

STATE TAX CREDITS DOCUMENTATION

Summit Digital Solutions, Inc.

Last Updated: December 31, 2023

1. OVERVIEW OF STATE TAX CREDIT POSITIONS

1.1 Summary of Active Tax Credits

This document certifies that Summit Digital Solutions, Inc. ("Company"), a Delaware corporation, maintains the following active state tax credit positions as of December 31, 2023:

a) Research and Development Tax Credits

- Delaware: \$1,275,000
- Massachusetts: \$875,000
- California: \$2,150,000

b) Job Creation Tax Credits

- Delaware: \$450,000
- New Jersey: \$625,000
- Texas: \$890,000

1.2 Credit Certification Status

All tax credits listed herein have been properly certified by the respective state tax authorities and are supported by corresponding documentation maintained in the Company's tax records.

2. RESEARCH AND DEVELOPMENT CREDITS

2.1 Delaware R&D Credits

Certificate Number: DE-RD-2023-8547

- Award Date: March 15, 2023
- Qualifying Activities: Development of Peak Performance Platform
- Credit Amount: \$1,275,000
- Expiration: December 31, 2028
- Transferability Status: Non-transferable

2.2 Massachusetts R&D Credits

Certificate Number: MA-RDC-23-4721

- Award Date: June 30, 2023
- Qualifying Activities: AI/ML Algorithm Development
- Credit Amount: \$875,000
- Expiration: December 31, 2028
- Transferability Status: Transferable with state approval

2.3 California R&D Credits

Certificate Number: CA-RD-2023-12857

- Award Date: September 15, 2023
- Qualifying Activities: IoT Integration Systems
- Credit Amount: \$2,150,000
- Expiration: December 31, 2033
- Transferability Status: Non-transferable

3. JOB CREATION CREDITS

3.1 Delaware Job Creation Credits

Certificate Number: DE-JC-2023-2145

- Award Date: January 15, 2023
- Qualifying Positions: 75 technical positions
- Credit Amount: \$450,000
- Compliance Requirements: Maintain positions for 3 years
- Annual Reporting Due: March 31

3.2 New Jersey Job Creation Credits

Certificate Number: NJ-GROW-23-7841

- Award Date: April 1, 2023
- Qualifying Positions: 45 technical positions
- Credit Amount: \$625,000
- Compliance Requirements: Maintain positions for 4 years
- Annual Reporting Due: February 15

3.3 Texas Job Creation Credits

Certificate Number: TX-EDP-2023-4521

- Award Date: July 1, 2023
- Qualifying Positions: 65 technical positions
- Credit Amount: \$890,000
- Compliance Requirements: Maintain positions for 5 years
- Annual Reporting Due: April 30

4. COMPLIANCE AND REPORTING

4.1 Compliance Status

The Company maintains active compliance with all state tax credit requirements, including:

- Annual employment verification
- Wage threshold maintenance
- Required state filings
- Quarterly progress reports
- Annual certification renewals

4.2 Documentation Requirements

The Company maintains the following documentation for each credit:

- Original credit certificates
- Annual compliance reports
- Employment records
- Wage documentation
- Technical activity logs
- State correspondence

5. REPRESENTATIONS AND WARRANTIES

The Company hereby represents and warrants that:

- 1 All information provided regarding state tax credits is true and accurate.
- 2 No events have occurred that would result in recapture or forfeiture.

3 All required compliance documentation is current and complete.

4 No credits have been pledged or encumbered.

6. CERTIFICATION

The undersigned, being duly authorized, hereby certifies the accuracy and completeness of this State Tax Credits Documentation as of the date below.

SUMMIT DIGITAL SOLUTIONS, INC.

By: _

Name: Sarah Blackwell

Title: Chief Operating Officer

Date: December 31, 2023

By: _

Name: Marcus Chen

Title: Corporate Tax Director

Date: December 31, 2023

7. DISCLAIMER

This document is confidential and proprietary to Summit Digital Solutions, Inc. No representations or warranties are made regarding the tax treatment of any credits described herein. Recipients should consult their own tax advisors regarding the applicability and effect of any state tax credits.