

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): September 8, 2026

Z SQUARED INC.

(Exact name of registrant as specified in its charter)

|                                                                                                                                       |                                                          |                                                                       |
|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------|
| <div>Delaware</div> <div>(State or other jurisdiction of incorporation)</div>                                                         | <div>001-39669</div> <div>(Commission File Number)</div> | <div>98-1465952</div> <div>(I.R.S. Employer Identification No.)</div> |
| <div>550 South Andrews Ave., Suite #700</div> <div>Fort Lauderdale, Florida</div> <div>(Address of principal executive offices)</div> | <div>33301</div> <div>(Zip Code)</div>                   |                                                                       |
| <div>305-697-0792</div> <div>(Registrant's telephone number, including area code)</div>                                               |                                                          |                                                                       |
| <div>(Former name or former address, if changed since last report)</div>                                                              |                                                          |                                                                       |

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 (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

| Title of each class                        | Trading Symbol(s) | Name of each exchange on which registered |
|--------------------------------------------|-------------------|-------------------------------------------|
| Common Stock, par value \$0.0001 per share | ZSQR              | The Nasdaq Global Market                  |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.**

As previously reported, on July 31, 2026, Z Squared Inc. (the “**Company**”) entered into a Membership Interest Purchase Agreement, dated as of July 31, 2026 (the “**MIPA**”), by and among the Company, Paradox Infrastructure LLC, a Florida limited liability company (“**Seller**”), Paradox Data, LLC, a Florida limited liability company (the “**Target Company**”), and the Owner Parties named therein, providing for the acquisition by the Company of one hundred percent (100%) of the outstanding membership interests of the Target Company (the “**Membership Interests**” and such acquisition, the “**Transaction**”).

On September 8, 2026 (the “**Closing Date**”), the Company completed the Transaction. At the closing of the Transaction (the “**Closing**”), Seller assigned the Membership Interests to the Company pursuant to an Assignment of Membership Interests, dated as of September 8, 2026 (the “**Assignment**”), and the Company was admitted as the sole member of the Target Company, which continues without dissolution. As consideration for the Membership Interests, on or about the date of Closing the Company issued to Seller 5,000 shares of the Company’s newly designated Series A Convertible Preferred Stock, par value \$0.0001 per share (the “**Series A Preferred Stock**”), having an aggregate stated value of \$5,000,000 (the “**Closing Consideration**”).

As part of the Transaction, at the Closing, the Target Company, Seller and the Company entered into a Triple Net Lease and Relocation Agreement, dated September 8, 2026 (the “**Lease**”), pursuant to which the Target Company, as landlord, leases to Seller, as tenant, the existing building and an approximately three-acre parcel located in El Dorado, Arkansas (the “**Premises**”), for the continued operation of Seller’s bitcoin mining facility pending the transition of electric service and operational control of the Premises to the Target Company. Base rent under the Lease is \$1.00 per year. The Company is a party solely with respect to a one-time relocation payment of \$500,000 payable to Seller upon the earliest of specified trigger events, and the Company’s aggregate monetary liability under the Lease is capped at \$500,000. The Lease expires no later than the second anniversary of its effective date.

Also as part of the Transaction, at the Closing, the Target Company and Seller entered into an Intercompany Power Access and Cost-Sharing Agreement, dated September 8, 2026 (the “**Power Access Agreement**”), governing the transition to the Target Company of Seller’s electric service arrangement with Entergy Arkansas, LLC at the Premises. The Company is not a party to the Power Access Agreement.

The foregoing descriptions of the MIPA, the Transaction, the Assignment, the Lease and the Power Access Agreement do not purport to be complete and are qualified in their entirety by reference to the full text of (i) the MIPA, previously filed as Exhibit 2.1 to the Signing 8-K, and (ii) the Assignment, the Lease and the Power Access Agreement, copies of which are filed as Exhibit 10.3, Exhibit 10.1 and Exhibit 10.2, respectively, to this Current Report on Form 8-K, each of which is incorporated herein by reference.

### **Item 2.01. Completion of Acquisition or Disposition of Assets.**

The information set forth under Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.01.

The Target Company’s principal asset is the Union County Campus in El Dorado, Arkansas, a data center development site consisting of approximately three acres, the existing building located thereon and a contract to acquire approximately 10 acres of adjacent land. The site is served by an electric service agreement with Entergy Arkansas, LLC providing for up to 8,000 kVA (approximately 8.0 MW) on an interruptible basis. That agreement is held by Seller; the Target Company’s rights to the capacity arise under the Power Access Agreement, and assignment of the agreement to the Target Company requires Entergy’s consent, which has not been obtained. The Company’s development plan targets up to approximately 150 MW of AI-ready capacity over time through a combination of utility power and on-site generation, which will require additional power arrangements, customer commitments, financing, permitting and construction.

As previously disclosed, the Company remains obligated under the MIPA to make up to four additional milestone payments to Seller and to Paradox Energy LLC, a related party, payable in additional shares of Series A Preferred Stock having an aggregate stated value of up to \$20,000,000, upon the achievement of specified development milestones at the Union County Campus, such that the aggregate potential consideration under the MIPA remains up to \$25,000,000 if all milestones are achieved in full. No milestone has been achieved as of the date of this Report, and there can be no assurance that any milestone will be achieved.

#### *Related Person Transaction*

As previously disclosed in the Signing 8-K, Jeffery Harris, the Company’s Chief Technology Officer, holds an indirect minority ownership interest in Seller and in Paradox Energy LLC, an affiliate of Seller that is entitled to receive a portion of the milestone payments described above. The Transaction accordingly constitutes a related person transaction for purposes of Item 404(a) of Regulation S-K. The MIPA and the Transaction were reviewed and approved as a related person transaction by the Audit Committee of the Board of Directors, and approved by the Board of Directors, in accordance with the Company’s related person transaction policy and Item 404 of Regulation S-K.

### **Item 3.02. Unregistered Sales of Equity Securities.**

The information set forth under Items 1.01 and 2.01 of this Current Report on Form 8-K is incorporated by reference into this Item 3.02. On September 8, 2026, the Company issued 5,000 shares of Series A Preferred Stock to Seller as the Closing Consideration. The shares of Series A Preferred Stock have not been, and any shares of the Company’s common stock, par value \$0.0001 per share (the “**Common Stock**”), issuable upon conversion thereof will not have been, registered under the Securities Act of 1933, as amended (the “**Securities Act**”), and were issued in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act and/or Rule 506(b) of Regulation D promulgated thereunder, based on, among other things, representations by Seller that it is an “accredited investor” as defined in Rule 501(a) of Regulation D, the absence of general solicitation, and delivery of a customary accredited-investor questionnaire and Rule 506(d) “bad actor” certification. The shares bear restrictive legends and constitute “restricted securities” for purposes of Rule 144 under the Securities Act.

The rights, preferences and limitations of the Series A Preferred Stock, including a conversion price of \$7.45 per share of Common Stock (subject to customary adjustments for stock splits, stock dividends, combinations, reclassifications and similar events), an 8.0% cumulative dividend payable in cash or in kind at the Company's election, a liquidation preference senior to the Common Stock, an exchange cap and cash-settlement mechanism under Nasdaq Listing Rule 5635, and optional redemption rights of the Company, are set forth in the Certificate of Designation of Preferences, Rights and Limitations of the Series A Convertible Preferred Stock (the "**Certificate of Designation**"), which the Company filed with the Secretary of State of the State of Delaware on September 8, 2026.

The foregoing description of the Series A Preferred Stock does not purport to be complete and is qualified in its entirety by reference to the full text of the Certificate of Designation, a copy of which is filed as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated herein by reference.

#### **Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

On September 8, 2026, the Company filed a Certificate of Designation with the Secretary of State of the State of Delaware. The information set forth under Item 3.02 above is incorporated herein by reference. A copy of the Certificate of Designation is filed as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated herein by reference.

#### **Item 7.01. Regulation FD Disclosure.**

On September 9, 2026, the Company issued a press release announcing the completion of the Transaction. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information set forth under this Item 7.01, including Exhibit 99.1, is being furnished and 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 Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

#### **Forward-Looking Statements**

This Current Report on Form 8-K contains "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act, including statements regarding the development of the Union County Campus, the availability and expansion of power, the acquisition of adjacent land, the achievement of development milestones and related issuances of Series A Preferred Stock, and any stockholder approval required under Nasdaq Listing Rule 5635. Actual results could differ materially, including as a result of the Company's need to raise substantial additional capital to fund its artificial intelligence and high-density compute infrastructure strategy, the receipt of Entergy Arkansas, LLC's consent to assignment of the electric service agreement, and the other risks described in the Company's filings with the Securities and Exchange Commission. The Company undertakes no obligation to update these statements except as required by law.

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

(d) Exhibits.

| <b>Exhibit No.</b> | <b>Description</b>                                                                                                                                                                                                                                                                                                     |
|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.1                | <a href="#"><u>Membership Interest Purchase Agreement, dated as of July 31, 2026, by and among Z Squared Inc., Paradox Infrastructure LLC, Paradox Data, LLC, and the Owner Parties named therein (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed August 4, 2026).</u></a> |
| 3.1*               | <a href="#"><u>Certificate of Designation of Preferences, Rights and Limitations of the Series A Convertible Preferred Stock, filed with the Secretary of State of the State of Delaware on September 8, 2026.</u></a>                                                                                                 |
| 10.1*              | <a href="#"><u>Triple Net Lease and Relocation Agreement, dated September 8, 2026, by and among Paradox Data LLC, Paradox Infrastructure LLC and Z Squared Inc.</u></a>                                                                                                                                                |
| 10.2*              | <a href="#"><u>Intercompany Power Access and Cost-Sharing Agreement, dated September 8, 2026, by and between Paradox Data LLC and Paradox Infrastructure LLC.</u></a>                                                                                                                                                  |
| 10.3*              | <a href="#"><u>Assignment of Membership Interests, dated as of September 8, 2026, by and between Paradox Infrastructure LLC and Z Squared Inc.</u></a>                                                                                                                                                                 |
| 99.1*              | <a href="#"><u>Press Release dated September 9, 2026, titled "Z Squared Acquires Energized Arkansas Campus to Advance AI Infrastructure Strategy."</u></a>                                                                                                                                                             |
| 104                | Cover Page Interactive Data File (embedded within the Inline XBRL document)                                                                                                                                                                                                                                            |

\* Filed herewith.

Certain schedules and exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the Securities and Exchange Commission upon request.

**SIGNATURE**

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: September 14, 2026

**Z SQUARED INC.**

By: /s/ David Halabu

Name: David Halabu

Title: Chief Executive Officer

**Z SQUARED INC.**  
**CERTIFICATE OF DESIGNATION OF PREFERENCES, RIGHTS AND LIMITATIONS**  
**OF**  
**SERIES A CONVERTIBLE PREFERRED STOCK**

Pursuant to Section 151 of the General Corporation Law of the State of Delaware

Z SQUARED INC., a corporation organized and existing under the General Corporation Law of the State of Delaware (the “**Corporation**”), DOES HEREBY CERTIFY that, pursuant to the authority expressly vested in the Board of Directors of the Corporation (the “**Board of Directors**”) by the Amended and Restated Certificate of Incorporation of the Corporation, as amended (the “**Certificate of Incorporation**”), which authorizes the issuance of up to 10,000,000 shares of preferred stock, par value \$0.0001 per share, in one or more series, and in accordance with the provisions of Section 151 of the General Corporation Law of the State of Delaware (the “**DGCL**”), the Board of Directors, by resolutions duly adopted on September 3, 2026, adopted the following resolution creating a series of preferred stock of the Corporation designated as “Series A Convertible Preferred Stock”:

RESOLVED, that pursuant to the authority vested in the Board of Directors by the Certificate of Incorporation and the DGCL, a series of preferred stock of the Corporation is hereby created, and the designation, number of shares, powers, preferences, rights, qualifications, limitations and restrictions thereof are as follows:

**Section 1 Definitions.** For the purposes hereof, the following terms shall have the following meanings:

“**Accreted Stated Value**” means, with respect to each share of Series A Preferred Stock as of any date of determination, the Stated Value of such share plus all dividends that have been added thereto pursuant to Section 3(a) on or prior to such date and that have not been paid in cash.

“**Affiliate**” means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 under the Securities Act.

“**Alternate Consideration**” has the meaning set forth in Section 7(d). “**Beneficial Ownership Limitation**” has the meaning set forth in Section 6(f).

“**Business Day**” means any day other than a Saturday, a Sunday or a day on which banks located in New York, New York are authorized or required by law to close.

“**Buy-In**” has the meaning set forth in Section 6(c)(iii).

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“**Closing Date**” means the Closing Date as defined in the Purchase Agreement. “**Commission**” means the U.S. Securities and Exchange Commission.

“**Common Stock**” means the common stock of the Corporation, par value \$0.0001 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

“**Common Stock Equivalents**” means any securities of the Corporation or any Subsidiary that would entitle the holder thereof to acquire at any time Common Stock, including any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

“**Conversion Amount**” means, with respect to each share of Series A Preferred Stock as of any date of determination, the sum of the Accreted Stated Value of such share as of such date plus all accrued and unpaid dividends on such share that have accrued since the most recent Dividend Payment Date (or, if none, the Original Issue Date) and have been neither paid in cash nor added to the Accreted Stated Value as of such date.

“**Conversion Date**” has the meaning set forth in Section 6(a).

“**Conversion Price**” means \$7.45 per share of Common Stock, as adjusted from time to time pursuant to Section 7.

“**Conversion Shares**” means, collectively, the shares of Common Stock issuable upon conversion of the shares of Series A Preferred Stock in accordance with the terms hereof.

“**Dividend Payment Date**” has the meaning set forth in Section 3(a). “**Election Notice**” has the meaning set forth in Section 9(d). “**Election Period**” has the meaning set forth in Section 9(d).

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“**Exchange Cap**” has the meaning set forth in Section 6(g). “**Fundamental Transaction**” has the meaning set forth in Section 7(d). “**Holder**” means a holder of record of shares of Series A Preferred Stock.

“**Junior Securities**” means the Common Stock and all other classes or series of equity securities of the Corporation, whether now existing or hereafter created, other than the Parity Securities and any Senior Securities issued in accordance with Section 4(b).

“**Liquidation**” has the meaning set forth in Section 5(b).

“**Milestone Preferred Stock**” means the series of preferred stock of the Corporation issuable in satisfaction of the Milestone Payments contemplated by the Purchase Agreement and the Milestone Payment Agreement referred to therein, which shall constitute Parity Securities and shall be convertible into Common Stock at a conversion price per share equal to 100% of the “Minimum Price” (as defined in Nasdaq Listing Rule 5635(d), being the lower of (x) the Nasdaq official closing price of the Common Stock immediately preceding the applicable measurement date and (y) the average Nasdaq official closing price of the Common Stock for the five (5) Trading Days immediately preceding the applicable measurement date), determined as of the applicable Milestone or installment achievement date.

“**Nasdaq**” means The Nasdaq Stock Market LLC.

“**Notice of Conversion**” has the meaning set forth in Section 6(a).

“**Original Issue Date**” means, with respect to any share of Series A Preferred Stock, the date of the first issuance of such share, regardless of the number of transfers thereof and regardless of the number of certificates or book-entry positions that may be issued to evidence such share.

“**Parity Securities**” means the Milestone Preferred Stock and any other class or series of equity securities of the Corporation hereafter created that expressly ranks on a parity with the Series A Preferred Stock as to dividend rights and rights upon Liquidation, in each case issued in accordance with Section 4(b).

“**Person**” means an individual, corporation, partnership, joint venture, limited liability company, governmental authority, unincorporated organization, trust, association or other entity.

“**Purchase Agreement**” means that certain Membership Interest Purchase Agreement, dated as of July 31, 2026, by and among the Corporation, Paradox Infrastructure LLC, Paradox Data, LLC and the other parties thereto, as amended from time to time in accordance with its terms.

**“Redemption Date”** has the meaning set forth in Section 9(b). **“Redemption Notice”** has the meaning set forth in Section 9(b). **“Redemption Price”** has the meaning set forth in Section 9(b).

**“Required Holders”** means the Holders of a majority of the then-outstanding shares of Series A Preferred Stock.

**“Securities Act”** means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

**“Senior Securities”** means any class or series of equity securities of the Corporation hereafter created that expressly ranks senior to the Series A Preferred Stock as to dividend rights or rights upon Liquidation.

**“Series A Preferred Stock”** has the meaning set forth in Section 2(a). **“Share Delivery Date”** has the meaning set forth in Section 6(c)(i).

**“Standard Settlement Period”** means the standard settlement period, expressed in a number of Trading Days, on the Corporation’s primary Trading Market with respect to the Common Stock as in effect on the date of delivery of the applicable Notice of Conversion.

**“Stated Value”** means \$1,000.00 per share of Series A Preferred Stock, as appropriately adjusted for any stock split, stock dividend, combination, reclassification or similar event affecting the Series A Preferred Stock.

**“Stockholder Approval”** means the approval by the stockholders of the Corporation, in accordance with the applicable rules of Nasdaq (including Nasdaq Listing Rule 5635) and applicable law, of the issuance of all Conversion Shares in excess of the Exchange Cap.

**“Subsidiary”** means any subsidiary of the Corporation, including Paradox Data, LLC from and after the Closing Date.

**“Trading Day”** means a day on which the principal Trading Market is open for business.

**“Trading Market”** means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, The Nasdaq Capital Market, The Nasdaq Global Market, The Nasdaq Global Select Market or the New York Stock Exchange (or any successors to any of the foregoing).

**“Transfer Agent”** means Continental Stock Transfer & Trust Company, the current transfer agent of the Corporation, with a mailing address of 1 State Street, 30th Floor, New York, New York 10004, and any successor transfer agent of the Corporation.

**“Voting Floor Price”** means **\$5.08**, being the “Minimum Price” within the meaning of Nasdaq Listing Rule 5635(d) determined as of the date of execution of the Purchase Agreement, as appropriately adjusted for any stock dividend, stock split, stock combination, reclassification or similar transaction of the type described in Section 7(a).

**“VWAP”** means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)); (b) if the Common Stock is then quoted for trading on OTCQB or OTCQX, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX, as applicable; (c) if the Common Stock is not then listed or quoted for trading on a Trading Market, OTCQB or OTCQX and if prices for the Common Stock are then reported on the Pink Open Market (or a similar organization or agency succeeding to its functions of reporting prices), the most recent reported bid price per share of the Common Stock; or

(d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Required Holders and reasonably acceptable to the Corporation, the fees and expenses of which shall be paid by the Corporation.

## **Section 2 Designation, Amount and Par Value; Status.**

(a) The series of preferred stock created hereby shall be designated as the Corporation's "Series A Convertible Preferred Stock" (the "**Series A Preferred Stock**"), and the number of shares so designated shall be 25,000. Each share of Series A Preferred Stock shall have a par value of \$0.0001 per share.

(b) Shares of Series A Preferred Stock may be issued in certificated form or, at the option of the Corporation, in uncertificated book-entry form on the books of the Corporation or the Transfer Agent. Any certificate evidencing shares of Series A Preferred Stock, and any book-entry position, shall bear such restrictive legends or notations as are required by the Purchase Agreement and applicable securities laws.

(c) Any shares of Series A Preferred Stock that are converted, redeemed, repurchased or otherwise acquired by the Corporation shall be retired and cancelled and shall not be reissued as shares of Series A Preferred Stock, and upon the taking of any action required by the DGCL, such shares shall resume the status of authorized but unissued and undesignated shares of preferred stock of the Corporation. Upon the conversion, redemption, repurchase or other reacquisition of all outstanding shares of Series A Preferred Stock, the Corporation may take such actions as are permitted by Section 151(g) of the DGCL to eliminate this Certificate of Designation; provided, however, that the Corporation shall not take any action to eliminate this Certificate of Designation, and this Certificate of Designation shall remain in full force and effect, at any time while any obligation to issue Milestone Preferred Stock (or any other shares of Series A Preferred Stock) remains outstanding under the Purchase Agreement, whether or not any shares of Series A Preferred Stock are then outstanding.

## **Section 3 Dividends.**

(a) **Preferred Dividends.** Each Holder shall be entitled to receive, and the Corporation shall pay, cumulative dividends on each share of Series A Preferred Stock, which shall accrue daily on the Accreted Stated Value of such share from the Original Issue Date, whether or not declared and whether or not the Corporation has funds legally available therefor, and shall be payable quarterly in arrears on each January 1, April 1, July 1 and October 1, beginning on the first such date after the Original Issue Date (each, a "**Dividend Payment Date**"), at the election of the Corporation as to each Dividend Payment Date and as to all (but not less than all) shares of Series A Preferred Stock, either (i) in cash at the rate of 8.0% per annum, or (ii) in kind at the rate of 8.0% per annum, by adding the amount of the dividend so accrued for the applicable quarterly period (calculated at such 8.0% per annum rate) to the Accreted Stated Value of such share effective as of such Dividend Payment Date, whereupon dividends shall thereafter accrue on the Accreted Stated Value as so increased (such in-kind dividends compounding quarterly). If the Corporation fails to deliver notice of its election at least five (5) Trading Days prior to a Dividend Payment Date, or fails to pay a cash dividend in full when due, the Corporation shall be deemed to have elected payment in kind for such Dividend Payment Date. Dividends shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

(b) **Participating Dividends.** In addition, if the Corporation declares or pays a dividend or distribution on the Common Stock (other than a dividend or distribution described in Section 7(a) or Section 7(c)), the Holders shall be entitled to receive, at the same time and on the same terms as the holders of Common Stock, the dividend or distribution that each Holder would have received had all of such Holder's shares of Series A Preferred Stock been converted in full into Common Stock (without regard to the Beneficial Ownership Limitation or the Exchange Cap) immediately prior to the record date therefor.

(c) **Priority.** So long as any shares of Series A Preferred Stock remain outstanding, the Corporation shall not declare or pay any dividend or distribution on, or redeem, repurchase or otherwise acquire for value, any Junior Securities (other than (i) repurchases of Common Stock or Common Stock Equivalents from departing employees, directors, consultants or other service providers pursuant to equity incentive plans or agreements approved by the Board of Directors, and (ii) dividends or distributions payable solely in shares of Common Stock) unless all dividends accrued on the Series A Preferred Stock through the most recent Dividend Payment Date have been paid in cash or added to the Accreted Stated Value in accordance with Section 3(a).

#### **Section 4 Voting Rights; Protective Provisions.**

(a) **As-Converted Voting; Nasdaq Voting Limitation.** Except as otherwise provided herein or as required by the DGCL, the Holders shall be entitled to vote together with the holders of Common Stock as a single class on all matters submitted to a vote of the holders of Common Stock, on an as-converted basis. Notwithstanding the foregoing, in accordance with Nasdaq Listing Rule 5640, the number of votes per share of Series A Preferred Stock on any such matter shall equal the number of whole shares of Common Stock obtained by dividing the Accreted Stated Value of such share by the greater of (i) the then-effective Conversion Price and (ii) the Voting Floor Price, and in no event shall the aggregate voting power of the Series A Preferred Stock on an as-converted basis exceed the voting power that would be permitted under Nasdaq Listing Rule 5640.

(b) **Protective Provisions.** For so long as any shares of Series A Preferred Stock remain outstanding, the Corporation shall not, and shall not permit any Subsidiary to, directly or indirectly (whether by amendment, merger, consolidation, reclassification or otherwise), without the affirmative vote or written consent of the Required Holders, voting or consenting as a separate class: (i) amend, alter, waive or repeal any provision of the Certificate of Incorporation (including this Certificate of Designation) or the bylaws of the Corporation in a manner that adversely affects the powers, preferences or rights of the Series A Preferred Stock; (ii) authorize, create, designate or issue any Senior Securities, or reclassify any existing security into Senior Securities, or amend the terms of any existing security so as to cause it to become a Senior Security; (iii) increase or decrease the authorized number of shares of Series A Preferred Stock (except for a decrease resulting from conversion or cancellation of shares in accordance herewith); or (iv) enter into any agreement to do any of the foregoing. For the avoidance of doubt, the authorization, creation and issuance of the Milestone Preferred Stock and of other Parity Securities and Junior Securities shall not require the consent of the Holders under this Section 4(b).

#### **Section 5 Rank; Liquidation.**

(a) **Rank.** The Series A Preferred Stock shall rank, as to dividend rights and rights upon Liquidation: (i) senior to the Common Stock and to all other Junior Securities; (ii) on a parity with the Parity Securities (including the Milestone Preferred Stock); and (iii) junior to any Senior Securities issued in accordance with Section 4(b) and to all existing and future indebtedness of the Corporation.

(b) **Liquidation Preference.** Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary (a “**Liquidation**”), before any distribution or payment shall be made to the holders of any Junior Securities, each Holder shall be entitled to receive, out of the assets of the Corporation legally available for distribution, an amount in cash per share of Series A Preferred Stock equal to the Conversion Amount of such share as of the date of final distribution (the “**Liquidation Preference**”), and no more. The Series A Preferred Stock is non-participating, and after payment in full of the Liquidation Preference the Holders shall not be entitled to any further distribution of the assets of the Corporation in respect of the Series A Preferred Stock. If, upon any Liquidation, the assets of the Corporation available for distribution to the Holders and the holders of Parity Securities are insufficient to pay in full the Liquidation Preference and the corresponding preferential amounts on the Parity Securities, the Holders and the holders of Parity Securities shall share ratably in any such distribution in proportion to the full respective preferential amounts to which they are entitled. For the avoidance of doubt, a Fundamental Transaction shall not, in and of itself, constitute a Liquidation, and shall instead be governed by Section 7(d). The Corporation shall provide each Holder with written notice of any Liquidation not less than twenty (20) days prior to the applicable payment or distribution date.**Section 6 Conversion.**

(a) **Optional Conversion.** Each share of Series A Preferred Stock shall be convertible, at any time and from time to time after the Original Issue Date, at the option of the Holder thereof, into that number of shares of Common Stock (subject to the limitations of Section 6(f) and Section 6(g)) determined by dividing the Conversion Amount of such share as of the Conversion Date by the Conversion Price in effect on the Conversion Date. A Holder shall effect a conversion by delivering to the Corporation a duly completed conversion notice in the form attached hereto as Exhibit A (a “**Notice of Conversion**”), which may be delivered by e-mail or other electronic transmission and shall not require an ink-original signature or a medallion or other signature guarantee. Each Notice of Conversion shall specify the number of shares of Series A Preferred Stock to be converted, the aggregate Conversion Amount thereof, and the date on which such conversion is to be effected, which date may not be prior to the date the Holder delivers such Notice of Conversion (such date, the “**Conversion Date**”); if no Conversion Date is specified, the Conversion Date shall be the date the Notice of Conversion is deemed delivered hereunder. No physical surrender of certificates shall be required as a condition to conversion, provided that upon conversion in full of the shares represented by a certificate, the Holder shall promptly surrender such certificate (or a customary lost certificate affidavit) to the Corporation.

(b) **Conversion Shares.** The aggregate number of Conversion Shares issuable upon any conversion hereunder shall be determined on the basis of the aggregate Conversion Amount of all shares of Series A Preferred Stock being converted pursuant to the applicable Notice of Conversion.

(c) **Mechanics of Conversion.**

(i) **Delivery of Conversion Shares.** Not later than the earlier of (A) two (2) Trading Days and (B) the number of Trading Days comprising the Standard Settlement Period, in each case after each Conversion Date (the “**Share Delivery Date**”), the Corporation shall deliver, or cause the Transfer Agent to deliver, to the converting Holder the Conversion Shares, which shall be free of restrictive legends and trading restrictions if and to the extent then permitted under applicable securities laws (including pursuant to an effective registration statement or Rule 144 under the Securities Act) and otherwise shall bear customary restrictive legends. The Corporation shall deliver the Conversion Shares electronically through the Depository Trust Company’s Deposit/Withdrawal at Custodian system if the Corporation is then a participant in such system and the foregoing legend-free condition is satisfied, and otherwise by book-entry credit on the records of the Transfer Agent.

(ii) **Failure to Deliver; Rescission.** If the Corporation fails for any reason to deliver the Conversion Shares to a Holder by the Share Delivery Date, the applicable Holder shall be entitled to elect, by written notice to the Corporation at any time prior to its receipt of such Conversion Shares, to rescind such conversion in whole or in part, in which event the Corporation shall promptly return to such Holder any converted shares of Series A Preferred Stock subject to such rescission, without prejudice to such Holder’s other rights and remedies hereunder.

(iii) **Buy-In.** If the Corporation fails to deliver the Conversion Shares to a Holder by the Share Delivery Date, and if after such Share Delivery Date such Holder is required by its brokerage firm to purchase (in an open market transaction or otherwise), or such Holder’s brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by such Holder of the Conversion Shares that such Holder was entitled to receive upon such conversion (a “**Buy-In**”), then the Corporation shall (A) pay in cash to such Holder (in addition to any other remedies available to or elected by such Holder) the amount, if any, by which (x) such Holder’s total purchase price (including any brokerage commissions) for the shares of Common Stock so purchased exceeds (y) the product of (1) the aggregate number of Conversion Shares that such Holder was entitled to receive from the conversion at issue multiplied by (2) the actual sale price at which the sell order giving rise to such purchase obligation was executed (including any brokerage commissions), and (B) at the option of such Holder, either reinstate the shares of Series A Preferred Stock and equivalent number of Conversion Shares for which such conversion was not honored (in which case such conversion shall be deemed rescinded) or deliver to such Holder the number of shares of Common Stock that would have been issued if the Corporation had timely complied with its delivery requirements. The Holder shall provide the Corporation written notice, together with reasonable supporting documentation, indicating the amounts payable to such Holder in respect of a Buy-In.

(d) **Reservation of Shares.** The Corporation covenants that it will at all times while any shares of Series A Preferred Stock remain outstanding reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of issuance upon conversion of the Series A Preferred Stock, not less than 150% of the aggregate number of shares of Common Stock issuable upon conversion in full of all then-outstanding shares of Series A Preferred Stock (assuming for this purpose that dividends are paid in kind through the second anniversary of the Original Issue Date and without regard to the Beneficial Ownership Limitation or the Exchange Cap). The Corporation covenants that all Conversion Shares will, upon issuance in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable, free and clear of all liens (other than restrictions arising under applicable securities laws) and not subject to any preemptive or similar rights. If at any time the number of authorized but unissued shares of Common Stock is insufficient to permit the reservation required by this Section 6(d), the Corporation shall use its best efforts to take all such corporate action as is necessary to increase its authorized shares of Common Stock to a number sufficient for such purpose, including using best efforts to obtain the requisite stockholder approval of any necessary amendment to the Certificate of Incorporation as promptly as practicable.

(e) **Fractional Shares; Transfer Taxes.** No fractional shares of Common Stock shall be issued upon conversion of the Series A Preferred Stock; in lieu of any fractional share to which a Holder would otherwise be entitled, the number of Conversion Shares issuable upon such conversion shall be rounded up to the nearest whole share. The issuance of Conversion Shares upon conversion shall be made without charge to any Holder for any documentary stamp or similar taxes, or any other issue or transfer costs or fees, that may be payable in respect of the issuance or delivery of such shares in the name of the converting Holder; provided that the Corporation shall not be required to pay any tax that may be payable in respect of any issuance of Conversion Shares to a Person other than the converting Holder.

(f) **Beneficial Ownership Limitation.** Notwithstanding anything herein to the contrary, the Corporation shall not effect any conversion of the Series A Preferred Stock, and a Holder shall not have the right to convert any portion of the Series A Preferred Stock, to the extent that, after giving effect to the conversion set forth on the applicable Notice of Conversion, such Holder (together with such Holder's Affiliates, and any Persons acting as a group together with such Holder or any of such Holder's Affiliates) would beneficially own in excess of the Beneficial Ownership Limitation. For purposes of this Section 6(f), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, and the determination of whether the Series A Preferred Stock is convertible and of which shares are convertible shall be in the sole discretion of the applicable Holder, whose delivery of a Notice of Conversion shall be deemed such Holder's determination that such conversion complies with this Section 6(f), and the Corporation shall not be obligated to verify or confirm the same. The **"Beneficial Ownership Limitation"** shall be 4.99% of the number of shares of Common Stock outstanding immediately after giving effect to the issuance of Conversion Shares pursuant to the applicable Notice of Conversion. A Holder, upon notice to the Corporation, may increase or decrease the Beneficial Ownership Limitation applicable to such Holder to any other percentage not in excess of 9.99%, provided that any increase shall not be effective until the sixty-first (61st) day after such notice is delivered to the Corporation. The Beneficial Ownership Limitation shall be applied and construed, and this Section 6(f) shall be interpreted, in a manner consistent with published interpretive guidance of the staff of the Commission under Section 13(d) of the Exchange Act. The provisions of this Section 6(f) shall apply to any successor holder of Series A Preferred Stock.

(g) **Nasdaq Exchange Cap; Stockholder Approval; Cash Settlement.** Notwithstanding anything herein to the contrary, unless and until Stockholder Approval has been obtained, the aggregate number of shares of Common Stock issued upon conversion of the Series A Preferred Stock (including any shares of Common Stock deemed issued in respect of in-kind dividends), when aggregated with (i) all shares of Common Stock issued or issuable upon conversion of the Milestone Preferred Stock and (ii) all other issuances of Common Stock or Common Stock Equivalents required to be aggregated therewith under Nasdaq Listing Rule 5635, shall not exceed **10,594,979** shares of Common Stock, being 19.99% of the number of shares of Common Stock issued and outstanding immediately prior to the execution of the Binding LOI, dated June 18, 2026, between the Corporation and Paradox Data, LLC (such maximum number, as appropriately adjusted for any stock dividend, stock split, stock combination, reclassification or similar transaction of the type described in Section 7(a), the **"Exchange Cap"**). The Exchange Cap is intended to ensure, and shall be applied and construed so, that no approval of the Corporation's stockholders under Nasdaq Listing Rule 5635 is required as a condition to the issuance of the Series A Preferred Stock or the Milestone Preferred Stock, or to the issuance of Conversion Shares up to the Exchange Cap. The Exchange Cap shall be allocated among the shares of Series A Preferred Stock and the Milestone Preferred Stock pro rata based on the respective aggregate stated values thereof at issuance (or as otherwise required by Nasdaq). If, on any Conversion Date, all or any portion of a conversion would exceed the Exchange Cap or otherwise require stockholder approval under Nasdaq Listing Rule 5635 (including Rule 5635(c) with respect to any Holder that is deemed an officer, director, employee or consultant of the Corporation), then: (i) the Corporation shall issue Conversion Shares up to the Exchange Cap (to the extent available and permitted); (ii) the Corporation shall promptly, and in any event within the time period required by the Purchase Agreement, submit the issuance of the remaining Conversion Shares to its stockholders for Stockholder Approval, and the Board of Directors shall recommend approval thereof; and (iii) if Stockholder Approval is not obtained within ninety (90) days following submission of the matter to the Corporation's stockholders, the Corporation shall pay to the applicable Holder, within five (5) Business Days following the expiration of such ninety (90)-day period, an amount in cash equal to \$1,000.00 for each share of Series A Preferred Stock (or portion thereof, valued at its Accreted Stated Value relative to \$1,000.00) that cannot be converted as a result of this Section 6(g), whereupon such shares (or portions thereof) shall be cancelled. Nothing in this Section 6(g) shall modify the Conversion Amount, the Conversion Price, any VWAP measurement period or any other economic term of the Series A Preferred Stock. The Corporation shall not take any action (including entering into any transaction requiring aggregation under Nasdaq Listing Rule 5635) that would reduce the number of Conversion Shares issuable under the Exchange Cap without the consent of the Required Holders.

## **Section 7 Certain Adjustments.**

(a) **Stock Dividends, Stock Splits and Combinations.** If the Corporation, at any time while any shares of Series A Preferred Stock are outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions payable in shares of Common Stock on shares of Common Stock or any Common Stock Equivalents (which, for avoidance of doubt, shall not include any Conversion Shares or shares of Common Stock issued in payment of dividends on the Series A Preferred Stock); (ii) subdivides (including by way of forward stock split) outstanding shares of Common Stock into a larger number of shares; (iii) combines (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares; or (iv) issues, in the event of a reclassification of shares of Common Stock, any shares of capital stock of the Corporation, then in each case the Conversion Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding any treasury shares of the Corporation) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event. Any adjustment made pursuant to this Section 7(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or reclassification. For the avoidance of doubt, upon any event described in this Section 7(a), the Voting Floor Price and the Exchange Cap shall be equitably and proportionately adjusted, and the 250% threshold in Section 8 shall apply to the Conversion Price as so adjusted.

(b) **Pro Rata Distributions.** If the Corporation, at any time while any shares of Series A Preferred Stock are outstanding, distributes to all holders of Common Stock (and not to the Holders on an as-converted basis) evidences of its indebtedness, assets (including cash and cash dividends, but excluding regular dividends in which the Holders participate pursuant to Section 3(b)), rights or warrants to subscribe for or purchase any security, or any other asset (a “**Distribution**”), then each Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete conversion of such Holder’s Series A Preferred Stock (without regard to the Beneficial Ownership Limitation or the Exchange Cap) immediately before the record date for such Distribution; provided, however, that, to the extent that such Holder’s right to participate in any such Distribution would result in such Holder exceeding the Beneficial Ownership Limitation, then such Holder shall not be entitled to participate in such Distribution to such extent, and the portion of such Distribution attributable to such excess shall be held in abeyance for the benefit of such Holder until such time, if ever, as its right thereto would not result in such Holder exceeding the Beneficial Ownership Limitation.

(c) **Fundamental Transaction.** If, at any time while any shares of Series A Preferred Stock are outstanding, (i) the Corporation, directly or indirectly, in one or more related transactions, effects any merger or consolidation of the Corporation with or into another Person in which the Corporation is not the surviving entity or in which the holders of Common Stock immediately prior thereto own less than a majority of the voting power of the surviving entity immediately thereafter, (ii) the Corporation, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any direct or indirect purchase offer, tender offer or exchange offer (whether by the Corporation or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (iv) the Corporation, directly or indirectly, effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, or (v) the Corporation, directly or indirectly, consummates a stock or share purchase agreement or other business combination with another Person whereby such other Person acquires more than 50% of the outstanding shares of Common Stock (each, a “**Fundamental Transaction**”), then, upon any subsequent conversion of the Series A Preferred Stock, each Holder shall have the right to receive, for each Conversion Share that would have been issuable upon such conversion immediately prior to the occurrence of such Fundamental Transaction (without regard to the Beneficial Ownership Limitation or the Exchange Cap), the number of shares of common stock or common equity interests of the successor or acquiring corporation or of the Corporation, if it is the surviving corporation, and any additional consideration (the “**Alternate Consideration**”) receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which one Conversion Share would have been issuable immediately prior to such Fundamental Transaction. For purposes of any such subsequent conversion, the determination of the Conversion Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Corporation shall apportion the Conversion Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then each Holder shall be given the same choice as to the Alternate Consideration it receives upon any subsequent conversion. The Corporation shall not effect a Fundamental Transaction unless the Corporation or the successor or acquiring Person, as applicable, assumes in writing (or by operation of law) all of the obligations of the Corporation under this Certificate of Designation and the other transaction documents referred to in the Purchase Agreement, and (if other than the Corporation) delivers to each Holder, in exchange for the outstanding shares of Series A Preferred Stock, a security of the successor or acquiring Person evidenced by a written instrument substantially similar in form and substance to this Certificate of Designation, including having a stated value and dividend rights identical to those hereunder and satisfactory to the Required Holders. The provisions of this Section 7(c) shall apply similarly and equally to successive Fundamental Transactions.

(d) **Calculations.** All calculations under this Section 7 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 7, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding any treasury shares of the Corporation) issued and outstanding.

(e) **Notice of Adjustment; Notice of Corporate Events.** Whenever the Conversion Price is adjusted pursuant to this Section 7, the Corporation shall promptly deliver to each Holder a notice setting forth the Conversion Price after such adjustment and a brief statement of the facts requiring such adjustment. If, while any shares of Series A Preferred Stock are outstanding, (i) the Corporation declares a dividend or any other distribution of cash, securities or other property in respect of the Common Stock, (ii) the Corporation authorizes and publicly approves, or enters into any agreement contemplating, a Fundamental Transaction, or (iii) the Corporation authorizes the voluntary dissolution, liquidation or winding up of its affairs, then the Corporation shall deliver to each Holder a notice of such event at least ten (10) calendar days prior to the applicable record or effective date, describing the material terms and conditions of such event; provided that the failure to deliver such notice or any defect therein shall not affect the validity of the corporate action required to be described in such notice; and provided, further, that in lieu of delivering such notice directly to Holders, the Corporation may satisfy this requirement by filing publicly available disclosure of such event with the Commission on a Current Report on Form 8-K or other periodic report at least ten (10) calendar days prior to the applicable record or effective date, it being understood that no notice under this Section 7(e) shall include material, non-public information regarding the Corporation unless concurrently publicly disclosed.

**Section 8 Forced Conversion.** If, at any time after the Original Issue Date, the closing sale price of the Common Stock on the principal Trading Market equals or exceeds 250% of the then-effective Conversion Price for a period of twenty (20) consecutive Trading Days (the last Trading Day of such period, the “**Threshold Date**”), the Corporation may, within ten (10) Trading Days after the Threshold Date, deliver a written notice to all Holders (a “**Forced Conversion Notice**”) to cause each Holder to convert all or a pro rata portion (determined by reference to the aggregate Conversion Amount held by each Holder) of such Holder’s shares of Series A Preferred Stock, at the then-applicable Conversion Amount and Conversion Price, with the conversion effective on the fifth (5th) Trading Day following delivery of the Forced Conversion Notice, it being agreed that the conversion of each Holder’s shares pursuant to this Section 8 shall be subject to, and limited by, the Beneficial Ownership Limitation applicable to such Holder and the Exchange Cap, and any shares of Series A Preferred Stock that cannot be converted as a result of such limitations shall remain outstanding (with any conversion thereof held in abeyance) until such time as such conversion would not violate such limitations, whereupon such shares shall automatically convert without further notice. For the avoidance of doubt, all mechanics and remedies set forth in Section 6(c) shall apply to any conversion effected pursuant to this Section 8 as if such conversion were effected by delivery of a Notice of Conversion on the effective date thereof.

**Section 9 Redemption; No Preemptive Rights.** (a) **No Mandatory Redemption; No Preemptive Rights.** Except as expressly provided in Section 6(g) and Section 9(b), the Series A Preferred Stock shall not be subject to mandatory redemption, and neither the Corporation nor any Holder shall have any right to require the redemption or repurchase of any shares of Series A Preferred Stock, and there shall be no sinking fund or similar arrangement with respect thereto. No Holder shall have any preemptive, subscription or similar right to acquire any securities of the Corporation by virtue of such Holder’s ownership of Series A Preferred Stock.

(b) **Optional Redemption by the Corporation.** The Corporation shall have the right, at any time and from time to time after the Original Issue Date, in its sole discretion, to redeem all or any portion of the then-outstanding shares of Series A Preferred Stock for cash at a redemption price per share equal to one hundred twenty percent (120%) of the Accreted Stated Value of such share as of the Redemption Date (the “**Redemption Price**”). The Corporation shall exercise such right by delivering to each Holder of shares of Series A Preferred Stock to be redeemed a written notice of redemption (a “**Redemption Notice**”), which shall be irrevocable and shall specify (i) the date fixed for such redemption, which shall be not less than ten (10) Business Days after the date on which the Redemption Notice is deemed given pursuant to Section 10(a) (the “**Redemption Date**”), (ii) the number of shares of Series A Preferred Stock of such Holder to be redeemed, and (iii) the aggregate Redemption Price payable to such Holder in respect thereof (subject to adjustment to give effect to any conversion pursuant to Section 9(c)). If fewer than all of the then-outstanding shares of Series A Preferred Stock are to be redeemed, the shares to be redeemed shall be selected pro rata among the Holders based on the aggregate Accreted Stated Value of the shares of Series A Preferred Stock held by each Holder. Notwithstanding any redemption of shares of Series A Preferred Stock pursuant to this Section 9(b) or anything else herein to the contrary: (i) this Certificate of Designation shall not be eliminated and shall remain in full force and effect until all Milestone Preferred Stock has been issued; (ii) any Milestone Preferred Stock issued after such redemption shall have the identical powers, preferences, rights, qualifications, limitations and restrictions set forth in this Certificate of Designation as in effect immediately prior to such redemption; and (iii) the number of shares of Series A Preferred Stock authorized hereunder shall at all times remain sufficient to permit the issuance of all Milestone Preferred Stock that may become issuable under the Purchase Agreement.

(c) **Holder Conversion Right Prior to Redemption.** Notwithstanding the delivery of any Redemption Notice, each Holder shall retain the right to convert any or all of such Holder's shares of Series A Preferred Stock called for redemption in accordance with Section 6 at any time prior to 5:00 p.m. (New York City time) on the Business Day immediately preceding the Redemption Date, and any share of Series A Preferred Stock so converted shall not be redeemed and no Redemption Price shall be payable in respect thereof.

(d) **Holder Election as to Form of Redemption Price.** Each Holder of shares of Series A Preferred Stock called for redemption shall have the right to elect, in such Holder's sole discretion, to receive the Redemption Price in (i) cash, (ii) shares of Common Stock, valued at the VWAP for the ten (10) Trading Days immediately preceding the Redemption Date, or (iii) any combination of cash and shares of Common Stock, with the Common Stock component valued as provided in clause (ii), in each case by delivering written notice of such election to the Corporation (an "**Election Notice**") at any time prior to the expiration of the period of ten (10) Business Days following the date on which the applicable Redemption Notice is deemed given pursuant to Section 10(a) (the "**Election Period**"). If a Holder does not deliver an Election Notice prior to the expiration of the Election Period, such Holder shall be deemed to have elected to receive the Redemption Price in cash. Notwithstanding any election pursuant to this Section 9(d), the issuance of shares of Common Stock in payment of all or any portion of the Redemption Price shall be subject to the Beneficial Ownership Limitation and the Exchange Cap (applied mutatis mutandis to such issuance), and to the extent that any such issuance would cause the applicable Holder to exceed the Beneficial Ownership Limitation or would exceed the Exchange Cap, the portion of the Redemption Price attributable to such excess shall be paid in cash. Any shares of Common Stock issued in payment of the Redemption Price shall, upon issuance in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable, and shall be delivered in accordance with the mechanics set forth in Section 6(c)(i) as if such shares were Conversion Shares.

(e) **Payment; Effect of Redemption.** On the Redemption Date, the Corporation shall pay the aggregate Redemption Price for the shares of Series A Preferred Stock redeemed from each Holder in cash by wire transfer of immediately available funds to an account designated in writing by such Holder, in shares of Common Stock, or in a combination thereof, in each case in accordance with such Holder's election (or deemed election) pursuant to Section 9(d). In addition, on the Redemption Date, the Corporation shall pay to each applicable Holder, in cash, all dividends accrued on the shares of Series A Preferred Stock so redeemed from the most recent Dividend Payment Date (or, if none, the Original Issue Date) through the next scheduled Dividend Payment Date immediately following the Redemption Date, in each case regardless of such Holder's election (or deemed election) as to the form of the Redemption Price. From and after the Redemption Date, if the aggregate Redemption Price payable to a Holder has been paid and delivered in full, dividends shall cease to accrue on the shares so redeemed, such shares shall no longer be deemed outstanding, all rights of such Holder in respect of such shares (other than the right to receive the Redemption Price) shall terminate, and such shares shall be retired and cancelled as provided in Section 2(c). If the Corporation fails to pay or deliver the aggregate Redemption Price (including any shares of Common Stock deliverable pursuant to Section 9(d)) and the dividends payable pursuant to this Section 9(e) in full on the Redemption Date with respect to any share of Series A Preferred Stock, then, unless and until the Redemption Price for such share is paid in full, such share shall remain outstanding, dividends shall continue to accrue thereon, and all rights of the Holder in respect thereof (including the right to convert such share pursuant to Section 6) shall continue in full force and effect.

#### **Section 10 Miscellaneous.**

(a) **Notices.** Any and all notices or other communications or deliveries to be provided by the Holders hereunder, including any Notice of Conversion, shall be in writing and delivered personally, by e-mail, or sent by a nationally recognized overnight courier service, addressed to the Corporation at 550 South Andrews Ave., Suite 700, Fort Lauderdale, FL 33301, Attention: Chief Executive Officer, e-mail: dh@zsquaredinc.com, or to such other address or e-mail address as the Corporation may specify for such purposes by notice to the Holders. Any and all notices or other communications or deliveries to be provided by the Corporation hereunder shall be in writing and delivered personally, by e-mail, or sent by a nationally recognized overnight courier service addressed to each Holder at the e-mail address or address of such Holder appearing on the books of the Corporation. Any notice or other communication or delivery hereunder shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via e-mail prior to 5:30 p.m. (New York City time) on any date, (ii) the next Trading Day after the date of transmission, if such notice or communication is delivered via e-mail on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (iii) the second Business Day following the date of mailing, if sent by nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

(b) **Lost or Mutilated Certificates.** If a Holder's Series A Preferred Stock certificate is mutilated, lost, stolen or destroyed, the Corporation shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof (in the case of mutilation), or in lieu of and substitution therefor, a new certificate or book-entry position for such shares, but only upon receipt of evidence of such loss, theft or destruction and of the ownership thereof reasonably satisfactory to the Corporation and customary indemnity, if requested, without the requirement to post any bond.

(c) **Waiver; Amendment.** Any waiver by the Corporation or a Holder of a breach of any provision of this Certificate of Designation shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision hereof. This Certificate of Designation, and any provision hereof, may be amended, modified or waived, and the Corporation may take any action herein prohibited or omit to perform any act herein required to be performed by it, only if the Corporation has obtained the affirmative vote at a duly held meeting or the written consent of the Required Holders (voting or consenting as a separate class) and has complied with any other approval requirements of applicable law and the Certificate of Incorporation; provided, however, that no amendment, modification or waiver shall, without the prior written consent of each Holder adversely and disproportionately affected thereby (as compared to the other Holders): (i) reduce the Stated Value, the Accreted Stated Value, the dividend rates set forth in Section 3(a) or the Liquidation Preference; (ii) increase the Conversion Price (other than pursuant to adjustments expressly provided in Section 7), ; (iii) change any Dividend Payment Date or the timing of any payment or delivery owed to such Holder hereunder; or (iv) amend this Section 10(c).

(d) **Severability.** If any provision of this Certificate of Designation is invalid, illegal or unenforceable, the balance of this Certificate of Designation shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum rate of interest permitted under applicable law.

(e) **Next Business Day.** Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

(f) **Headings; Interpretation.** The headings contained herein are for convenience only, do not constitute a part of this Certificate of Designation and shall not be deemed to limit or affect any of the provisions hereof. This Certificate of Designation shall be governed by and construed in accordance with the DGCL and the other internal laws of the State of Delaware, without giving effect to any conflict-of-laws principles.

(g) **Status of Converted or Reacquired Shares.** Shares of Series A Preferred Stock converted into Common Stock, paid in cash pursuant to Section 6(g), or otherwise redeemed, repurchased or reacquired by the Corporation shall be retired and cancelled as provided in Section 2(c).

RESOLVED, FURTHER, that the officers of the Corporation be, and each of them hereby is, authorized and directed to execute and file this Certificate of Designation with the Secretary of State of the State of Delaware and to take all such further actions as such officers deem necessary or advisable to carry out the purposes of the foregoing resolution.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Designation as of this 8th day of September, 2026.

**Z SQUARED INC.**

By: /s/David Halabu  
Name: David Halabu  
Title: Chief Executive Officer

## TRIPLE NET LEASE AND RELOCATION AGREEMENT

Effective Date: September 8, 2026  
PARADOX DATA LLC — Landlord  
PARADOX INFRASTRUCTURE LLC — Tenant  
Z SQUARED INC. — Relocation Payment Obligor

This Triple Net Lease and Relocation Agreement (this “Lease”) is made and entered into as of September 8, 2026 (the “Effective Date”), by and among Paradox Data LLC, a Florida limited liability company (“Data” or “Landlord”), Paradox Infrastructure LLC, a Florida limited liability company (“Infrastructure” or “Tenant”), and Z Squared Inc., a Delaware corporation (“Z Squared”). Z Squared joins this Lease solely with respect to the obligations expressly imposed upon it. As of the Effective Date, Z Squared owns one hundred percent (100%) of Data.

Data and Infrastructure are parties to that certain Intercompany Power Access and Cost-Sharing Agreement dated September 8, 2026 (the “Power Access Agreement”). “MIPA” means that certain Membership Interest Purchase Agreement dated July 31, 2026, by and among Z Squared, Data, Infrastructure and the Owner Parties named therein, together with its schedules and exhibits. “Excluded Asset” has the meaning set forth in the MIPA. Capitalized terms not otherwise defined in this Lease have the meanings set forth in the Power Access Agreement. “Business Day” means any day other than a Saturday, Sunday, or legal holiday in the State of Arkansas.

## 1. PREMISES AND USE

**1.1 Premises.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the existing building (the “Existing Building”) and the approximately three-acre parcel identified in the MIPA and Exhibit A (collectively, the “Premises”), together with reasonable rights of access thereto.

**1.2 Permitted Use.** Tenant may use the Premises to operate, maintain, wind down, and remove its bitcoin mining facility and related equipment (the “Permitted Use”). This Lease does not grant any right to electric service or Capacity, all of which are governed exclusively by the Power Access Agreement.

## 2. TERM AND RENT

**2.1 Term.** The term of this Lease (the “Term”) shall commence on the Effective Date and shall expire at 11:59 p.m. on the earliest to occur of the following (the applicable date, the “Surrender Date”):

- (a) the day immediately preceding the Changeover Date (as defined in the Power Access Agreement) specified in a valid Changeover Notice delivered pursuant to Section 4.1 of the Power Access Agreement;
- (b) the surrender date specified in a separate written notice delivered by Data or Z Squared pursuant to Section 6.2; or
- (c) the second anniversary of the Effective Date (the “Outside Expiration Date”); or

(d) the effective date of any termination of this Lease by Tenant pursuant to Section 7.1(d) or by either party pursuant to Section 8.1.

**2.1 A. Negotiation Extension.** If, on the Outside Expiration Date, the Parties are actively and in good faith negotiating a lease extension, amendment, or alternative arrangement with respect to the Premises (as evidenced by written communications between the Parties within the thirty (30) days preceding the Outside Expiration Date in which both Parties have confirmed that negotiations remain ongoing), the Term shall automatically extend for an additional period of thirty (30) calendar days solely to permit the Parties to complete such negotiations. During any such extension, no Trigger Event shall be deemed to have occurred solely by reason of the original Outside Expiration Date, and the Relocation Payment shall not become due solely by reason of such original date. If the Parties have not entered into a written extension or alternative agreement by the end of the thirty (30)-day extension period, the Term shall expire and the Relocation Payment shall become due on such extended expiration date.

**2.2 Base Rent.** Tenant shall pay Landlord base rent of One Dollar (\$1.00) on the Effective Date and One Dollar (\$1.00) on each anniversary of the Effective Date occurring during the Term.

**2.3 No Renewal; Holdover.** This Lease shall not renew automatically. Any occupancy after the Surrender Date without Landlord's written consent shall constitute a tenancy at sufferance, terminable at any time, at a daily use and occupancy charge equal to one hundred twenty-five percent (125%) of the fair market rental value of the Premises, determined at the time of holdover, together with all other amounts payable under this Lease. For purposes of this Section 2.3, the fair market rental value of the Premises shall be the fair market rental value of an industrial warehouse building of comparable size, age, and condition located in El Dorado, Arkansas, determined without regard to (i) the Data Center or any improvement, development, entitlement, or construction made or initiated by Data, Z Squared, or any of their affiliates, or (ii) the presence, availability, or value of the Capacity, the AES, or any electric service interconnection at the Premises. If the parties do not agree in writing upon such fair market rental value within fifteen (15) Business Days after the commencement of the holdover, such value shall be determined by a single appraiser holding the MAI designation with not less than five (5) years' experience appraising industrial property in south Arkansas, selected by mutual agreement of Data and Infrastructure or, failing such agreement within ten (10) Business Days, appointed by the American Arbitration Association. The appraiser's determination shall be final and binding on the parties, and the cost of the appraisal shall be borne equally by Data and Infrastructure. Tenant shall indemnify, defend, and hold harmless Landlord from and against all third-party claims (and expenses arising therefrom, including reasonable attorneys' fees) incurred by Landlord as a result of Tenant's holdover after the Surrender Date. The holdover charge and indemnity in this Section 2.3 shall not apply to any period during which Tenant remains in possession of the Premises solely because of a delay caused by Data, Z Squared, Entergy, or the Assignment (as defined in the Power Access Agreement) process. Any consented holdover shall be on a day-to-day basis unless otherwise agreed in writing.

### 3. TRIPLE NET COSTS AND TAX LIMITS

**3.1 Operating Costs; Additional Rent.** Except as expressly provided otherwise in this Lease, Tenant shall pay the ordinary costs arising from its occupancy and Permitted Use, including non-power utilities, routine maintenance, waste removal, permits required for the Permitted Use, and the insurance required under Section 4. All amounts payable by Tenant under this Section 3 constitute additional rent ("Additional Rent"). Power costs and Entergy Charges are governed exclusively by the Power Access Agreement and shall not be charged again under this Lease.

**3.2 Property Taxes.** Tenant shall be responsible only for: (a) taxes assessed against Tenant's equipment, personal property, and trade fixtures; (b) the portion of real property taxes attributable to the Premises and the buildings, systems, and improvements existing as of the Effective Date, determined by reference to the baseline assessed values set forth in Exhibit A; and (c) any increase in taxes attributable to improvements installed by or on behalf of Tenant. All such amounts shall be prorated for the Term.

**3.3 Excluded Tax Increases.** Notwithstanding anything to the contrary, Tenant shall have no liability for any tax or increase in tax attributable to improvements, additions, equipment, construction, development, financing, transfers of ownership, rezoning, reclassification, or changes in use made, installed, or initiated by Data, Z Squared, or any of their affiliates, including development of the Data Center. Landlord shall be solely responsible for such amounts.

**3.4 Sales and Use Taxes.** Tenant shall pay sales and use taxes arising from property, equipment, materials, or improvements purchased or installed by or on behalf of Tenant. Tenant shall not be responsible for sales or use taxes arising from purchases, equipment, construction, or improvements made or installed by or on behalf of Data, Z Squared, or any of their affiliates.

**3.5 Documentation and Disputes.** As a condition precedent to Tenant's obligation to reimburse any tax, Landlord shall furnish the applicable tax bill, assessment records, and a reasonable written allocation. No markup, surcharge, or administrative fee shall apply. A disputed amount shall not be deemed delinquent while the parties are attempting in good faith to resolve the allocation.

### 4. MAINTENANCE, ALTERATIONS, INSURANCE, AND ACCESS

**4.1 Maintenance and Repair.** Tenant shall perform routine maintenance of the Premises and shall repair any damage caused by Tenant's operations, employees, contractors, equipment, or removal activities. Landlord shall be responsible for all structural maintenance or capital repairs and improvements not caused or aggravated by Tenant, subject to the MIPA.

**4.2 Alterations.** Tenant may make nonstructural alterations reasonably required for the Permitted Use upon prior notice to Landlord. Structural alterations or material modifications to building systems require Landlord's prior written consent, which shall not be unreasonably withheld, conditioned, or delayed.

**4.3 Insurance.** During the Term, Tenant shall maintain: (a) commercial general liability insurance with limits of \$2,000,000 per occurrence; (b) workers' compensation insurance as required by applicable law; and (c) replacement-cost property insurance covering Tenant's equipment and improvements. Data and Z Squared shall be named as additional insureds under Tenant's liability policy to the extent commercially available. Tenant shall deliver certificates of insurance evidencing the required coverage to Data and Z Squared within ten (10) days after the Effective Date and upon each renewal of any required policy. Landlord shall insure the Existing Building. Tenant shall not be responsible for any premium increase attributable to construction, improvements, or changes in operations by Data, Z Squared, or their affiliates. Each party hereby waives, and shall cause its property insurers to waive by endorsement, all rights of subrogation against each other party and its affiliates, officers, employees, and agents with respect to any loss or damage covered by property insurance carried by the waiving party, whether or not such loss or damage is caused by the fault or negligence of such other party. Each party shall cause each of its property insurance policies to contain, or to permit by endorsement, such waiver of subrogation.

**4.4 Landlord Access.** Landlord and its representatives may enter the Premises upon not less than twenty-four (24) hours' prior notice during normal business hours, or without prior notice in an emergency. Landlord shall use commercially reasonable efforts to minimize interference with the Permitted Use and shall comply with Tenant's reasonable site safety and security procedures.

**4.5 Compliance with Laws; Environmental Matters.** Each party shall comply with applicable laws arising from its own activities. Tenant shall be responsible for contamination first caused by Tenant during the Term. The MIPA shall govern all responsibility for pre-existing conditions and transaction-related environmental matters.

## **5. POWER ACCESS AGREEMENT**

**5.1 Power Matters.** As between this Lease and the Power Access Agreement, the Power Access Agreement shall exclusively govern the AES, Capacity, Entergy Charges, Assignment, mining during the Mining Period and Interim Mining Period, Changeover Notice, Changeover Date, shutdown, de-energization, and transfer of operational control.

**5.2 Assignment Not a Trigger.** For the avoidance of doubt, an Assignment, the Assignment Date, or any transfer of the Entergy account from Infrastructure to Data shall not terminate this Lease, require Tenant to vacate the Premises, or trigger the Relocation Payment. A power-based trigger shall occur only upon (a) Data's delivery of a valid Changeover Notice pursuant to Section 4.1 of the Power Access Agreement based upon Data's need for the Capacity, or (b) the occurrence of a Trigger Event under Section 7.1(d).

## **6. VACATE EVENTS AND SURRENDER**

**6.1 Power-Based Notice.** A valid Changeover Notice delivered pursuant to Section 4.1 of the Power Access Agreement shall also constitute notice to vacate under this Lease and shall provide Tenant not less than sixty (60) calendar days before the Changeover Date. Tenant shall surrender the Premises no later than 11:59 p.m. on the day immediately preceding the Changeover Date and shall comply with Section 4.2 of the Power Access Agreement. A notice executed only by Z Squared shall be effective under this Section 6.1 only if Data joins in or confirms such notice in writing so that it constitutes a valid Changeover Notice under the Power Access Agreement.

**6.2 Separate Vacate Notice.** Data or Z Squared may require Tenant to vacate the Existing Building and the approximately three-acre parcel by delivering not less than sixty (60) calendar days' prior written notice specifying the Surrender Date. Unless such notice also satisfies the requirements of the Power Access Agreement, it shall not amend, accelerate, or otherwise affect either party's rights or obligations concerning power access.

**6.3 Reserved.**

**6.4 Outside Expiration.** If no notice is delivered pursuant to Section 6.1 or 6.2, the Term shall automatically expire and Tenant shall surrender the Premises on the Outside Expiration Date without further notice or demand.

**6.5 Surrender Obligations.** Through the Surrender Date, Tenant may continue the Permitted Use, subject to an orderly wind-down and the Power Access Agreement. On or before the Surrender Date, Tenant shall cease operations, remove its equipment and personal property other than any Excluded Asset, surrender the Premises in broom-clean condition, ordinary wear and tear excepted, and return all access credentials. If Tenant fails to remove any equipment required to be removed under this Section 6.5 by the Surrender Date, Landlord may remove and store or dispose of such equipment at Tenant's sole cost and expense, and Tenant shall reimburse Landlord within ten (10) Business Days after written demand for all costs and expenses incurred in doing so. Tenant may leave any Excluded Asset at the Premises, provided Tenant de-energizes and secures such Excluded Asset so that it does not interfere with Data's energization or use of the Capacity as required by Section 4.2 of the Power Access Agreement. Leaving an Excluded Asset at the Premises shall not constitute a failure to surrender, a holdover, abandonment, or an Event of Default, and Tenant shall have no obligation after the Surrender Date to remove, store, maintain, insure, or dispose of such Excluded Asset, except as expressly provided in the MIPA. Ownership, risk of loss, and disposition of each Excluded Asset shall be governed by the MIPA. Tenant shall not be required to remediate pre-existing conditions except to the extent expressly required by the MIPA.

## **7. RELOCATION PAYMENT AND REMEDIATION DEDUCTIONS**

**7.1 Trigger Events.** Z Squared shall make one relocation payment to Infrastructure upon the earliest to occur of: (a) delivery of a valid Changeover Notice pursuant to Section 6.1; (b) delivery of a separate vacate notice pursuant to Section 6.2; (c) the Outside Expiration Date; (d) the date on which Tenant has been unable to conduct the Permitted Use for thirty (30) consecutive days by reason of the loss, reduction, or unavailability of the Capacity, other than by reason of Tenant's own uncured breach of the Power Access Agreement, or the date of any termination of the Power Access Agreement by Infrastructure pursuant to Section 4.7(e) thereof; or (e) the effective date of a termination of this Lease pursuant to Section 8.1 (each, a "Trigger Event," and the applicable date, the "Trigger Date"). If the Lease remains in effect through the Outside Expiration Date, the Relocation Payment shall be due on that date notwithstanding the absence of a prior notice. Upon the occurrence of a Trigger Event under clause (d), Tenant may terminate this Lease upon written notice to Data and Z Squared, and such termination shall not reduce, defer, or impair the Relocation Payment. The Relocation Payment shall be payable only once.

**7.2 Relocation Payment.** The gross relocation payment shall be Five Hundred Thousand Dollars (\$500,000.00) (the “Relocation Payment”). On the Trigger Date, Z Squared shall pay the Relocation Payment in immediately available funds, less only those deductions permitted and finally agreed or determined pursuant to this Section 7. The parties intend the Relocation Payment to constitute a relocation or moving allowance, but make no representation as to its tax treatment.

**7.2 A In-Lieu Conveyance.** In lieu of the cash Relocation Payment, Infrastructure may elect, by written notice to Data and Z Squared delivered no later than five (5) Business Days after the Trigger Date, to accept conveyance of the land and Existing Building comprising the Premises in full satisfaction of the Relocation Payment. Any such election shall be effective only if Z Squared consents in writing in its sole discretion. If Z Squared consents:

- (a) Data shall convey (or cause to be conveyed) to Infrastructure fee simple title to the land and Existing Building by special warranty deed, free and clear of all liens and encumbrances created by Data after the Effective Date;
- (b) closing shall occur within twenty (20) Business Days after Z Squared’s consent (or such longer period as the parties agree);
- (c) all transfer taxes, recording fees, title insurance premiums (owner’s policy), survey costs, and other customary closing costs shall be paid by Infrastructure;
- (d) the conveyance shall be in full satisfaction of the Relocation Payment, and Z Squared shall have no further payment obligation under this Section 7; and
- (e) this Section 7.2A shall not apply if a Changeover Notice has been delivered and the Changeover Date has occurred or is scheduled to occur prior to the proposed closing.

If Z Squared does not consent, or if Infrastructure does not timely elect, the Relocation Payment shall be paid in cash in accordance with Sections 7.2 and 7.5.

**7.3 Permitted Deductions.** A deduction from the Relocation Payment shall be permitted only for a reasonable, documented, out-of-pocket remediation cost that: (a) arises from a condition identified in connection with a Phase I or Phase II environmental assessment contemplated by the MIPA; (b) is legally required by applicable law, a final written governmental order, or an express provision of the MIPA; and

(c) is deductible from the Relocation Payment under the MIPA. No deduction shall be permitted for the cost of any Phase I or Phase II assessment, related report or consultant cost, voluntary or recommended work, ordinary maintenance, betterment, or improvement.

**7.4 Expense Statement; Review.** Data and Z Squared shall deliver the itemized expense statement attached as Exhibit B, together with reasonable supporting documentation. Infrastructure shall have fifteen (15) Business Days after receipt to approve or dispute each proposed deduction in writing. A deduction shall be allowed only to the extent agreed in writing by Infrastructure or finally determined to be deductible pursuant to Section 7.6. Infrastructure’s failure to respond in writing within such fifteen (15) Business Day period shall constitute approval of the proposed deductions.

**7.5 Upfront Funding.** On the Trigger Date, Z Squared shall pay all undisputed amounts directly to Infrastructure and shall deposit the full amount of each proposed but unresolved deduction with an escrow agent mutually agreed by the parties, on customary terms. The direct payment and escrow deposit, in the aggregate, shall equal Five Hundred Thousand Dollars (\$500,000.00). Notwithstanding the foregoing, the aggregate amount of proposed but unresolved deductions that may be deposited into escrow rather than paid directly to Infrastructure shall not exceed twenty-five percent (25%) of the Relocation Payment. Any portion of the Relocation Payment in excess of that amount shall be paid directly to Infrastructure in immediately available funds on the Trigger Date without regard to any proposed deduction, and Z Squared may pursue any proposed deduction in excess of that amount as a claim against Infrastructure following payment, pursuant to Section 7.6. For the anticipated Outside Expiration Date, Data and Z Squared shall use commercially reasonable efforts to deliver Exhibit B at least ten (10) Business Days before such date; any failure to do so shall not defer the obligation to fully fund the Relocation Payment on the Trigger Date. Payment of all undisputed amounts to Infrastructure plus deposit into escrow of the full amount of each unresolved proposed deduction permitted to be escrowed under this Section 7.5 shall constitute full and complete satisfaction of Z Squared's funding obligation with respect to the Relocation Payment. Z Squared shall have no obligation to replenish the escrow. Infrastructure's sole recourse with respect to any proposed deduction properly deposited into escrow shall be limited to the escrowed funds. Any unused escrowed amounts shall be promptly returned to Z Squared upon final resolution of all deduction disputes. Z Squared shall have a grace period of five (5) Business Days after the Trigger Date to complete the wire transfer of undisputed amounts and the escrow deposit of disputed amounts, during which period the failure to have fully funded shall not constitute an Event of Default under Section 8.3 so long as the funds are in transit or the escrow is being established in good faith.

**7.6 Deduction Disputes.** The parties shall meet and confer within five (5) Business Days after Infrastructure delivers a dispute notice. Any dispute not resolved within ten (10) Business Days after such meeting shall be submitted to expedited arbitration pursuant to Section 10.3. Data and Z Squared shall bear the burden of establishing the validity and amount of each proposed deduction. Escrowed funds may be released only pursuant to joint written instructions or a final arbitration award.

**7.7 MIPA Controls; No Double Recovery.** In the event of any conflict concerning environmental responsibility, required remediation, or deduction eligibility as between this Lease and the MIPA, the MIPA shall control. No cost may be deducted or recovered more than once, and all insurance proceeds or third-party recoveries relating to a deducted cost shall be credited against such deduction.

**7.8 Conditions to Relocation Payment.** Notwithstanding anything to the contrary in this Lease:

- (a) No Relocation Payment shall be due, and Z Squared's obligation to fund the Relocation Payment shall be suspended, during any period in which Infrastructure is in an uncured Event of Default under this Lease consisting of the failure to pay an undisputed monetary amount, or in an uncured material Event of Default under the Power Access Agreement that prevents or materially impairs the Assignment or Changeover. If such Event of Default is subsequently cured, Z Squared shall fund the Relocation Payment within five (5) Business Days after such cure.

(b) Release of any escrowed portion of the Relocation Payment to Infrastructure (other than pursuant to a final arbitration award) shall be conditioned upon Infrastructure's actual surrender of the Premises in accordance with Section 6.5. If Infrastructure fails to surrender by the Surrender Date, Z Squared may instruct the escrow agent to retain escrowed funds pending surrender, and Z Squared may offset against such escrowed funds any holdover charges, damages, or costs incurred by Data or Z Squared as a result of Infrastructure's failure to timely vacate. Notwithstanding the foregoing, Z Squared shall have no right to instruct the escrow agent to retain escrowed funds, and no right of offset under this subsection (b), with respect to any period during which Infrastructure remains in possession of the Premises solely because of a delay caused by Data, Z Squared, Entergy, or the Assignment process, as described in Section 2.3. Any dispute as to whether an item constitutes an Excluded Asset shall not constitute a failure to surrender for purposes of this subsection (b), and shall be resolved pursuant to Section 7.6 without affecting the release of escrowed funds to Infrastructure.

(c) Z Squared may offset against the Relocation Payment (or any escrowed portion thereof) the reasonable, documented cost to repair any damage to the Premises caused by Infrastructure beyond ordinary wear and tear, provided that Z Squared delivers written notice of the claimed offset with reasonable supporting documentation within thirty (30) days after the Surrender Date. Any disputed offset shall be resolved pursuant to Section 7.6.

(d) The Relocation Payment shall be payable solely to Infrastructure or a successor or assignee of Infrastructure that has been approved in writing by Z Squared. Any assignment of Infrastructure's right to receive the Relocation Payment without Z Squared's prior written consent shall be void and of no effect as to Z Squared.

## **8. CASUALTY, CLAIMS, AND DEFAULT**

**8.1 Casualty or Condemnation.** If any casualty or condemnation renders the Premises materially unsuitable for the Permitted Use, either Data or Infrastructure may terminate this Lease by written notice. Such termination shall constitute a Trigger Event pursuant to Section 7.1(e), and the Relocation Payment shall become due on the effective date of such termination; provided, however, that no Trigger Event shall occur, and no Relocation Payment shall be due, if the casualty was caused by the acts or omissions of Infrastructure or any of its affiliates, agents, or contractors. Infrastructure expressly reserves, and does not waive, the right to claim, pursue, and receive a separate award in any condemnation or eminent domain proceeding for its leasehold interest, trade fixtures, equipment, relocation costs, and moving expenses, and any such award shall not reduce, offset, or otherwise affect the Relocation Payment.

**8.2 Indemnification.** To the extent caused by Tenant's use of the Premises, negligence, willful misconduct, or breach of this Lease, Tenant shall indemnify, defend, and hold harmless Data and Z Squared from and against third-party claims, losses, liabilities, damages, costs, and expenses, including reasonable attorneys' fees. To the extent caused by Data's negligence, willful misconduct, or breach of this Lease, Data shall indemnify, defend, and hold harmless Infrastructure from and against the same. The MIPA and Power Access Agreement shall govern indemnification matters within their respective subject matters, and no party shall be entitled to a double recovery.

**8.3 Events of Default; Remedies.** Failure to pay an undisputed amount within ten (10) Business Days after written notice shall constitute an “Event of Default.” A material breach of any nonmonetary obligation shall constitute an Event of Default if not cured within fifteen (15) days after written notice; provided, however, that if the breach cannot reasonably be cured within such period, no Event of Default shall occur so long as the breaching party commences the cure within such period and diligently prosecutes it to completion. Failure to fully fund the Relocation Payment when due shall constitute an immediate Event of Default without further notice or cure period. Upon an Event of Default, the nondefaulting party may exercise any remedy available at law or in equity, including damages, specific performance, and injunctive relief.

**8.4 No Power Self-Help.** Neither Data nor Z Squared shall interrupt, terminate, or impair Tenant’s power access as a remedy under this Lease except as expressly permitted by the Power Access Agreement, the AES, applicable law, or an emergency presenting an immediate risk of personal injury or material property damage.

## **9. TRANSFERS**

**9.1 Tenant Transfers.** Tenant shall not assign this Lease or sublease any material portion of the Premises without Landlord’s prior written consent, which shall not be unreasonably withheld, conditioned, or delayed. Tenant may, without Landlord’s consent but upon prior written notice to Landlord, (i) assign this Lease or sublet the Premises to an affiliate of Tenant upon prior written notice, or (ii) assign this Lease to

(a) any entity into which Tenant is merged or consolidated, (b) any entity resulting from a reorganization or recapitalization of Tenant, or (c) any entity that acquires all or substantially all of the assets or equity interests of Tenant, provided (in the case of an assignment) such affiliate assumes this Lease in writing and Tenant remains liable for all obligations hereunder.

**9.2 Landlord Transfers.** Landlord may transfer its interest in the Premises subject to this Lease, provided the transferee assumes Landlord’s obligations in writing. No transfer of the Premises and no change in the ownership or control of Data, including a bona fide arm’s-length transfer of a controlling interest in Data to an unaffiliated third party, shall release Z Squared from the Relocation Payment obligation unless Infrastructure expressly consents in writing to such release, which consent shall not be unreasonably withheld, conditioned, or delayed. Any release consented to under this Section 9.2 shall be effective only upon the transferee’s written assumption of the Relocation Payment obligation and delivery of a copy of such assumption to Infrastructure.

## **10. NOTICES, PRIORITY, AND GENERAL TERMS**

**10.1 Notices.** All notices required or permitted under this Lease shall be in writing and delivered by personal delivery, nationally recognized overnight courier, or certified mail, return receipt requested, to the addresses set forth below, or to such other address as a party may designate by notice. Non-critical correspondence may also be delivered by email to an email address designated by the receiving party, but email shall not be used for any Changeover Notice, Vacate Notice, or notice of default; each such notice must be delivered by one of the methods set forth above. Any power-based notice must also satisfy Section 12.3 of the Power Access Agreement.

**Infrastructure:**

Paradox Infrastructure LLC  
Attn: Armand Nannicola Sr.  
713 Industrial Road  
El Dorado, AR 71730

**Data:**

Paradox Data LLC  
Attn: Armand Nannicola Sr.  
4113 Warren Sharon Road  
Vienna, OH 44473

**Z Squared:**

Z Squared Inc.  
Attn: David Halabu  
550 South Andrews Ave., Suite 700  
Fort Lauderdale, FL 33301

**10.2 Order of Priority.** The Power Access Agreement shall control all matters concerning power, the AES, Capacity, Entergy, Assignment, Changeover, shutdown, and de-energization. The MIPA shall control environmental responsibility and eligibility of remediation deductions. This Lease shall control possession, rent, operating costs, taxes, surrender, and the timing and funding of the Relocation Payment. Nothing in this Lease modifies Entergy's rights under the AES. For the avoidance of doubt, the Power Access Agreement controls whether a Changeover Notice is valid; this Lease exclusively controls whether and when a valid Changeover Notice triggers Z Squared's Relocation Payment obligation and the amount and funding mechanics thereof.

**10.3 Governing Law; Dispute Resolution.** This Lease shall be governed by the laws of the State of Arkansas, without regard to conflict-of-laws principles. Before commencing arbitration, the parties shall attempt in good faith to resolve any dispute through their senior representatives. Any unresolved dispute shall be finally resolved by binding arbitration in Little Rock, Arkansas under the Commercial Arbitration Rules of the American Arbitration Association. Any dispute arising under or relating to this Lease, the Power Access Agreement, or both shall be consolidated into a single arbitration proceeding before a single arbitral tribunal, and the first-filed proceeding shall govern; each party consents to such consolidation and to joinder in any such consolidated proceeding. Notwithstanding the foregoing, a party may seek temporary or preliminary injunctive relief from a court of competent jurisdiction to preserve power rights, enforce the sixty (60)-day notice period, or compel funding of the Relocation Payment. The prevailing party in any arbitration or court proceeding to enforce rights under this Agreement shall be entitled to recover its reasonable attorneys' fees and costs from the other party.

**10.4 Entire Agreement; Amendments.** This Lease, the Power Access Agreement, and the MIPA constitute the entire agreement of the parties with respect to their respective subject matters and supersede prior oral or written understandings concerning those matters. No amendment or waiver shall be effective unless in writing and signed by the party against whom enforcement is sought; provided that any amendment to Z Squared's payment obligations must be signed by Z Squared.

**10.5 Miscellaneous.** This Lease may be executed in counterparts and by electronic signature, each of which shall be deemed an original and all of which together constitute one instrument. This Lease shall bind and benefit the parties and their permitted successors and assigns. No failure or delay in enforcing any provision shall constitute a waiver. If any provision is held invalid or unenforceable, the remaining provisions shall remain in full force and effect. Time is of the essence with respect to all notice, surrender, and payment obligations. Provisions concerning payment, environmental matters, indemnification, dispute resolution, priority, and any obligation intended by its nature to survive shall survive expiration or termination.

**10.6 Protection of Relocation Payment Obligation.**

(a) No amendment, modification, waiver, termination, or restatement of the Power Access Agreement (or any provision thereof governing Changeover Notices, the Changeover Date, the Assignment, or any other matter that could increase, accelerate, delay, or otherwise adversely affect Z Squared's obligations under this Lease) shall be effective to increase, accelerate, or otherwise adversely affect Z Squared's obligations under this Lease unless Z Squared has expressly approved such amendment, modification, waiver, termination, or restatement in writing.

(b) Z Squared is an intended third-party beneficiary of the Power Access Agreement solely with respect to (i) the validity and timing of any Changeover Notice, (ii) the determination of the Changeover Date, and (iii) any other provision of the Power Access Agreement that affects the occurrence or timing of a Trigger Event or the amount or funding of the Relocation Payment. Z Squared shall have the right to enforce such provisions to the extent necessary to protect its interests under this Lease.

(c) Data shall not deliver a Changeover Notice, and no Changeover Notice shall be effective for purposes of triggering the Relocation Payment, unless such notice satisfies all applicable requirements of the Power Access Agreement as in effect on the date of this Lease (including any minimum notice period), without giving effect to any subsequent amendment that has not been approved by Z Squared under subsection (a).

**10.7 Limitation of Z Squared's Liability.** Notwithstanding anything to the contrary in this Lease or the Power Access Agreement:

(a) Z Squared's sole monetary obligation under this Lease is the Relocation Payment (as adjusted solely by the deductions expressly permitted under Section 7), and in no event shall Z Squared's aggregate monetary liability under this Lease exceed Five Hundred Thousand Dollars (\$500,000), except for liability arising from Z Squared's own fraud or willful misconduct;

(b) Z Squared shall have no liability for Base Rent, Additional Rent, operating costs, taxes, maintenance, repair, insurance, indemnification, holdover charges, environmental obligations, or any other obligation of Tenant or Landlord under this Lease or the Power Access Agreement; and

(c) the statement that Z Squared "joins this Lease solely with respect to the obligations expressly imposed upon it" is intended to be strictly construed, and no implied or constructive obligation of Z Squared shall be found to exist.

**10.8 Data Center Development.** Notwithstanding anything to the contrary contained herein, and notwithstanding that Landlord has leased the entire Premises to Tenant under this Lease, Landlord and its affiliates (including Z Squared) shall have the right, during the Term, to plan, develop, construct, install, equip, and improve the Data Center on or adjacent to the Premises, together with all related infrastructure, utilities, access roads, and improvements. Landlord shall conduct such activities in a manner that does not materially interfere with Tenant's use and enjoyment of the Premises for the Permitted Use or unreasonably disturb Tenant's quiet enjoyment thereof and shall coordinate all development activities affecting Tenant's operations with Tenant not less than 30 days in advance. Except to the extent caused by the negligence or intentional misconduct of Tenant, Landlord shall indemnify, defend, and hold harmless Tenant from and against any and all losses, damages, claims, costs, and expenses (including reasonable attorneys' fees) arising from or related to the development of the Data Center.

*[Signature Page Follows]*

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

**PARADOX DATA LLC**

By: Armand Nannicola Sr.  
Name: Armand Nannicola Sr.  
Title: Manager

**PARADOX INFRASTRUCTURE LLC**

By: Armand Nannicola Sr.  
Name: Armand Nannicola Sr.  
Title: Managing Member

**Z SQUARED INC.**

By: /s/ David Halabu  
Name: David Halabu  
Title: Chief Executive Officer

**INTERCOMPANY POWER ACCESS AND COST-SHARING AGREEMENT**

This Intercompany Power Access and Cost-Sharing Agreement (this “Agreement”) is entered into as of September 8, 2026 (the “Effective Date”), by and between Paradox Infrastructure LLC, a Florida limited liability company (“Infrastructure”), and Paradox Data LLC, a Florida limited liability company (“Data”). Infrastructure and Data are each a “Party” and collectively the “Parties.”

**RECITALS**

**A.** Infrastructure holds an Agreement for Electric Service dated December 8, 2023 (the “AES”), with Entergy Arkansas, LLC (“Entergy”), providing up to 8,000 kVA at approximately 13,800Y/7,960 volts at 713 Industrial Road, El Dorado, Arkansas 71730 (the “Premises”), under Rate Schedule LPHLDS VAR 4.

**B.** The AES renews annually each June. Infrastructure renewed the AES in June 2026 (the “Current Term”), which runs through approximately June 2027 (the “Current Term Expiration”).

**C.** Infrastructure currently operates a bitcoin mining facility at the Premises as the rate-payer of record under the AES.

**D.** Data is developing an artificial intelligence data center at the Premises (the “Data Center”). Upon completion, Data requires exclusive access to the full 8,000 kVA Capacity to operate the Data Center.

**E.** Infrastructure is willing to maintain the AES through the Current Term to ensure Data has access to the Capacity if the Data Center is ready before the Current Term Expiration. Infrastructure does not intend to hold the AES beyond the Current Term, and the Parties desire to complete a formal assignment of the AES to Data, or otherwise transition the Entergy service relationship to Data directly, no later than the Current Term Expiration.

**F.** The Parties are under common management as of the Effective Date and wish to govern the transition of power access on the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants herein, the Parties agree as follows:

**1. Definitions**

“AES” means the Agreement for Electric Service between Infrastructure and Entergy dated December 8, 2023, together with the Large Power High Load Density Service Agreement for Interruptible Service and the Extension of Service Agreement, each dated December 8, 2023, and all associated rate schedules, as each may be amended.

“Assignment” means the formal written assignment of the AES from Infrastructure to Data, consented to in writing by Entergy pursuant to Section 11.

“Assignment Date” means the effective date of a completed Assignment pursuant to Section 11.2.

“Capacity” means all electric service capacity made available under the AES, up to 8,000 kVA.

“Changeover Date” means the date on which Data assumes exclusive operational control of the Capacity pursuant to Section 4.

“Changeover Notice” has the meaning set forth in Section 4.1.

“Current Term” has the meaning set forth in Recital B.

“Current Term Expiration” has the meaning set forth in Recital B, being approximately June 2027, as determined by the AES renewal schedule.

“Data Center Ready Date” means the date on which the Data Center is sufficiently complete and commissioned to receive and utilize the Capacity for its intended AI computing operations.

“Entergy Charges” means all charges, fees, deposits, assessments, and other amounts billed by Entergy to Infrastructure under the AES in any billing period, including energy charges, demand charges, customer charges, fuel adjustment charges, and any MISO-related charges.

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“Holdover Period” has the meaning set forth in Section 11.3(a).

“Interim Mining Period” has the meaning set forth in Section 11.2(b), being the period from the Assignment Date until the Changeover Date, during which Infrastructure continues mining operations with Data’s presumed consent.

“Lease” means the Triple Net Lease and Relocation Agreement by and among Data, Infrastructure, and Z Squared Inc. with respect to the Premises, as the same may be amended.

“Mining Period” means the period from the Effective Date until the Changeover Date, inclusive of any Interim Mining Period.

“Post-Changeover Period” means the period from the Changeover Date onward.

## **2. Grant of Power Access Rights**

**2.1 Grant.** Infrastructure hereby grants to Data an irrevocable, exclusive right to access and utilize the full Capacity under the AES during the Post-Changeover Period (the “Power Access Rights”). During the Mining Period, Infrastructure retains operational control of the Capacity.

**2.2 Irrevocability.** The Power Access Rights are irrevocable through the Current Term Expiration and may not be revoked, suspended, or encumbered by Infrastructure without Data’s prior written consent. Infrastructure shall not take any action that would terminate, modify, or impair the AES or the Capacity available thereunder without Data’s prior written consent. Any purported revocation, suspension, or encumbrance in violation of this Section 2.2 shall be void and of no force or effect.

**2.3 Nature of Rights.** This Agreement does not constitute a resale or retail sale of electricity. Infrastructure remains the rate-payer of record under the AES. Data’s rights hereunder are access and cost-sharing rights as between affiliated entities. The Parties acknowledge that the arrangements set forth in this Agreement are between affiliated entities under common management and do not constitute the resale, redistribution, or furnishing of electricity by Infrastructure to Data or any third party within the meaning of Ark. Code Ann. § 23-1-101.

**2.4 Survival of Ownership Changes in Data.** The Power Access Rights granted to Data shall survive any change in the ownership, membership, or control of Data, including the sale of a controlling interest in Data to any third party. A change in Data’s ownership shall not affect the validity, enforceability, or term of this Agreement; provided, however, that upon any change in ownership or control of Data that results in the Parties no longer being under common management, the Parties shall cooperate in good faith to restructure this Agreement, if and to the extent necessary, to ensure continued compliance with applicable law, including without limitation the requirements of Ark. Code Ann. § 23-1-101 and any applicable rules of the Arkansas Public Service Commission.

## **3. Mining Period Operations**

**3.1 Infrastructure Operations.** During the Mining Period, Infrastructure shall continue to operate its bitcoin mining facility at the Premises using the Capacity, subject to the terms of the AES.

**3.2 Maintenance of AES.** During the Mining Period, Infrastructure shall: (a) maintain the AES in good standing; (b) pay all Entergy Charges when due; (c) comply with all material obligations under the AES; and (d) promptly notify Data of any default, threatened termination, or material modification proposed by Entergy.

**3.3 No Competing Commitments.** Infrastructure shall not enter into any agreement, commitment, arrangement, or course of dealing that would restrict, encumber, delay, or materially interfere with Data’s assumption of exclusive operational control of the Capacity on the Changeover Date or the Assignment.

## **4. Transition of Operational Control**

**4.1 Changeover Notice.** When Data determines that the Data Center Ready Date is imminent, Data shall deliver written notice to Infrastructure specifying the proposed Changeover Date (the “Changeover Notice”). The Changeover Notice must be delivered no fewer than sixty (60) calendar days prior to the proposed Changeover Date. The Changeover Notice requirement and the 60-day period apply regardless of whether the Assignment has already occurred. Data shall use commercially reasonable efforts to cause the proposed Changeover Date to be the first day of the month.

Notwithstanding the foregoing sixty (60)-day requirement, if the Data Center (or the portion thereof requiring the Capacity) is located in a separate building, modular facility, or other structure at the Premises such that Infrastructure's continued mining operations in the Existing Building do not draw upon the Capacity allocated to Data's operations, Data may deliver a Changeover Notice specifying a shorter period (but not less than thirty (30) calendar days); provided, however, that the determination of whether the separate-building exception described in this paragraph applies shall be made by mutual written agreement of the Parties (such agreement not to be unreasonably withheld, conditioned, or delayed by either Party), and in the absence of such agreement, the standard sixty (60)-day Changeover Notice period shall apply. In such case, Infrastructure's shutdown obligations under Section 4.2 shall apply only to mining equipment and operations that draw upon the Capacity allocated to Data.

**4.2 Infrastructure Shutdown Obligations.** Upon receipt of a valid Changeover Notice, Infrastructure shall:

- (a) begin an orderly wind-down of all bitcoin mining operations at the Premises;
- (b) complete the physical shutdown and de-energization of all mining equipment no later than 11:59 p.m. on the day immediately preceding the Changeover Date;
- (c) vacate or secure all mining equipment to ensure it does not interfere with Data's energization of the Data Center; and
- (d) coordinate in good faith with Data and, where applicable, Entergy to facilitate a smooth transfer of operational control of the service point.

**4.3 Data Energization.** On the Changeover Date, Data shall assume exclusive operational control of the full 8,000 kVA Capacity. Infrastructure shall have no further right to draw on or utilize the Capacity after the Changeover Date, except as expressly agreed in writing by Data.

**4.4 Entergy Coordination.** The Parties shall cooperate to provide any notices or information to Entergy reasonably required in connection with the transition. Where the Assignment has not yet occurred, Infrastructure shall not notify Entergy of any service termination or reduction without Data's prior written consent.

**4.5 Changeover Confirmation.** Within five (5) business days following the Changeover Date, the Parties shall execute a written acknowledgment confirming the Changeover Date and the commencement of the Post-Changeover Period.

**4.6 No Infrastructure Responsibility for Capacity Reduction After Changeover.** During any period on or after the Changeover Date in which the Assignment has not been completed and Infrastructure remains the rate-payer of record under the AES, Data shall have sole responsibility for the level of electrical load drawn from the Capacity at the Premises. Any reduction, loss, forfeiture, or downgrade of the Capacity, of the contracted demand under the AES, or of any portion of either, and any minimum, ratchet, reduced-demand, or similar charge, in each case resulting in whole or in part from the failure of Data or any of its affiliates, customers, licensees, or invitees to draw or utilize the Capacity, shall not constitute a breach of this Agreement or of the AES by Infrastructure, shall not constitute an Event of Default under Section 9.1, and shall not give rise to any liability of Infrastructure to Data. Data shall indemnify, defend, and hold harmless Infrastructure from and against any and all claims, costs, liabilities, expenses, and damages arising out of or resulting from any such reduction, loss, forfeiture, downgrade, or charge. Data's indemnity under this Section 4.6 shall be limited to actual Entergy charges, ratchets, reduced-demand charges, and similar amounts resulting from such reduction, loss, forfeiture, or downgrade.

**4.7 Interruptible Service; Curtailment.**

- (a) The Parties acknowledge that service under the AES is interruptible and is subject to the Large Power High Load Density Service Agreement for Interruptible Service, under which the customer of record may be required to reduce load to its Firm Contract Demand upon notice from Entergy and may be registered as a Load Modifying Resource with the Midcontinent Independent System Operator, Inc. ("MISO").
- (b) From and after the Changeover Date, Data shall: (i) designate and maintain a curtailment contact available twenty-four (24) hours per day, seven (7) days per week, and provide such contact information to Infrastructure and, where applicable, to Entergy; (ii) reduce electrical load at the Premises to the Firm Contract Demand within the notice period specified in the AES upon any curtailment notice from Entergy or MISO; and (iii) participate in and satisfy any curtailment test or demonstration that Entergy is entitled to require under the AES.
- (c) Data shall indemnify, defend, and hold harmless Infrastructure from and against any actual Entergy, MISO, or FERC charges, penalties, and credit-support draws arising out of Data's failure to reduce load as required by subsection (b) while Data controls the electrical load at the Premises. This indemnity shall not apply to the extent arising from Infrastructure's negligence, willful misconduct, or material breach.

(d) On or before the Changeover Date, Data shall post, or cause to be posted, in its own name any surety bond, letter of credit, or other credit support required in connection with interruptible service under the AES, and shall use commercially reasonable best efforts to cause any such instrument posted by Infrastructure to be released.

(e) If two (2) or more failures to reduce load as set forth in and required by subsection (b) occur during any rolling twelve (12)-month period at any time Data controls the electrical load at the Premises, Infrastructure may terminate this Agreement upon thirty (30) days' prior written notice to Data. Termination pursuant to this Section 4.7(e) shall not constitute a default or breach by Infrastructure and shall constitute a Trigger Event under the Lease.

## **5. Cost Pass-Through and Billing**

**5.1 Mining Period — Infrastructure Pays Entergy Directly.** During the Mining Period, where the Assignment has not yet occurred, Infrastructure bears all Entergy Charges from its own operations and shall have no right to charge Data for any portion thereof.

**5.2 Interim Mining Period — Infrastructure Pays Data; Data Pays Entergy.** During any Interim Mining Period (i.e., after the Assignment Date but before the Changeover Date), the billing flow shall reverse: Infrastructure shall pay Data one hundred percent (100%) of all Entergy Charges attributable to Infrastructure's own metered consumption during that period within thirty (30) calendar days of receipt of Data's invoice, and Data shall be responsible for paying Entergy directly as the account holder of record. Infrastructure shall have no liability for, and no invoice delivered under this Section 5.2 shall include, any Entergy Charges attributable to Data's construction, testing, commissioning, or operation of the Data Center. Infrastructure shall not be marked up or surcharged; pass-through shall be at net cost only.

**5.3 Post-Changeover Period.** During the Post-Changeover Period, if the Assignment has not yet occurred, Data shall pay Infrastructure one hundred percent (100%) of all Entergy Charges attributable to periods on or after the Changeover Date, on the same pass-through, net-cost basis. Infrastructure shall deliver to Data a copy of each Entergy invoice within five (5) business days of receipt, together with a corresponding invoice to Data. Data shall pay each such invoice in immediately available funds not later than three (3) business days prior to the payment due date shown on the corresponding Entergy invoice. Infrastructure shall not apply any markup, surcharge, or administrative fee to such Entergy Charges; all amounts shall be passed through at net cost only.

**5.4 Holdover Period.** During any Holdover Period under Section 11.3, Data shall pay Infrastructure one hundred percent (100%) of all Entergy Charges on the same pass-through basis and subject to the same payment due date as set forth in Section 5.3, and shall additionally indemnify Infrastructure as set forth in Section 11.3(b).

**5.5 Late Payment.** Amounts not paid when due under this Article 5 shall accrue interest from the applicable due date at the lesser of 1.0% per month or the maximum rate permitted by applicable law.

**5.6 Step-In Right.** Where Infrastructure is the rate-payer of record and fails to pay any Entergy Charges within five (5) business days of their due date, or fails to perform any other material obligation under the AES within any applicable cure period (or, if no cure period is specified in the AES, within ten (10) business days after Data's written notice of such failure), Data, after three (3) business days' advance written notice to Infrastructure, may pay such Entergy Charges directly to Entergy on Infrastructure's behalf. Any amounts paid or costs incurred by Data pursuant to this Section 5.6 shall be offset against amounts owed by Data to Infrastructure under this Agreement, and Infrastructure shall reimburse Data for any excess within fifteen (15) business days of Data's written demand. This Section 5.6 is subject to Section 5.8.

**5.7 Proration.** For any billing period in which the Changeover Date or the Assignment Date falls mid-cycle, Entergy Charges shall be prorated based on the number of days attributable to each Party's relevant period, using metered data or Entergy's records.

**5.8 Data Payment Default; Infrastructure Protection.** If Data fails to pay any amount when due under Section 5.3 or Section 5.4, Infrastructure may (but shall not be obligated to) pay the corresponding Entergy Charges directly to Entergy, and Data shall reimburse Infrastructure on demand for all amounts so paid, together with interest at the rate set forth in Section 5.5. No failure by Infrastructure to pay any Entergy Charges when due that results, in whole or in part, from Data's failure to pay when due under Section 5.3 or Section 5.4 shall (a) constitute an Event of Default under Section 9.1, (b) give rise to a step-in right under Section 5.6, or (c) constitute a breach of Section 3.2(b) or Section 7.

## **6. Term**

**6.1 Term.** This Agreement commences on the Effective Date and continues through the later of: (a) the Changeover Date; or (b) the date all payment and indemnification obligations under this Agreement have been fulfilled; or (c) the Assignment Date, if the Assignment is completed prior to the Changeover Date, at which point only Sections 10, 11.2(b), 11.2(d), 11.2(e), and 12 shall survive; provided, however, that notwithstanding clause (c), where the Assignment is completed prior to the Changeover Date, this Agreement shall continue in full force and effect in accordance with Section 11.2(e) through the Changeover Date, and clause (c) shall be of no effect. The Agreement shall not automatically renew beyond the Current Term Expiration unless the Parties are in a Holdover Period pursuant to Section 11.3, in which case it continues solely for the purposes described in that Section.

**6.2 No Renewal Without Consent.** Infrastructure shall not renew or extend the AES beyond the Current Term without Data's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. It shall be deemed unreasonable for Data to withhold consent to a renewal solely to the extent that renewal is required to maintain service for the Permitted Use (as defined in the Lease) for a renewal period that does not exceed one year, and not for any renewal beyond that date. This Section 6.2 does not apply to any renewal or extension required to maintain continuity of service during a Holdover Period under Section 11.3.

## **7. Infrastructure Covenants**

Infrastructure covenants that it shall:

- (a) maintain the AES in good standing and timely pay all Entergy Charges during the Mining Period;
- (b) not assign, transfer, or encumber the AES or any rights thereunder without Data's prior written consent, except pursuant to Section 11;
- (c) not modify or amend any material term of the AES in a manner adverse to Data's interests without Data's prior written consent;
- (d) promptly provide Data with copies of all material correspondence with Entergy relating to the AES, the Capacity, or the Premises; and
- (e) execute such additional documents and take such further actions as may be reasonably required to give effect to this Agreement and Data's rights hereunder.

## **8. Representations and Warranties**

**8.1 Mutual.** Each Party represents and warrants that: (a) it is duly organized and validly existing under the laws of the State of Florida; (b) it has full authority to execute and perform this Agreement; and (c) this Agreement constitutes a valid and binding obligation enforceable against it in accordance with its terms.

**8.2 Infrastructure.** Infrastructure further represents and warrants that: (a) the AES is in full force and effect and Infrastructure is not in default thereunder; (b) the deposit or bond of \$688,593. required under the AES has been or will be timely paid; and (c) Infrastructure has not granted any other party any rights to the Capacity; (d) Infrastructure has the authority to enter into this Agreement and to grant the rights set forth herein without the consent of any third party (other than Entergy as expressly provided in Section 11); and (e) to Infrastructure's knowledge, there is no pending or threatened action by Entergy to terminate, modify, or refuse to renew the AES.

## **9. Default and Remedies**

**9.1 Events of Default.** An "Event of Default" shall occur if: (a) Infrastructure permits the AES to lapse or terminate without Data's written consent outside of the process in Section 11, and fails to cure such lapse or termination within fifteen (15) days after written notice thereof from Data; (b) Infrastructure assigns or encumbers the AES without Data's consent, except pursuant to Section 11, and fails to cure within fifteen (15) days after written notice thereof from Data; (c) Infrastructure fails to perform its shutdown obligations under Section 4 within the required timeframes, and fails to cure within fifteen (15) days after written notice thereof from Data; or (d) either Party materially breaches any other provision of this Agreement and fails to cure such breach within fifteen (15) days of written notice; or (e) either Party fails to pay amounts owed under Article 5 within thirty (30) days of written notice of non-payment. With respect to clauses (a) through (d), if the breach or failure cannot reasonably be cured within the applicable fifteen (15)-day period, no Event of Default shall occur so long as the breaching Party commences the cure within such period and thereafter diligently prosecutes it to completion. This Section 9.1 is subject to Sections 4.6 and 5.8.

**9.2 Remedies.** Upon an Event of Default, the non-defaulting Party shall be entitled to all remedies available at law or in equity, including specific performance. The Parties acknowledge that Data's Power Access Rights are unique and that monetary damages alone may be an inadequate remedy for Infrastructure's breach. The Parties likewise acknowledge that monetary damages alone may be an inadequate remedy for Data's breach of its obligations under Section 4.6, Section 4.7, Article 5, Article 10, Section 11.3(b), and Section 11.5.

## 10. Indemnification

**10.1 By Data (Post-Changeover).** From and after the Changeover Date, Data shall indemnify, defend, and hold harmless Infrastructure from and against any claims, losses, liabilities, costs, and expenses (including reasonable attorneys' fees) arising out of or relating to: (a) Data's use of the Capacity; (b) Data's operation of the Data Center; or (c) any breach by Data of this Agreement.

**10.2 By Infrastructure (Mining Period).** During the Mining Period, Infrastructure shall indemnify, defend, and hold harmless Data from and against any claims, losses, liabilities, costs, and expenses arising out of or relating to Infrastructure's operation of the mining facility or Infrastructure's breach of this Agreement.

## 11. AES Assignment; Infrastructure Exit at Current Term Expiration

**11.1 Best Efforts to Assign.** The Parties shall use commercially reasonable best efforts to obtain Entergy's written consent to a formal assignment of the AES from Infrastructure to Data prior to the Current Term Expiration. Each Party shall cooperate fully in preparing and submitting any required applications, notices, or documentation to Entergy. Infrastructure shall respond within ten (10) business days after receipt to any request from Data or Entergy relating to the Assignment, provided that such request is delivered in accordance with Section 12.3 and is addressed to the individual designated to receive notices on behalf of Infrastructure thereunder. Any material failure by Infrastructure to cooperate with the Assignment process as required by this Section 11.1 shall constitute an Event of Default under Section 9.1 only if such failure remains uncured ten (10) business days after Data's written notice of such failure delivered in accordance with Section 12.3. Infrastructure's cooperation obligation shall be at no out-of-pocket cost or incremental liability to Infrastructure beyond the administrative act of executing and delivering required documents. Data shall bear all out-of-pocket costs and expenses reasonably incurred in connection with the Assignment process, including any transfer fees, application fees, or new deposit, bond, letter of credit, or other credit support requirements charged or required by Entergy in connection with the Assignment.

**11.2 Successful Assignment Prior to Changeover Date.** If Entergy consents to the Assignment and the Assignment is completed prior to the Changeover Date:

(a) **Assignment Mechanics.** Infrastructure and Data shall promptly execute all documents required to complete the Assignment. From and after the Assignment Date, Data shall be the account holder of record with Entergy and shall be solely responsible for all obligations under the AES arising after the Assignment Date.

(b) **Interim Mining Period — Presumed Consent.** From the Assignment Date until the Changeover Date, Infrastructure is hereby presumed to have Data's consent to continue operating its bitcoin mining facility at the Premises and utilizing the Capacity. No further written consent from Data is required for Infrastructure to continue mining operations during the Interim Mining Period. Data may revoke this presumed consent only by delivering written notice to Infrastructure, which notice shall be treated as a Changeover Notice and shall trigger the 60-day shutdown process under Section 4.

(c) **Billing During Interim Mining Period.** During the Interim Mining Period, billing shall be governed by Section 5.2: Infrastructure pays Data, and Data pays Entergy directly as account holder.

(d) **Infrastructure Release.** Upon the Assignment Date, Infrastructure shall be fully released from all obligations under the AES arising after the Assignment Date, including during the Interim Mining Period. Infrastructure's only remaining financial obligation to Data during the Interim Mining Period is payment of Entergy Charges per Section 5.2.

(e) **Agreement Continues.** This Agreement shall continue in effect through the Changeover Date to govern the Interim Mining Period, the Changeover Notice process, Infrastructure's shutdown obligations, and all related matters. Upon the Changeover Date, this Agreement shall terminate except for provisions that expressly survive.

**11.3 Entergy Refusal — Holdover and Indemnification.** If Entergy does not consent to the Assignment prior to the Current Term Expiration ("Entergy Refusal"), the following shall apply:

(a) **Holdover Period.** Infrastructure shall continue to hold the AES beyond the Current Term Expiration (the "Holdover Period") solely in its capacity as the administrative holder of record for Data's benefit, while the Parties continue in good faith to pursue the Assignment or an alternative arrangement acceptable to both Parties. Infrastructure shall not unilaterally terminate the AES during the Holdover Period. Infrastructure's continued holding of the AES during the Holdover Period shall not create any ownership interest, lien, or encumbrance in favor of Infrastructure over the Capacity or the Data Center.

(b) **Data's Full Indemnification.** During the Holdover Period, Data shall fully indemnify, defend, and hold harmless Infrastructure from and against any and all claims, costs, liabilities, expenses, damages, and obligations (including reasonable attorneys' fees and all Entergy Charges) arising out of or related to Infrastructure's continued holding of the AES. Notwithstanding the foregoing, Data's indemnification obligations under this Section 11.3(b) shall not apply to the extent arising out of or resulting from (i) Infrastructure's negligence, willful misconduct, or material breach of this Agreement or the AES, or (ii) Infrastructure's failure to comply with Section 11.1 or Section 11.3(c). Infrastructure's role during the Holdover Period is purely administrative; all economic risk and operational responsibility rests with Data.

(c) **Continued Best Efforts and Mutual Cooperation.** During the Holdover Period, the Parties shall continue to use commercially reasonable best efforts and work cooperatively and in good faith to obtain Entergy's consent to the Assignment or to assist Data in obtaining a new, independent service agreement with Entergy directly. Neither Party shall take any unilateral action that would frustrate or prejudice the other Party's ability to achieve this outcome.

(d) **No Unilateral Termination.** Infrastructure shall not unilaterally terminate the AES during the Holdover Period. Any termination of the AES during the Holdover Period shall require the mutual written agreement of both Parties, and shall be timed and structured to minimize any disruption to Data's operations or Data's ability to obtain replacement service from Entergy.

(e) **Data's Obligation to Pursue Independent Service.** During the Holdover Period, Data shall diligently pursue its own service agreement with Entergy and shall keep Infrastructure reasonably informed of the status of such efforts on a monthly basis.

(f) **Holdover Termination Right.** If the Assignment has not been completed within nine (9) months following the Current Term Expiration, either Party may terminate this Agreement upon ninety (90) days' prior written notice to the other Party; provided, however, that Infrastructure may not exercise this termination right unless Data has failed to diligently pursue its own service agreement with Entergy or an alternative power supply arrangement during the Holdover Period. During any such notice period: (i) Data shall continue to diligently pursue replacement service; and (ii) Infrastructure shall not terminate, cancel, or fail to renew the AES until the earlier of (A) the date Data has secured replacement electric service at the Premises or (B) the expiration of the ninety (90)-day notice period. Upon termination under this Section 11.3(f), Infrastructure shall cooperate with a seamless transition and shall not take any action to disrupt Data's power access.

**11.4 No Obligation to Renew Beyond Current Term (Absent Holdover).** Except as required during a Holdover Period under Section 11.3, Infrastructure shall have no obligation to renew, extend, or maintain the AES beyond the Current Term Expiration.

#### **11.5 Infrastructure Deposit or Bond.**

(a) Infrastructure has posted, or will post, with Entergy a deposit or bond in the amount of \$688,593 in connection with the AES (the "Infrastructure Deposit").

(b) On or before the Assignment Date, Data shall cause Entergy to release the Infrastructure Deposit to Infrastructure in full. To the extent Entergy retains, transfers, applies, or otherwise fails to release any portion of the Infrastructure Deposit, Data shall reimburse Infrastructure for such portion, dollar for dollar, within ten (10) business days after the Assignment Date, without setoff, deduction, or counterclaim. Any reimbursement under this Section 11.5 shall be paid concurrently with the Assignment Date.

(c) No portion of the Infrastructure Deposit may be applied against any Entergy Charges attributable to any period on or after the Changeover Date. If any portion is so applied, Data shall restore such portion to Infrastructure within ten (10) business days after such application.

(d) It shall be a condition to the completion of the Assignment that either (i) Entergy release the Infrastructure Deposit to Infrastructure, or (ii) Data fund the reimbursement described in subsection (b) concurrently with the Assignment Date. Data represents and covenants that it shall satisfy Entergy's credit, deposit, bond, letter of credit, and other security requirements in its own name in connection with the Assignment.

(e) Infrastructure makes no representation or warranty as to the amount, form, duration, or terms of any deposit, bond, letter of credit, or other credit support that Entergy may require of Data or of Z Squared Inc., whether in connection with the Assignment or otherwise. The amount of the Infrastructure Deposit shall not be evidence of, or any limitation upon, the amount or form of credit support Entergy may require, and any such requirement shall be borne solely by Data pursuant to Section 11.1.

## **12. General Provisions**

**12.1 Governing Law.** This Agreement shall be governed by the laws of the State of Arkansas, without regard to conflict of law principles, given that the Premises and the AES are located in and subject to Arkansas regulatory jurisdiction. The Parties acknowledge that this Agreement does not confer upon either Party any rights or obligations under the jurisdiction of the Arkansas Public Service Commission, and nothing herein shall be construed to subject either Party to regulation as a public utility under Ark. Code Ann. § 23-1-101 et seq.

**12.2 Dispute Resolution.** Disputes shall first be submitted to good-faith negotiation between senior representatives for thirty (30) days. If unresolved, disputes shall be submitted to binding arbitration in Little Rock, Arkansas under the Commercial Arbitration Rules of the American Arbitration Association. Notwithstanding the foregoing, either Party may seek temporary or preliminary injunctive or other interim relief from a court of competent jurisdiction to preserve the status quo or prevent irreparable harm pending arbitration, without first completing the negotiation period described above. Any dispute arising under or relating to this Agreement, the Lease, or both shall be consolidated into a single arbitration proceeding before a single arbitral tribunal, and the first-filed proceeding shall govern; each Party consents to such consolidation and to the joinder of Z Squared Inc. in any such consolidated proceeding. The prevailing party in any arbitration or court proceeding to enforce rights under this Agreement shall be entitled to recover its reasonable attorneys' fees and costs from the other party.

**12.3 Notices.** All notices shall be in writing and delivered by hand, overnight courier, or certified mail, return receipt requested, to the addresses set forth below, or to such other address as a Party may designate by notice given in accordance with this Section 12.3. Each notice shall be accompanied by a courtesy copy delivered by email to the email address designated below for the receiving Party. Email shall not constitute delivery for purposes of this Section 12.3; provided, however, that if a notice is delivered without the accompanying email courtesy copy, any response period, cure period, or other period that such notice would otherwise commence shall be tolled until such courtesy copy has been delivered.

**If to Infrastructure:**

Paradox Infrastructure LLC

Attn: Jeffery Harris / Armand Nannicola

713 Industrial Road, El Dorado, AR 71730

Email: [ ]

with a copy to: 4113 Warren Sharon Rd., Vienna, OH 44473  
and with a copy to:

Tucker Ellis LLP  
Attn: Robert M. Loesch  
950 Main Avenue, Suite 1100  
Cleveland, Ohio 44113  
Email: Robert.loesch@tuckerellis.com

**If to Data:**

Paradox Data LLC

Attn: [\_\_\_\_\_]

[Address]

Email: [\_\_\_\_\_]

with a copy to: Z Squared Inc., Attn: [\_\_\_\_\_]

[Address] Email: [\_\_\_\_\_]

and with a copy to counsel for Z Squared Inc.: [\_\_\_\_\_]

**12.4 Entire Agreement.** This Agreement constitutes the entire agreement of the Parties with respect to its subject matter and supersedes all prior understandings, whether written or oral. It may be amended only by a written instrument signed by both Parties.

**12.5 Counterparts; Electronic Signatures.** This Agreement may be executed in counterparts. Electronic signatures shall be deemed valid and binding.

**12.6 Severability.** If any provision is found invalid or unenforceable, the remaining provisions continue in full force and effect.

**12.7 No Waiver.** Failure to enforce any provision shall not constitute a waiver of the right to enforce it thereafter.

**12.8 Survival.** Sections 4.6, 4.7(c), 10 (Indemnification), 11.3(b) (Holdover indemnification), 11.5 (Infrastructure Deposit), and 12 (General Provisions) shall survive the termination or expiration of this Agreement. The representations and warranties in Section 8.2 shall survive the Assignment Date and the Changeover Date for a period of twelve (12) months.

**12.9 Disclosure.** The Parties acknowledge that Data is currently engaged in discussions regarding a potential transaction involving a change in the ownership or control of Data. This Agreement and its terms may be disclosed to potential investors, acquirors, or their representatives in connection with such transaction, subject to customary confidentiality obligations.

**12.10 Entergy Consent Not Required for This Agreement.** The Parties acknowledge and agree that this Agreement does not constitute an assignment of the AES within the meaning of Section 9 thereof, and that no consent of Entergy is required for the execution, delivery, or performance of this Agreement. Nothing in this Agreement shall be deemed to waive, modify, or supersede any provision of the AES, and in the event of any conflict between this Agreement and the AES, the AES shall control as between Infrastructure and Entergy.

**12.11. Z Squared.** Pursuant to the Membership Interest Purchase Agreement, dated as of July 31, 2026, by and among (i) Z Squared, Inc., a Delaware corporation (ii) Infrastructure, (iii) Data, and (iv) the identified owner parties, at closing, Data will become a wholly owned subsidiary of Z Squared, Inc.

**[SIGNATURE PAGE FOLLOWS]**

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

**PARADOX INFRASTRUCTURE LLC**

By: /s/ Armand Nannicola Sr  
Name: Armand Nannicola Sr  
Title: Managing Member

**PARADOX DATA LLC**

By: /s/ Armand Nannicola Sr  
Name: Armand Nannicola Sr.  
Title: Managing Member

**ASSIGNMENT OF MEMBERSHIP INTERESTS**

This ASSIGNMENT OF MEMBERSHIP INTERESTS (this “Assignment”), dated as of September 8, 2026, is made by and between PARADOX INFRASTRUCTURE LLC, a Florida limited liability company (“Assignor”), and Z SQUARED INC., a Delaware corporation (“Assignee”), pursuant to that certain Membership Interest Purchase Agreement, dated as of July 31, 2026, by and among Assignee, Assignor, Paradox Data, LLC, a Florida limited liability company (the “Company”), and the other parties thereto (the “Purchase Agreement”). Capitalized terms used but not defined herein have the meanings given in the Purchase Agreement.

1. **Assignment.** For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby irrevocably sells, assigns, transfers, conveys and delivers to Assignee one hundred percent (100%) of the Membership Interests, constituting all of the issued and outstanding membership interests of the Company, together with all of Assignor’s right, title and interest in and to the Company, including all economic, voting, management, governance, capital account, distribution and other rights and interests of any kind in respect thereof, free and clear of all Liens other than restrictions on transfer arising under applicable securities Laws, and Assignee hereby accepts such assignment.

2. **Admission; Withdrawal.** Effective upon the execution and delivery of this Assignment and the Joinder, (a) Assignee is hereby admitted as the sole member of the Company, (b) Assignor hereby withdraws and ceases to be a member of the Company and ceases to have any right, title or interest in or to the Company, and (c) the Company shall continue without dissolution.

3. **Further Assurances.** Assignor shall execute and deliver such further instruments and take such further actions as Assignee may reasonably request to vest fully in Assignee title to the Membership Interests and to give effect to this Assignment.

4. **Purchase Agreement Controls.** This Assignment is delivered pursuant to, and is subject in all respects to, the terms of the Purchase Agreement. Nothing herein shall limit, expand or modify any representation, warranty, covenant, indemnity or other obligation under the Purchase Agreement, and in the event of any conflict between this Assignment and the Purchase Agreement, the Purchase Agreement shall control.

5. **Governing Law; Counterparts.** This Assignment shall be governed by the internal Laws of the State of Delaware. This Assignment may be executed in counterparts (including by .pdf or electronic signature), each of which shall be deemed an original.

*[Signature page to Assignment of Membership Interests follows.]*

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IN WITNESS WHEREOF, the undersigned has caused this Assignment of Membership Interests to be executed as of the date first listed above.

**ASSIGNOR:**

PARADOX INFRASTRUCTURE LLC,  
a Florida limited liability company

By: /s/ Armand Nannicola Sr.  
Armand Nannicola Sr.  
Managing Member

**ASSIGNEE**

Z SQUARED INC.,  
a Delaware corporation

By: /s/ David Halabu  
David Halabu  
Chief Executive Officer

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**Z Squared Acquires Energized Arkansas Campus to Advance AI Infrastructure Strategy**

*Union County Campus has existing electric service of up to approximately 8.0 MW and a phased development target of an estimated 150+ MW*

FT. LAUDERDALE, Fla., Sept. 9, 2026 /PRNewswire/ -- Z Squared Inc. (Nasdaq: ZSQR) (“Z Squared” or the “Company”) today announced the closing of its acquisition of Paradox Data, LLC from Paradox Infrastructure LLC, bringing the energized Union County Campus in El Dorado, Arkansas (the “Union County Campus”), into its computing infrastructure portfolio. The acquisition gives Z Squared its first owned, energized campus and a site from which to advance its planned AI colocation business.

The campus has electric service already flowing under an existing interruptible service arrangement with Entergy Arkansas, LLC for up to approximately 8.0 MW. That existing grid connection provides a starting point for phased conversion into high-density space for customers that bring and operate their own computing equipment.

Paradox Data, LLC also holds contractual rights to acquire adjacent land and a development pathway targeting 150+ MW of AI-ready capacity over time through a combination of utility power and on-site generation. Expansion will depend on additional power arrangements, customer commitments, financing, permitting and construction. Capacity above the existing service arrangement is a development target and is not currently contracted, energized or delivered.

“In August we told our shareholders to judge us on four things: whether the Paradox acquisition closes, whether we sign our first paying tenant and megawatt commitments, whether energized capacity at Union County grows beyond the current 8 megawatts, and whether we add sites without taking on debt,” said David Halabu, Chief Executive Officer of Z Squared. “We have met our first goal. We closed, we paid in stock, and we took on no debt to do it. Union County gives us power already flowing, land under contract for expansion, and a path to pursue 150+ megawatts of AI-ready capacity. The work now is the first phase: the engineering, the power planning and the first customer commitment. We will report against those same four measures as we go. Our intention is for Union County to be the first owned campus rather than the only one, subject to the same discipline we have applied here.”

**Advancing the First Phase**

With the acquisition complete, Z Squared’s near-term priorities at Union County include first-phase high-density electrical and cooling design, utility and on-site generation planning, advancing the adjacent land acquisition, and securing the first binding customer request for service.

As previously announced, the Company has engaged A2 Advisors, a strategic advisory and executive management firm focused on digital infrastructure, to support site-development planning, project delivery, vendor and partner alignment, and leasing and capital strategy at the campus.

Union County is intended to contribute to Z Squared’s previously announced Phase 1 objective of developing 100 MW of AI-ready capacity across multiple U.S. sites. The Company’s approach is to acquire energized, grid-connected properties and deploy conversion capital site by site against customer commitments and operational readiness.

The acquisition was completed entirely in stock, with no cash paid at closing and no debt financing incurred for the transaction.

Additional information regarding the transaction, including the material terms of the purchase agreement, is contained in the Company’s Current Reports on Form 8-K filed or to be filed with the U.S. Securities and Exchange Commission.

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## About Z Squared Inc.

Z Squared Inc. is a computing infrastructure company operating advanced computing equipment and expanding into AI infrastructure. The Company's strategy is built on three principles: lead with power by acquiring operating sites where power is already flowing; build for AI workloads by converting that capacity into AI-ready colocation where the customer brings the compute and runs what they need; and scale with discipline by deploying conversion capital site by site, against signed contracts and operational readiness. Z Squared's common stock began trading on the Nasdaq Global Market under the symbol "ZSQR" in April 2026.

For more information, visit [www.zsquaredinc.com](http://www.zsquaredinc.com). Investor Relations Contact:

[ZSQR@mzgroup.us](mailto:ZSQR@mzgroup.us)

## Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "may," "will," "should," "expects," "plans," "anticipates," "intends," "targets," "projects," "believes," "estimates," "potential," "continue," "could," "would," "goal," "objective," "pursue" or "seek," or the negatives of these terms or other comparable terminology. Forward-looking statements in this press release include, among others, statements regarding the development and conversion of the Union County Campus into AI-ready colocation capacity; targeted campus capacity of 150+ MW; the availability and expansion of utility power and on-site generation; the acquisition of adjacent land; customer commitments; the achievement of development milestones and issuance of related preferred stock; the Company's previously announced Phase 1 objective of developing 100 MW of AI-ready capacity across multiple U.S. sites; the expected contributions of A2 Advisors; the assignment to Paradox Data, LLC of the existing electric service agreement with Entergy Arkansas, LLC and the receipt of Entergy's consent thereto; the Company's ability to obtain any stockholder approval required under Nasdaq listing rules in connection with the issuance of shares of common stock upon conversion of the preferred stock; the potential conversion or redemption of the Series A Convertible Preferred Stock; the Company's intention to acquire additional sites without incurring debt; and the Company's strategy and planned expansion into AI infrastructure, data center development and power generation.

Forward-looking statements are based on management's current expectations and assumptions and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied, including, among others: the Company's ability to continue as a going concern and obtain financing for development; the risk that development milestones are not achieved in whole or in part; the Company's ability to obtain stockholder approval under Nasdaq Listing Rule 5635 to the extent required for issuances of common stock in excess of the applicable share cap, and the Company's obligation to satisfy the affected portion of any milestone payment in cash if such approval is not obtained; risks related to the availability, cost and interruptible nature of electric power at the Union County Campus, including the receipt of Entergy Arkansas, LLC's consent to the assignment of the existing electric service agreement, and the Company's ability to secure additional utility power and on-site generation; risks related to the adjacent land acquisition, permitting, construction, equipment procurement and development of data center capacity; customer demand for AI-ready capacity and the Company's ability to secure binding customer commitments; the Company's ability to integrate the acquired business and realize the anticipated benefits of the acquisition; dilution resulting from the issuance and conversion of preferred stock issued in the transaction; volatility in digital asset prices and the economics of the Company's mining operations; the Company's ability to maintain compliance with the continued listing standards of The Nasdaq Stock Market; the Company's ability to remediate the material weaknesses in its internal control over financial reporting; and the other risks and uncertainties described under "Risk Factors" in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, its Registration Statement on Form S-1 (File No. 333-296653) and its other filings with the U.S. Securities and Exchange Commission (Commission File No. 001-39669), available at [www.sec.gov](http://www.sec.gov).

Capacity above the existing service arrangement remains a development target and is not currently contracted, energized or delivered. No milestone has been achieved and achievement is not assured.

Forward-looking statements speak only as of the date of this press release. Except as may be required by applicable law, the Company undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. You should not place undue reliance on any forward-looking statement.

SOURCE Z Squared Inc.

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