by Company, I will not improperly make use of, or disclose, any information or trade secrets of any former employer or other third party, nor will I bring onto the premises of Company or use any unpublished documents or any property belonging to any former employer or other third party, in violation of any lawful agreements with that former employer or third party. I will use in the performance of my duties only information that is generally known and used by persons with training and experience comparable to my own, is common knowledge in the industry or otherwise legally in the public domain, or is otherwise provided or developed by Company.

### 2. INVENTIONS.

**2.1 Definitions.** As used in this Agreement, the term “*Invention*” means any ideas, concepts, information, materials, processes, data, programs, know-how, improvements, discoveries, developments, designs, artwork, formulae, other copyrightable works, and techniques and all Intellectual Property Rights in any of the items listed above. The term “*Intellectual Property Rights*” means all trade secrets, copyrights, trademarks, mask work rights, patents and other intellectual property rights recognized by the laws of any jurisdiction or country. The term “*Moral Rights*” means all paternity, integrity, disclosure, withdrawal, special and any other similar rights recognized by the laws of any jurisdiction or country.

**2.2 Prior Inventions.** I have disclosed on **Exhibit A** a complete list of all Inventions that (a) I have, or I have caused to be, alone or jointly with others, conceived, developed, or reduced to practice prior to the commencement of my employment by Company; (b) in which I have an ownership interest or which I have a license to use; (c) and that I wish to have excluded from the scope of this Agreement (collectively referred to as “*Prior Inventions*”). If no Prior Inventions are listed in **Exhibit A** or if I have not completed **Exhibit A**, I warrant that there are no Prior Inventions. I agree that I will not incorporate, or permit to be incorporated, Prior Inventions in any Company Inventions (defined below) without Company’s prior written consent. If, in the course of my employment with Company, I incorporate a Prior Invention into a Company process, machine or other work, I hereby grant Company a non-exclusive, perpetual, fully-paid and royalty-free, irrevocable and worldwide license, with rights to sublicense through multiple levels of sublicensees, to reproduce, make derivative works of, distribute, publicly perform, and publicly display in any form or medium, whether now known or later developed, make, have made, use, sell, import, offer for sale, and exercise any and all present or future rights in, such Prior Invention.

**2.3 Assignment of Company Inventions.** Inventions assigned to Company or to a third party as directed by Company pursuant to the subsection titled "Government or Third Party" are referred to in this Agreement as "**Company Inventions.**" Subject to the subsection titled "Government or Third Party" and except for Inventions that I can prove qualify fully under the provisions of California Labor Code section 2870 and I have set forth in **Exhibit A**, I hereby assign and agree to assign in the future (when any such Inventions or Intellectual Property Rights are first reduced to practice or first fixed in a tangible medium, as applicable) to Company all my right, title, and interest in and to any and all Inventions (and all Intellectual Property Rights with respect thereto) made, conceived, reduced to practice, or learned by me, either alone or with others, during the period of my employment by Company. Any assignment of Inventions (and all Intellectual Property Rights with respect thereto) hereunder includes an assignment of all Moral Rights. To the extent such Moral Rights cannot be assigned to Company and to the extent the following is allowed by the laws in any country where Moral Rights exist, I hereby unconditionally and irrevocably waive the enforcement of such Moral Rights, and all claims and causes of action of any kind against Company or related to Company's customers, with respect to such rights. I further acknowledge and agree that neither my successors-in-interest nor legal heirs retain any Moral Rights in any Inventions (and any Intellectual Property Rights with respect thereto).

**2.4 Obligation to Keep Company Informed.** During the period of my employment and for one (1) year after my employment ends, I will promptly and fully disclose to Company in writing (a) all Inventions authored, conceived, or reduced to practice by me, either alone or with others, including any that might be covered under California Labor Code section 2870, and (b) all patent applications filed by me or in which I am named as an inventor or co-inventor.

**2.5 Government or Third Party.** I agree that, as directed by Company, I will assign to a third party, including without limitation the United States, all my right, title, and interest in and to any particular Company Invention.

**2.6 Enforcement of Intellectual Property Rights and Assistance.** During and after the period of my employment and at Company's request and expense, I will assist Company in every proper way, including consenting to and joining in any action, to obtain and enforce United States and foreign Intellectual Property Rights and Moral Rights relating to Company Inventions in all countries. I will execute any documents that Company may reasonably request for use in obtaining or enforcing such Intellectual Property Rights and Moral Rights. If Company is unable to secure my signature on any document needed in connection with such purposes, I hereby irrevocably designate and appoint Company and its duly authorized officers and agents as my agent and attorney in fact, which appointment is coupled with an interest, to act on my behalf to execute and file any such documents and to do all other lawfully permitted acts to further such purposes with the same legal force and effect as if executed by me. My obligations under this paragraph will continue beyond the termination of my employment with Company, provided that Company will compensate me at a reasonable rate after such termination for time or expenses actually spent by me at Company's request on such assistance.

**2.7 Incorporation of Software Code.** I agree that I will not incorporate into any Company software or otherwise deliver to Company any software code licensed under the GNU General Public License or Lesser General Public License or any other license that, by its terms, requires or conditions the use or distribution of such code on the disclosure, licensing, or distribution of any source code owned or licensed by Company except as expressly authorized by Company or in strict compliance with Company's policies regarding the use of such software.

**3. RECORDS.** I agree to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that is required by Company) of all Inventions made by me during the period of my employment by Company, which records shall be available to, and remain the sole property of, Company at all times.

**4. ADDITIONAL ACTIVITIES.** I agree that I will not (a) during the term of my employment by Company, without Company's express written consent, engage in any employment or business activity that is competitive with, or would otherwise conflict with my employment by, Company; and (b) during the term of my employment by Company and for one (1) year thereafter, I will not either directly or indirectly, solicit or attempt to solicit any employee, independent contractor, or consultant of Company to terminate his, her or its relationship with Company in order to become an employee, consultant, or independent contractor to or for any other person or entity. Furthermore, I agree that during the term of my employment by Company and thereafter, I shall not disparage Company, any officer or director of Company or any affiliate or agent of Company.

**5. RETURN OF COMPANY PROPERTY.** Upon termination of my employment or upon Company's request at any other time, I will deliver to Company all of Company's property, equipment, and documents, together with all copies thereof, and any other material containing or disclosing any Inventions, Third Party Information or Confidential Information and certify in writing that I have fully complied with the foregoing obligation. I agree that I will not copy, delete, or alter any information contained upon my Company computer or Company equipment before I return it to Company. In addition, if I have used any personal computer, server, or e-mail system to receive, store, review, prepare or transmit any Company information, including but not limited to, Confidential Information, I agree to provide Company with a computer-useable copy of all such Confidential Information and then permanently delete and expunge such Confidential Information from those systems; and I agree to provide Company access to my system as reasonably requested to verify that the necessary copying and/or deletion is completed. I further agree that any property situated on Company's premises and owned by Company is subject to inspection by Company's personnel at any time with or without notice. Prior to the termination of my employment or promptly after termination of my employment, I will cooperate with Company in attending an exit interview and certify in writing that I have complied with the requirements of this section.

**6. NOTIFICATION OF NEW EMPLOYER.** If I leave the employ of Company, I consent to the notification of my new employer of my rights and obligations under this Agreement, by Company providing a copy of this Agreement or otherwise.

**7. GENERAL PROVISIONS.**

**7.1 Governing Law and Venue.** This Agreement and any action related thereto will be governed and interpreted by and under the laws of the State of Nevada, without giving effect to any conflicts of laws principles that require the application of the law of a different state. I expressly consent to personal jurisdiction and venue in the state and federal courts for the county in which Company's principal place of business is located for any lawsuit filed there against me by Company arising from or related to this Agreement.

**7.2 Severability.** If any provision of this Agreement is, for any reason, held to be invalid or unenforceable, the other provisions of this Agreement will remain enforceable and the invalid or unenforceable provision will be deemed modified so that it is valid and enforceable to the maximum extent permitted by law.

**7.3 Survival.** This Agreement shall survive the termination of my employment and the assignment of this Agreement by Company to any successor or other assignee and shall be binding upon my heirs and legal representatives.

**7.4 Employment.** I agree and understand that nothing in this Agreement shall give me any right to continued employment by Company, and it will not interfere in any way with my right or Company's right to terminate my employment at any time, with or without cause and with or without advance notice.

**7.5 Notices.** Each party must deliver all notices or other communications required or permitted under this Agreement in writing to the other party at the address listed on the signature page, by courier, by certified or registered mail (postage prepaid and return receipt requested), or by a nationally-recognized express mail service. Notice will be effective upon receipt or refusal of delivery. If delivered by certified or registered mail, notice will be considered to have been given five (5) business days after it was mailed, as evidenced by the postmark. If delivered by courier or express mail service, notice will be considered to have been given on the delivery date reflected by the courier or express mail service receipt. Each party may change its address for receipt of notice by giving notice of the change to the other party.

**7.6 Injunctive Relief.** I acknowledge that, because my services are personal and unique and because I will have access to the Confidential Information of Company, any breach of this Agreement by me would cause irreparable injury to Company for which monetary damages would not be an adequate remedy and, therefore, will entitle Company to injunctive relief (including specific performance). The rights and remedies provided to each party in this Agreement are cumulative and in addition to any other rights and remedies available to such party at law or in equity.

**7.7 Waiver.** Any waiver or failure to enforce any provision of this Agreement on one occasion will not be deemed a waiver of that provision or any other provision on any other occasion.

**7.8 Export.** I agree not to export, reexport, or transfer, directly or indirectly, any U.S. technical data acquired from Company or any products utilizing such data, in violation of the United States export laws or regulations.

**7.9 Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall be taken together and deemed to be one instrument.

**7.10 Entire Agreement.** If no other agreement governs nondisclosure and assignment of inventions during any period in which I was previously employed or am in the future employed by Company as an independent contractor, the obligations pursuant to sections of this Agreement titled "Confidential Information Protections" and "Inventions" shall apply. This Agreement is the final, complete and exclusive agreement of the parties with respect to the subject matter hereof and supersedes and merges all prior communications between us with respect to such matters. No modification of or amendment to this Agreement, or any waiver of any rights under this Agreement, will be effective unless in writing and signed by me and an authorized officer of Company. Any subsequent change or changes in my duties, salary or compensation will not affect the validity or scope of this Agreement.

This Agreement shall be effective as of the first day of my employment with Company.

**COMPANY:**

**ASSET ENTITIES INC.**

By: /s/ Arshia Sarkhani  
Name: Arshia Sarkhani  
Title: Chief Executive Officer

Address: 100 Crescent Ct, 7th Floor  
Dallas, TX 75201

**EMPLOYEE:**

**I HAVE READ, UNDERSTAND, AND ACCEPT THIS AGREEMENT AND HAVE BEEN GIVEN THE OPPORTUNITY TO REVIEW IT WITH INDEPENDENT LEGAL COUNSEL.**

/s/ Jason Lee  
(Signature)

Jason Lee  
Name (Please Print)

November 10, 2023  
Date

Address: 2045 Biscayne Blvd, Unit 316  
Miami, FL 33137

**EXHIBIT A**

**INVENTIONS**

**1. Prior Inventions Disclosure.** The following is a complete list of all Prior Inventions (as provided in Subsection 2.2 of the attached Employee Confidential Information and Inventions Assignment Agreement):

None

See immediately below:

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## INDEMNIFICATION AGREEMENT

INDEMNIFICATION AGREEMENT (this “**Agreement**”) is entered into as of November 10, 2023 by and between Asset Entities Inc., a Nevada corporation (the “**Company**”) and the undersigned, a director and/or an officer of the Company (“**Indemnitee**”), as applicable.

### BACKGROUND

The Board of Directors of the Company (the “**Board of Directors**”) has determined that the inability to attract and retain highly competent persons to serve the Company is detrimental to the best interests of the Company and its shareholders and that it is reasonable and necessary for the Company to provide adequate protection to such persons against risks of claims and actions against them arising out of their services to the corporation.

### AGREEMENT

In consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

#### A. DEFINITIONS

1. Definitions. The following terms shall have the meanings defined below:

**Expenses** shall include, without limitation, damages, judgments, fines, penalties, settlements and costs, attorneys’ fees and disbursements and costs of attachment or similar bond, investigations, and any other expenses paid or incurred in connection with investigating, defending, being a witness in, participating in (including on appeal), or preparing for any of the foregoing in, any Proceeding.

**Indemnifiable Event** means any event or occurrence that takes place either before or after the execution of this Agreement, related to the fact that Indemnitee is or was a director or an officer of the Company, or is or was serving at the request of the Company as a director or officer of another corporation, partnership, joint venture or other entity, or related to anything done or not done by Indemnitee in any such capacity, including, but not limited to, neglect, breach of duty, error, misstatement, misleading statement or omission.

**Participant** means a person who is a party to, or witness or participant (including on appeal) in, a Proceeding.

**Proceeding** means any threatened, pending, or completed action, suit, arbitration or proceeding, or any inquiry, hearing or investigation, whether civil, criminal, administrative, investigative or other, including appeal, in which Indemnitee may be or may have been involved as a party or otherwise by reason of an Indemnifiable Event.

#### B. AGREEMENT TO INDEMNIFY

1. General Agreement to Indemnify. In the event Indemnitee was, is, or becomes a Participant in, or is threatened to be made a Participant in, a Proceeding, the Company shall indemnify the Indemnitee from and against any and all Expenses which Indemnitee incurs or becomes obligated to incur in connection with such Proceeding, whether or not such Proceeding proceeds to judgment or is settled or is otherwise brought to a final disposition, to the fullest extent permitted by applicable law.

2. Indemnification of Expenses of Successful Party. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee has been successful on the merits in defense of any Proceeding or in defense of any claim, issue or matter in such Proceeding, the Company shall indemnify Indemnitee against all Expenses incurred in connection with such Proceeding or such claim, issue or matter, whether or not such Proceeding proceeds to judgment or is settled or is otherwise brought to a final disposition, as the case may be, offset by the amount of cash, if any, received by the Indemnitee resulting from his/her success therein.

3. Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for a portion of Expenses, but not for the total amount of Expenses, the Company shall indemnify the Indemnitee for the portion of such Expenses to which Indemnitee is entitled.

4. Exclusions. Notwithstanding anything in this Agreement to the contrary, Indemnitee shall not be entitled to indemnification under this Agreement:

(a) to the extent that payment is actually made to Indemnitee under a valid, enforceable and collectible insurance policy;

(b) to the extent that Indemnitee is indemnified and actually paid other than pursuant to this Agreement;

(c) subject to Section C.2(a), in connection with a judicial action by or in the right of the Company, in respect of any claim, issue or matter as to which the Indemnitee shall have been adjudicated by a court of competent jurisdiction, in a decision from which there is no further right of appeal, to be liable for gross negligence or knowing or willful misconduct in the performance of his/her duty to the Company unless and only to the extent that any court in which such action was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, the Indemnitee is fairly and reasonably entitled to indemnity for such Expenses as such court shall deem proper;

(d) in connection with any Proceeding initiated by Indemnitee against the Company, any director or officer of the Company or any other party, and not by way of defense, unless (i) the Company has joined in or the Board of Directors has consented to the initiation of such Proceeding; or (ii) the Proceeding is one to enforce indemnification rights under this Agreement or any applicable law;

(e) brought about by the dishonesty or fraud of the Indemnitee seeking payment hereunder; provided, however, that the Company shall indemnify Indemnitee under this Agreement as to any claims upon which suit may be brought against him/her by reason of any alleged dishonesty on his/her part, unless a judgment or other final adjudication thereof adverse to the Indemnitee establishes that he/she committed (i) acts of active and deliberate dishonesty, (ii) with actual dishonest purpose and intent, and (iii) which acts were material to the cause of action so adjudicated;

(f) for any judgment, fine or penalty which the Company is prohibited by applicable law from paying as indemnity;

(g) arising out of Indemnitee's breach of an employment agreement with the Company (if any) or any other agreement with the Company or any of its subsidiaries, or

(h) arising out of Indemnitee's personal income tax payable on any salaries, bonuses, director's fees, including fees for attending meetings, or gain on disposition of shares, options or restricted shares of the Company.

5. No Employment Rights. Nothing in this Agreement is intended to create in Indemnitee any right to continued employment with the Company.

6. Contribution. If the indemnification provided in this Agreement is unavailable and may not be paid to Indemnitee for any reason other than those set forth in Section B.4, then the Company shall contribute to the amount of Expenses paid in settlement actually and reasonably incurred and paid or payable by Indemnitee in such proportion as is appropriate to reflect (i) the relative benefits received by the Company on the one hand and by the Indemnitee on the other hand from the transaction or events from which such Proceeding arose, and (ii) the relative fault of the Company on the one hand and of the Indemnitee on the other hand in connection with the events which resulted in such Expenses, as well as any other relevant equitable considerations. The relative fault of the Company on the one hand and of the Indemnitee on the other hand shall be determined by reference to, among other things, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such Expenses, judgments, fines or settlement amounts. The Company agrees that it would not be just and equitable if contribution pursuant to this Section B.6 were determined by pro rata allocation or any other method of allocation which does not take account of the foregoing equitable considerations.

### C. INDEMNIFICATION PROCESS

1. Notice and Cooperation by Indemnitee. Indemnitee shall, as a condition precedent to his/her right to be indemnified under this Agreement, give the Company notice in writing as soon as practicable of any claim made against Indemnitee for which indemnification will or could be sought under this Agreement, provided that the delay of Indemnitee to give notice hereunder shall not prejudice any of Indemnitee's rights hereunder, unless such delay results in the Company's forfeiture of substantive rights or defenses. Notice to the Company shall be given in accordance with Section F.7 below. If, at the time of receipt of such notice, the Company has directors' and officers' liability insurance policies in effect, the Company shall give prompt notice to its insurers of the Proceeding relating to the notice. The Company shall thereafter take all necessary and desirable action to cause such insurers to pay, on behalf of Indemnitee, all Expenses payable as a result of such Proceeding. In addition, Indemnitee shall give the Company such cooperation as the Company may reasonably request and the Company shall give the Indemnitee such cooperation as the Indemnitee may reasonably request, including providing any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee or the Company, as the case may be.

#### 2. Indemnification Payment.

(a) *Advancement of Expenses*. Indemnitee may submit a written request with reasonable particulars to the Company requesting that the Company advance to Indemnitee all Expenses that may be reasonably incurred in advance by Indemnitee in connection with a Proceeding. The Company shall, within ten (10) business days of receiving such a written request by Indemnitee, advance all requested Expenses to Indemnitee. Any excess of the advanced Expenses over the actual Expenses will be repaid to the Company.

(b) *Reimbursement of Expenses*. To the extent Indemnitee has not requested any advanced payment of Expenses from the Company, Indemnitee shall be entitled to receive reimbursement for the Expenses incurred in connection with a Proceeding from the Company as soon as practicable and, in any event, within thirty (30) days after Indemnitee makes a written request to the Company for reimbursement unless the Company refers the indemnification request to the Reviewing Party in compliance with Section C.2(c) below.



(c) *Determination by the Reviewing Party.* If the Company reasonably believes that it is not obligated under this Agreement to indemnify the Indemnitee, the Company shall, within ten (10) days after the Indemnitee's written request for an advancement or reimbursement of Expenses, notify the Indemnitee that the request for advancement of Expenses or reimbursement of Expenses will be submitted to the Reviewing Party (as hereinafter defined). The Reviewing Party shall make a determination on the request within thirty (30) days after the Indemnitee's written request for an advancement or reimbursement of Expenses. Notwithstanding anything foregoing to the contrary, in the event the Reviewing Party informs the Company that Indemnitee is not entitled to indemnification in connection with a Proceeding under this Agreement or applicable law, the Company shall be entitled to be reimbursed by Indemnitee for all the Expenses previously advanced or otherwise paid to Indemnitee in connection with such Proceeding; provided, however, that Indemnitee may bring a suit to enforce his/her indemnification right in accordance with Section C.3 below.

3. Suit to Enforce Rights. Regardless of any action by the Reviewing Party, if Indemnitee has not received full indemnification within thirty (30) days after making a written demand in accordance with Section C.2 above or fifty (50) days if the Company submits a request for advancement or reimbursement to the Reviewing Party under Section C.2(c), Indemnitee shall have the right to enforce its indemnification rights under this Agreement by commencing litigation in any court of competent jurisdiction seeking a determination by the court or challenging any determination by the Reviewing Party or with respect to any breach in any aspect of this Agreement. Any determination by the Reviewing Party not challenged by Indemnitee and any judgment entered by the court shall be binding on the Company and Indemnitee.

4. Assumption of Defense. In the event the Company is obligated under this Agreement to advance or bear any Expenses for any Proceeding against Indemnitee, the Company shall be entitled to assume the defense of such Proceeding, with counsel approved by Indemnitee, upon delivery to Indemnitee of written notice of its election to do so. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under this Agreement for any fees of counsel subsequently incurred by Indemnitee with respect to the same Proceeding, unless (i) the employment of counsel by Indemnitee has been previously authorized by the Company, (ii) Indemnitee shall have reasonably concluded, based on written advice of counsel, that there may be a conflict of interest of such counsel retained by the Company between the Company and Indemnitee in the conduct of any such defense, or (iii) the Company ceases or terminates the employment of such counsel with respect to the defense of such Proceeding, in any of which events the fees and expenses of Indemnitee's counsel shall be at the expense of the Company. At all times, Indemnitee shall have the right to employ counsel in any Proceeding at Indemnitee's expense.

5. Burden of Proof and Presumptions. Upon making a request for indemnification, Indemnitee shall be presumed to be entitled to indemnification under this Agreement and the Company shall have the burden of proof to overcome that presumption in reaching any contrary determination.

6. No Settlement Without Consent. Neither party to this Agreement shall settle any Proceeding in any manner that would impose any damage, loss, penalty or limitation on Indemnitee without the other party's written consent. Neither the Company nor Indemnitee shall unreasonably withhold its consent to any proposed settlement.

7. Company Participation. Subject to Section B.6, the Company shall not be liable to indemnify the Indemnitee under this Agreement with regard to any judicial action if the Company was not given a reasonable and timely opportunity, at its expense, to participate in the defense, conduct and/or settlement of such action.

## 8. Reviewing Party.

(a) For purposes of this Agreement, the Reviewing Party with respect to each indemnification request of Indemnitee that is referred by the Company pursuant to Section C.2(c) above shall be (A) the Board of Directors by a majority vote of a quorum consisting of Disinterested Directors (as hereinafter defined), or (B) if a quorum of the Board of Directors consisting of Disinterested Directors is not obtainable or, even if obtainable, said Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee. If the Reviewing Party determines that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten (10) days after such determination. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any Independent Counsel or member of the Board of Directors shall act reasonably and in good faith in making a determination under this Agreement of the Indemnitee's entitlement to indemnification. Any reasonable costs or expenses (including reasonable attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom. "**Disinterested Director**" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(b) If the determination of entitlement to indemnification is to be made by Independent Counsel, the Independent Counsel shall be selected as provided in this Section C.8(b). The Independent Counsel shall be selected by Indemnitee (unless Indemnitee shall request that such selection be made by the Board of Directors, in which event the proceeding sentence shall apply), and Indemnitee shall give written notice to the Company advising it of the identity of the Independent Counsel so selected. In either event, Indemnitee or the Company, as the case may be, may, within 10 days after such written notice of selection shall have been given, deliver to the Company or to Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "**Independent Counsel**" as defined in Section C.8(d) of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If a written objection is made and substantiated, the Independent Counsel selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within 20 days after submission by Indemnitee of a written request for indemnification, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition a court of competent jurisdiction for resolution of any objection which shall have been made by the Company or Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel. The Company shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with acting under this Agreement, and the Company shall pay all reasonable fees and expenses incident to the procedures of this Section C.8(b), regardless of the manner in which such Independent Counsel was selected or appointed.

(c) In making a determination with respect to entitlement to indemnification hereunder, the Reviewing Party shall presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with this Agreement, and the Company shall have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption. The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement (with or without court approval), conviction, or upon a plea of *nolo contendere* or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he/she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his/her conduct was unlawful. For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Company and any other corporation, partnership, joint venture or other entity of which Indemnitee is or was serving at the written request of the Company as a director, officer, employee, agent or fiduciary, including financial statements, or on information supplied to Indemnitee by the officers and directors of the Company or such other corporation, partnership, joint venture or other entity in the course of their duties, or on the advice of legal counsel for the Company or such other corporation, partnership, joint venture or other entity or on information or records given or reports made to the Company or such other corporation, partnership, joint venture or other entity by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company or such other corporation, partnership, joint venture or other entity. In addition, the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Company or such other corporation, partnership, joint venture or other entity shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. The provisions of this Section C.8(c) shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement.

(d) “**Independent Counsel**” means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five (5) years has been, retained to represent (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning the Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term “Independent Counsel” shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

#### **D. DIRECTOR AND OFFICER LIABILITY INSURANCE**

1. Good Faith Determination. The Company shall from time to time make the good faith determination whether or not it is practicable for the Company to obtain and maintain a policy or policies of insurance with reputable insurance companies providing the officers and directors of the Company with coverage for losses incurred in connection with their services to the Company or to ensure the Company's performance of its indemnification obligations under this Agreement.

2. Coverage of Indemnitee. To the extent the Company maintains an insurance policy or policies providing directors' and officers' liability insurance, Indemnitee shall be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any of the Company's directors or officers.

3. No Obligation. Notwithstanding the foregoing, the Company shall have no obligation to obtain or maintain any director and officer insurance policy if the Company determines in good faith that such insurance is not reasonably available in the case that (i) premium costs for such insurance are disproportionate to the amount of coverage provided, or (ii) the coverage provided by such insurance is limited by exclusions so as to provide an insufficient benefit.

## E. NON-EXCLUSIVITY; FEDERAL PREEMPTION; TERM

1. Non-Exclusivity. The indemnification provided by this Agreement shall not be deemed exclusive of any rights to which Indemnitee may be entitled under the Company's memorandum and articles of association, as may be amended from time to time, applicable law or any written agreement between Indemnitee and the Company (including its subsidiaries and affiliates). The indemnification provided under this Agreement shall continue to be available to Indemnitee for any action taken or not taken while serving in an indemnified capacity even though he/she may have ceased to serve in any such capacity at the time of any Proceeding. To the extent that a change in the laws of the State of Nevada permits greater indemnification by agreement than would be afforded under the Articles of Incorporation or this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change.

2. Federal Preemption. Notwithstanding the foregoing, both the Company and Indemnitee acknowledge that in certain instances, U.S. federal law or public policy may override applicable law and prohibit the Company from indemnifying its directors and officers under this Agreement or otherwise. Such instances include, but are not limited to, the U.S. Securities and Exchange Commission's (the "SEC") prohibition on indemnification for liabilities arising under certain Federal securities laws. Indemnitee understands and acknowledges that the Company has undertaken or may be required in the future to undertake with the SEC to submit the question of indemnification to a court in certain circumstances for a determination of the Company's right under public policy to indemnify Indemnitee.

3. Company Indemnitor of First Resort. The Company hereby acknowledges that the Indemnitee may have certain rights to indemnification, advancement of expenses and/or insurance provided by one or more of his or her employers and certain of their Affiliates (collectively, the "**Employer Indemnitors**"). The Company hereby agrees (i) that it is the indemnitor of first resort (i.e., its obligations to Indemnitee is primary and any obligation of the Employer Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee are secondary), (ii) that it shall be required to advance the full amount of expenses incurred by Indemnitee and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement by or on behalf of any Indemnitee to the extent legally permitted and as required by this Agreement (or any agreement between the Company and such Indemnitee), without regard to any rights such Indemnitee may have against the Employer Indemnitors and (iii) it irrevocably waives, relinquishes and releases the Employer Indemnitors from any and all claims against the Employer Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof.

4. Duration of Agreement. All agreements and obligations of the Company contained herein shall continue during the period Indemnitee is an officer and/or a director of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise) and shall continue thereafter so long as Indemnitee shall be subject to any Proceeding by reason of his/her former or current capacity at the Company or any other enterprise at the Company's request, whether or not he/she is acting or serving in any such capacity at the time any Expense is incurred for which indemnification can be provided under this Agreement. This Agreement shall continue in effect regardless of whether Indemnitee continues to serve as an officer and/or a director of the Company or any other enterprise at the Company's request.

## F. MISCELLANEOUS

1. Amendment of this Agreement. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by the parties hereto. No waiver of any of the provisions of this Agreement shall operate as a waiver of any other provisions (whether or not similar), nor shall such waiver constitute a continuing waiver. Except as specifically provided in this Agreement, no failure to exercise or any delay in exercising any right or remedy shall constitute a waiver.

2. Subrogation. In the event of payment to Indemnitee by the Company under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company to bring suit to enforce such rights.

3. Assignment; Binding Effect. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by either party hereto without the prior written consent of the other party; except that the Company may, without such consent, assign all such rights and obligations to a successor in interest to the Company which assumes all obligations of the Company under this Agreement. Notwithstanding the foregoing, this Agreement shall be binding upon and inure to the benefit of and be enforceable by and against the parties hereto and the Company's successors (including any direct or indirect successor by purchase, merger, consolidation, or otherwise to all or substantially all of the business and/or assets of the Company) and assigns, as well as Indemnitee's spouses, heirs, and personal and legal representatives.

4. Severability and Construction. Nothing in this Agreement is intended to require or shall be construed as requiring the Company to do or fail to do any act in violation of applicable law. The Company's inability, pursuant to a court order, to perform its obligations under this Agreement shall not constitute a breach of this Agreement. In addition, if any portion of this Agreement shall be held by a court of competent jurisdiction to be invalid, void, or otherwise unenforceable, the remaining provisions shall remain enforceable to the fullest extent permitted by applicable law. The parties hereto acknowledge that they each have opportunities to have their respective counsels review this Agreement. Accordingly, this Agreement shall be deemed to be the product of both of the parties hereto, and no ambiguity shall be construed in favor of or against either of the parties hereto.

5. Counterparts. This Agreement may be executed in two counterparts, both of which taken together shall constitute one instrument.

6. Governing Law. This agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Nevada, without giving effect to conflicts of law provisions thereof.

7. Notices. All notices, demands, and other communications required or permitted under this Agreement shall be made in writing and shall be deemed to have been duly given if delivered by hand, against receipt, or mailed via postage prepaid, certified or registered mail, return receipt requested, and addressed to the Company at:

Asset Entities Inc.  
100 Crescent Ct, 7th Floor  
Dallas, TX 75201  
Attention: Chief Executive Officer

and to Indemnitee at his/her address last known to the Company.

8. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto execute this Agreement as of the date first written above.

**COMPANY:**

**ASSET ENTITIES INC.**

By: /s/ Arshia Sarkhani  
Name: Arshia Sarkhani  
Title: Chief Executive Officer

**INDEMNITEE:**

/s/ Jason Lee  
Name: Jason Lee

*Signature Page to Indemnification Agreement*

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# assetentities

## **Asset Entities Completes Strategic Acquisition of Ternary and OptionsSwing and Secures CEO Jason Lee, Former Salesforce Lead Solution Engineer, as Asset Entities' Chief Technology Officer**

**DALLAS, Nov. 15, 2023 -- Asset Entities Inc. (“Asset Entities” or the “Company”) (NASDAQ: ASST)**, a provider of digital marketing and content delivery services across Discord and other social media platforms, today announced it has acquired all of the assets of Ternary Inc., a cloud-based subscription management solution for Discord communities and Stripe-verified payment processor, and OptionsSwing Inc., an investment research and analysis education service.

The acquisitions are intended to add new Discord and social media customers to Asset Entities, expand the Company’s platform, and, via Ternary, provide a Stripe-verified, state-of-the-art payment processing SaaS platform to Asset Entities’ AE.360.DDM suite of services for Discord communities and beyond.

The acquisitions are accretive and add valuable management team members, including Jason Lee, who is the Founder and CEO of both Ternary and OptionsSwing, was a member of the 2021 Forbes Next 1000 list of leading young entrepreneurs, and was recognized as a Salesforce Alumni, the company’s elite group of former employees honored for outstanding professional accomplishments.

Mr. Lee has over a decade of top-level tech experience and is widely recognized for his strategic leadership and entrepreneurial skills, driving growth at the forefront of technology and education. Mr. Lee launched Ternary in 2020 as its CEO. He successfully identified key missing technology that creators and communities needed to scale their businesses. According to Mr. Lee, in the first three years under his leadership, Ternary has processed over \$10 million in total revenues (unaudited) on behalf of customers, processed over 130,000 successful transactions, and served over 120 different brands, businesses, and customers.

In 2019, Mr. Lee founded and launched OptionsSwing and, as CEO, scaled it from zero revenue to \$1.7 million in recurring revenue (unaudited) in the company’s first 18 months. Since its launch, OptionsSwing has generated over \$5 million in total revenue (unaudited). Mr. Lee built an innovative team and led the design, development, and launch of three separate FinEd products, received the GFEL Excellence in Education Award, earned a place on the Forbes Next 1000 list, all while building a company that has created a significant Instagram account with over 425,000 followers.

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In connection with the transaction and pursuant to the Asset Purchase Agreement, Asset Entities has acquired all of the assets of Ternary and OptionsSwing which includes, but is not limited to, all customer accounts, intellectual property, software platforms, and revenue streams. Asset Entities has also secured multi-year employment agreements and stock award agreements for Mr. Lee and his team as part of the acquisition. The employees are Mr. Lee; Roberto Infante, a Co-Founder and Chief Technical Officer (CTO) at Ternary; Janet Hung, a Co-Founder and COO of both Ternary and OptionsSwing; and Daniel Montoya, Head of Sales at Ternary.

Today, November 15, 2023, Mr. Lee assumes the role of CTO for Asset Entities, Janet Hung will become the Company's Director of Customer Relations, Mr. Infante will become a Senior Software Developer, and Mr. Montoya will become a Senior Sales Director. Each of these employees will work to maximize the integration of Ternary and OptionsSwing into Asset Entities.

From 2014 to 2020, Jason Lee played a significant role at Salesforce, where he progressed to the position of Lead Solution Engineer supporting some of the world's largest enterprise brands and received several Salesforce certifications, underscoring his expertise in customer relationship management technologies (CRM). These certifications include Salesforce Certified Service Cloud Consultant (2019), Salesforce Certified Platform App Builder (2016), Salesforce Certified Advanced Administrator (2016), and Salesforce Certified Administrator (2015). His inclusion as a Salesforce Alumni in 2021 was recognized in a company Alumni Network Spotlight that can be read at:

<https://www.salesforce.com/company/careers/alumni/august-alumni-spotlight-2021/>



Jason Lee, Asset Entities' new Chief Technology Officer (NASDAQ: ASST).  
Mr. Lee presenting on behalf of Salesforce at the Dreamforce Conference in 2015.

For the two years prior to joining Salesforce, Mr. Lee was a Technical Solutions Professional and Tech Analyst at AvePoint, where he performed a diverse range of duties for inside and enterprise sales groups. He graduated from Syracuse University in 2011 with a Bachelor of Arts.



“The acquisitions of both Ternary and OptionsSwing are a perfect match with the Asset Entities Team,” commented Arshia Sarkhani, Asset Entities’ Chief Executive Officer. “These acquisitions are a tremendous opportunity for the future of Asset Entities and digital marketing and content delivery services as a whole, allowing creators to manage their businesses end-to-end. With the addition of Jason Lee and his team, our overall business operations will be strengthened, with increased marketing awareness and further expansion as well as additional recurring revenue,” said Mr. Sarkhani.

Jason Lee stated, “I am excited to be moving to Dallas, Texas to join the Asset Entities Team. During the pre-acquisition stage, due diligence period, and extensive interview process, I was able to meet the management team and spend a significant amount with them at their headquarters in Dallas. The office environment and atmosphere were incredible, and the team chemistry was undeniable.” Mr. Lee went on to say, “we are very excited about the future and the synergies our businesses have with Asset Entities.”

Jason Lee was in the news on October 20, 2023, regarding Ternary which also noted he would be a VIP speaker and Moderator at the Benzinga FinTech Deal Day Conference in New York City which took place on Monday, November 13, 2023. Mr. Lee presented and participated in the conference on Monday in New York.

Jason Lee: How Ternary Is Paving The Way For Web 2.0 Companies To Dive Into The Web 3.0 Revolution - Benzinga

Asset Entities is also pleased to announce, effective November 10, 2023, that Kyle Fairbanks, Board Member and Executive Vice Chairman of Asset Entities, has taken over the role of Chief Marketing Officer for Jackson Fairbanks. With Jackson Fairbanks’ significant social media presence, he has been named Director of Socials and will be working with the marketing team.

To learn about Asset Entities’ Ternary Stripe-verified, state-of-the-art payment processing SaaS platform, go to [www.ternarydev.com](http://www.ternarydev.com).

To learn about the AE.360.DDM suite of services, go to [ae360ddm.com](http://ae360ddm.com) or <https://discord.gg/ae360ddm>.

### **About Asset Entities, Inc.**

Asset Entities Inc. is a technology company providing social media marketing, management, and content delivery across Discord, TikTok, Instagram, Twitter, YouTube, and other social media platforms. Asset Entities is believed to be the first publicly traded Company based on the Discord platform, where it hosts some of Discord’s largest social community-based education and entertainment servers. The Company’s AE.360.DDM suite of services is believed to be the first of its kind for the Design, Development, and Management of Discord community servers. Asset Entities’ initial AE.360.DDM customers have included businesses and celebrities. The Company’s Social Influencer Network (SiN) service offers white-label marketing, content creation, content management, TikTok promotions, and TikTok consulting to clients in all industries and markets. The Company’s SiN influencers can increase the social media reach of client Discord servers and drives traffic to their businesses. Learn more at [assetentities.com](http://assetentities.com), and follow the Company on Twitter at [\\$ASST](https://twitter.com/$ASST) and [@assetentities](https://twitter.com/@assetentities).

### **About Ternary Inc.**

Ternary Inc. is a state-of-art Stripe-verified payment processor and a business-to-business Software-as-a-Service (B2B SaaS) solution enabling website owners and Discord server administrators to streamline their integration process, save time on managing their communities, and manage their business end-to-end. The company, which has served over 120 customers to date, was founded by Jason Lee, Roberto Infante, and Janet Hung in 2020.

### **About OptionsSwing Inc.**

OptionsSwing Inc. is a fast growing and large private educational options trading community with over 2,100 subscribed members. The company delivers content and services that help traders of all skill levels become as informed as traders on Wall Street, all from the comfort of their own home. The company was founded by Jason Lee, Jose Infante, and Janet Hung in 2019.

### **Important Cautions Regarding Forward-Looking Statements**

This press release contains forward-looking statements. In addition, from time to time, representatives of the Company may make forward-looking statements orally or in writing. These forward-looking statements are based on expectations and projections about future events, which are derived from the information currently available to the Company. Such forward-looking statements relate to future events or the Company's future performance, including its financial performance and projections, growth in revenue and earnings, and business prospects and opportunities. Forward-looking statements can be identified by those statement that are not historical in nature, particularly those that use terminology such as "may," "should," "expects," "anticipates," "contemplates," "estimates," "believes," "plans," "projected," "predicts," "potential," or "hopes" or the negative of these or similar terms. In evaluating these forward-looking statements, you should consider various factors including those that are described in the section titled "Risk Factors" in the Company's periodic reports which are filed with the Securities and Exchange Commission. These and other factors may cause the Company's actual results to differ materially from any forward-looking statement. Forward-looking statements are only predictions. The forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake any responsibility to update the forward-looking statements in this release, except in accordance with applicable law.

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