

BANKING AND CREDIT FACILITY AGREEMENT

THIS BANKING AND CREDIT FACILITY AGREEMENT (the "Agreement") is made and entered into as of March 15, 2024 (the "Effective Date"), by and between:

SILICON VALLEY BANK, a California banking corporation, with its principal place of business at 3003 Tasman Drive, Santa Clara, CA 95054 (the "Lender")

and

DEEPSHIELD SYSTEMS, INC., a Delaware corporation, with its principal place of business at 2200 Pennsylvania Avenue NW, Suite 800W, Washington, DC 20037 (the "Borrower")

RECITALS

WHEREAS, the Borrower has requested that the Lender provide a revolving credit facility to the Borrower for working capital and general corporate purposes; and

WHEREAS, the Lender is willing to provide such credit facility on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, the parties agree as follows:

1. DEFINITIONS

1 "Applicable Rate" means a per annum rate equal to the Prime Rate plus 2.00%.

2 "Commitment" means Thirty Million Dollars (\$30,000,000).

3 "Event of Default" has the meaning specified in Section 7.

4 "GAAP" means generally accepted accounting principles in the United States.

5 "Prime Rate" means the rate of interest per annum announced by the Lender as its prime rate.

2. THE CREDIT FACILITY

1 ****Revolving Credit Facility.**** Subject to the terms and conditions of this Agreement, the Lender agrees to make available to the Borrower a revolving credit facility (the "Facility") in an aggregate

principal amount not to exceed the Commitment at any time outstanding.

2 **Purpose.** The proceeds of the Facility shall be used solely for working capital and general corporate purposes related to the Borrower's industrial cybersecurity business operations.

3 **Availability Period.** The Facility shall be available from the Effective Date until March 15, 2027 (the "Maturity Date").

3. INTEREST AND FEES

1 **Interest Rate.** Loans under the Facility shall bear interest at the Applicable Rate.

2 **Commitment Fee.** The Borrower shall pay to the Lender a commitment fee equal to 0.25% per annum on the daily unused portion of the Commitment.

3 **Payment of Interest.** Interest shall be payable quarterly in arrears on the last Business Day of each calendar quarter.

4. REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender that:

1 **Organization.** The Borrower is duly organized, validly existing, and in good standing under the laws of Delaware.

2 **Authorization.** The execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate action.

3 **Financial Statements.** All financial statements delivered to the Lender fairly present the Borrower's financial condition.

4 **Intellectual Property.** The Borrower owns or has the right to use all intellectual property necessary for its business operations.

5. COVENANTS

1 **Financial Covenants.** The Borrower shall maintain:

(a) Minimum Liquidity of \$10,000,000

(b) Minimum EBITDA of \$5,000,000 on a trailing twelve-month basis

(c) Maximum Total Leverage Ratio of 3.0:1.0

2 ****Reporting Requirements.**** The Borrower shall deliver to the Lender:

- (a) Monthly financial statements within 30 days of month-end
- (b) Quarterly financial statements within 45 days of quarter-end
- (c) Annual audited financial statements within 90 days of fiscal year-end

6. SECURITY

1 ****Grant of Security Interest.**** The Borrower hereby grants to the Lender a first-priority security interest in all of its personal property and assets.

2 ****Further Assurances.**** The Borrower shall execute and deliver such documents as the Lender may request to perfect and maintain its security interest.

7. EVENTS OF DEFAULT

1 The following shall constitute Events of Default:

- (a) Failure to pay any amount when due
- (b) Breach of any representation, warranty, or covenant
- (c) Bankruptcy or insolvency
- (d) Material adverse change in the Borrower's business
- (e) Change in control of the Borrower

8. MISCELLANEOUS

1 ****Governing Law.**** This Agreement shall be governed by the laws of the State of California.

2 ****Amendments.**** No amendment shall be effective unless in writing and signed by both parties.

3 ****Notices.**** All notices shall be in writing and delivered to the addresses set forth above.

4 ****Counterparts.**** This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

SILICON VALLEY BANK

By: _

Name:

Title:

DEEPSHIELD SYSTEMS, INC.

By: _

Name: Robert Kessler

Title: Chief Financial Officer