

Exhibit 1

OFFER TO PURCHASE

This document is an offer by [_____]]
to purchase certain shares of common stock
of Flashpoint Technology, Inc., par value \$[_____] per share,
at a purchase price of \$0.25 per share or \$0.20 per share, to be determined based on the number of
shares participating

[●], 2024

**THIS OFFER TO PURCHASE WILL EXPIRE AT 11:59 P.M., [EASTERN] TIME ON [●], 2024, UNLESS
THE OFFER IS EXTENDED BY THE BUYER**

Stanley B. Fry, Edward D. Herrick, Ross Bott, Cyrus W. Gregg, and Magdalena Ramos, collectively, or their assignee (in each case, the “*Buyer*”), is offering to purchase in the aggregate up to [_____] shares of the outstanding common stock of Flashpoint Technology, Inc, a Delaware corporation (“*Flashpoint*” or the “*Company*”), par value \$0.001 per share, owned by stockholders that are not Buyer or affiliated with Buyer, other than Flashpoint Holding Associates, LLC (such stockholders being, collectively, the “*Independent Stockholders*”). Shares of the Company’s common stock owned by Independent Stockholders shall be referred to herein as the “*Common Shares*” or “*Eligible Shares*”. Eligible Shares owned by stockholders other than the Independent Stockholders are listed on Exhibit D attached hereto and shall be excluded from Offer and the purchase price determination as described herein. The purchase price offered by the Buyer is \$0.25 per share if between 0% and 30% of the Eligible Shares participate in the offer or \$0.20 per share if more than 30% of the Eligible Shares participate in the offer (the “*Offer Price*”), in each case, in cash, without interest, and less any applicable tax withholdings and transfer taxes. The offer by the Buyer is subject to the terms and conditions set forth in this Offer to Purchase dated [●], 2024 (the “*Offer Date*”) and in the related Letter of Transmittal (which, together with this Offer to Purchase, each with all exhibits and annexes hereto and thereto and as may be amended or supplemented from time to time, collectively constitute the “*Offer*”). The aggregate amount paid to any participant in the Offer will be rounded down to the nearest cent.

The Offer is being made in connection with the settlement (the “*Settlement*”) of the action captioned SDF Funding, LLC v. Fry, C.A. No. 0732-KSJM (Del. Ch) (the “*Derivative Action*”). John Y. Wang is a derivative plaintiff (“*Plaintiff*”), acting on behalf of the Company with respect to the Settlement. The individuals acting as Buyer in the Offer are the defendants in the Derivative Action. The Buyer is represented by the law firm of Troutman Pepper Hamilton Sanders LLP (“*TPHS*”) in the Derivative Action.

Periodically during the litigation of the Derivative Action, Plaintiffs and Buyer engaged in discussions concerning a potential resolution of the case. On September 7, 2023, Plaintiffs and Buyer reached agreement to settle the claims for consideration in various forms, one of which is this Offer. Based on their investigation and prosecution of the Derivative Action, Plaintiffs concluded that the terms and conditions of the Settlement are fair, reasonable, and adequate to, and in the best interests of, Flashpoint and its Independent Stockholders. The Settlement, including the Offer and the Offer Price, reflects an arms-length, negotiated agreement that was reached voluntarily after consultation with experienced legal counsel, and facilitated by a professional mediator agreed upon by the parties in the Derivative Action, and reflects Plaintiff’s and Buyer’s wishes to finally and irrevocably resolve their differences and thereby avoid the time, expense and acrimony associated with the Derivative Action.

To be eligible to participate in the offer you must: (i) validly hold vested Eligible Shares as of the Offer Date and through the Settlement Date and (ii) not reside in an Excluded Jurisdiction (as defined below) as of the Offer Date and through the Settlement Date (as defined below) (such holders of equity securities of Flashpoint who satisfy the requirements set forth in clauses (i) and (ii), “*Eligible Holders*”).

This Offer is being made in the United States (the “*Offer Jurisdiction*”). The Offer Jurisdiction shall only include any country or jurisdiction where, pursuant to applicable securities laws, statutes and other similar regulations and all other applicable laws and regulations, the Offer can be made and completed on the terms and conditions set forth herein without obtaining any consent, approval, order or authorization of, qualification from or registration with any federal,

state or local governmental authority (each, a “**Governmental Approval**”), or for which any and all such Governmental Approvals will have been obtained prior to the Settlement Date. Holders of the Company’s securities who reside in any jurisdiction in which the Offer would violate any securities law, statute or other similar regulation or for which Government Approval would be required but has not been obtained prior to the Settlement Date (each, an “**Excluded Jurisdiction**”) are not eligible to participate in the Offer, and any attempt to tender the Company’s securities in the Offer by any such holders in any Excluded Jurisdiction will be null and void.

The Company has agreed to waive all applicable transfer restrictions on your Eligible Shares in connection with the Offer, other than restrictions under applicable securities laws.

The Buyer will pay for all Eligible Shares properly tendered and accepted for payment under the Offer by wiring or causing to be wired funds to the account set forth in the “*Offer Price And Wire Instructions For Payment Of Offer Price*” Section of the Letter of Transmittal (the “**Accounts**”), as promptly as practicable after the Rescission Time and on the Settlement Date. Payment, less any applicable tax withholdings and transfer taxes, is expected to be transferred by Buyer on or about the Settlement Date to the Accounts of participants in the Offer. Under no circumstances will interest be paid on the Offer Price for the Eligible Shares, regardless of any extension of the Offer or any delay in making payment for the Tendered Shares.

This document and the other documents available pursuant to this Offer contain confidential information regarding the Company and the Buyer. By opening this document and reading any information following this sentence, you agree to maintain the confidentiality of such information and not to disclose it to any person (other than to your advisors, and to such advisors only if they also agree to maintain the confidentiality of this information), and such information shall be subject to the confidentiality obligations under any Non-Disclosure Agreement, including without limitation any Offer Letter, Confidentiality, Proprietary Rights and Non-Compete Agreement (or Proprietary Information and Inventions Assignment Agreement), or Consulting Agreement, in effect between you and the Company.

None of TPHS, the Buyer, the Company, nor any of their respective management, boards of directors or managers, officers, employees, attorneys or other advisors, agents or affiliates (i) expresses any opinion or recommendation as to whether you should or should not sell your Eligible Shares, or (ii) has authorized any person to make any such recommendation or provide any such advice. The Company’s board of directors (the “Board**”), officers, employees, attorneys and other advisors and agents express no opinion and are remaining neutral toward the Offer. You must make your own decision as to whether you should or should not sell your Eligible Shares and, if so, how many shares to sell. The Buyer and the Company strongly urge you to consult your own financial, legal and tax advisors regarding the Offer and any related matters.**

Plaintiff recommends that Eligible Holders sell all of their Eligible Shares in the Offer.

IF NOT SOLD PURSUANT TO THE OFFER, THE VALUE OF YOUR ELIGIBLE HOLDINGS MAY APPRECIATE OR DEPRECIATE OVER TIME. THE PRICE AT WHICH THE BUYER IS OFFERING TO PURCHASE YOUR ELIGIBLE HOLDINGS MAY NOT BE THE HIGHEST PRICE YOU COULD OBTAIN FOR YOUR ELIGIBLE HOLDINGS NOW OR IN THE FUTURE. IN THE FUTURE, A MARKET MAY DEVELOP FOR THE COMPANY’S COMMON STOCK THROUGH AN INITIAL PUBLIC OFFERING (“**IPO**”), DIRECT LISTING, A SALE OF THE COMPANY (INCLUDING A SPAC TRANSACTION), OR ANY OTHER CHANGE IN CONTROL OR LIQUIDITY EVENT WITH RESPECT TO THE COMPANY. ALTHOUGH THERE CAN BE NO ASSURANCES THAT SUCH A MARKET MAY DEVELOP, IF SUCH A MARKET WERE TO DEVELOP, SALES OF SHARES MAY OCCUR IN THAT MARKET AT A PRICE PER SHARE HIGHER OR LOWER THAN THE PURCHASE PRICE. IF YOU CHOOSE TO PARTICIPATE IN THIS OFFER, YOU UNDERSTAND AND AGREE THAT YOU ARE GIVING UP THE OPPORTUNITY TO SELL YOUR TENDERED SHARES TO ANY PERSON, INCLUDING THE BUYER AND THE COMPANY, AT A POSSIBLY HIGHER PRICE NOW OR IN THE FUTURE AND TO RECEIVE THE BENEFIT OF FUTURE APPRECIATION, IF ANY, IN THE VALUE OF YOUR ELIGIBLE HOLDINGS SOLD TO THE BUYER. THERE CAN BE NO ASSURANCE, HOWEVER, THAT THERE WILL BE A FUTURE OPPORTUNITY TO SELL SHARES, OR THAT THE PRICE OF THE SHARES WILL INCREASE OR TO WHAT EXTENT. A BUYER MAY ALSO, IN THE FUTURE, DETERMINE TO PURCHASE SHARES OTHER THAN THOSE PURCHASED PURSUANT TO THE OFFER, AND IT IS POSSIBLE THAT SUCH PURCHASE MAY BE AT A HIGHER PRICE, BUT THERE IS NO GUARANTEE THAT THERE WILL BE

ANY FUTURE OFFERS TO PURCHASE YOUR SHARES BY THE BUYER, OTHER THIRD PARTIES OR THE COMPANY.

No person has been authorized to give any information or to make any representation on behalf of the Buyer or the Company except as expressly set forth herein or in the Election Documents (as defined below) and, if any person, including any director, officer or employee of the Company, gives any information or makes any representation, such information or representation must not be relied upon as having been authorized by the Buyer or the Company.

By electing to participate in the Offer and electronically signing the Letter of Transmittal and other Election Documents, you will forfeit significant rights as a stockholder under Delaware law with respect to your Tendered Shares, and you will no longer be a stockholder of Flashpoint under Delaware law or have rights as a stockholder of Flashpoint.

Neither the U.S. Securities and Exchange Commission nor any foreign or state securities commission or regulatory or enforcement authority has approved or disapproved of these securities or this transaction or determined if this document is truthful, accurate or complete.

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INSTRUCTIONS TO PARTICIPATE IN THE OFFER

If you are eligible to participate and wish to tender Eligible Shares, you must take the following steps and complete and submit the following documents (collectively, the “*Election Documents*”) to Plaintiff’s Counsel or its designated agent to [NAME]¹ at [EMAIL] prior to 11:59 P.M. Eastern Time on [●], 2024 (or such later date to which the Buyer may extend the Offer in accordance with the terms hereof, the “*Expiration Time*”):

- **Review Offer and Election Documents.** Carefully review this Offer to Purchase and the Letter of Transmittal, attached as Exhibit B hereto, including all exhibits and annexes hereto and thereto (including, without limitation, the Disclosure Notice, attached as Exhibit A hereto, and all annexes thereto (collectively, the “*Disclosure Notice*”), and the Frequently Asked Questions, attached as Exhibit C hereto.
- **Identification of Tendered Shares.** Identify the number of Eligible Shares that you wish to tender in the Offer in the “*Tendered Shares Held By You*” Section of the Letter of Transmittal. The Eligible Shares that you select to sell (and are not withdrawn) are referred to as your “*Tendered Shares.*”
- **Selection of Participation Option.** Select whether you wish to tender your Eligible Shares: (i) regardless of the percentage of all Eligible Shares that elect to participate in the Offer (in which case the purchase price per Eligible Share based on the percentage of Eligible Shares tendered as described herein may be as low as \$0.20 per share); (ii) only if between 0% and 30%, inclusive, of all Eligible Shares, including your identified Eligible Shares, participate in the offer (in which case the purchase price per Eligible Share will be \$0.25 per share less any applicable tax withholdings and transfer taxes), or (iii) only if more than 30% of all Eligible Shares, including your identified Eligible Shares, participate in the offer (in which case the purchase price per Eligible Share will be \$0.20 per share less any applicable tax withholdings and transfer taxes). Each of options (i), (ii) and (iii) described in this paragraph shall be referred to as a “*Participation Option.*”
- **Spousal Consent.** If applicable, have your spouse complete, and send to [NAME] at [EMAIL] with the other Election Documents, the Spousal Consent form attached as Exhibit C to the Letter of Transmittal. If the document has incomplete required information or is not signed and dated by your spouse, your tender may be considered invalid.
- **Acknowledge and Sign Election Documents and Letter of Transmittal and Submit Your Tender.** By sending your Letter of Transmittal to [NAME] at [EMAIL], you (a) acknowledge and agree that you have read and understand each of the Election Documents and all of the materials provided in connection with this Offer [by or through Plaintiff’s counsel]; and (b) have executed the Letter of Transmittal (as of the date that you submit your tender) and completed any exhibits and annexes to such Letter of Transmittal, and by doing so, you have further: (i) executed each of the Election Documents that are applicable to the tender of your identified Eligible Shares and (ii) consented and agreed to being bound by the terms and conditions of each such Election Document and any terms and conditions relating to the transfer of payment of the net proceeds for your Tendered Shares to your brokerage account.

In addition to completing the information requested in the Letter of Transmittal (including the information requested in the “*Tendered Shares Held By You*”, “*Offer Price And Wire Instructions For Payment of Offer Price*”, and “*Tax Consequences,*” and “*Tax Forms and Withholding of Tax in Connection with the Tender of Eligible Shares*” Sections of the Letter of Transmittal), the Letter of Transmittal has the following important Exhibits, each of which is described in the Letter of Transmittal:

- **Disclosure Notice Acknowledgement and Disclaimer.**
- **Internal Revenue Service (“IRS”) Form W-9 (or W-8 BEN, W- 8 BEN-E, or other applicable form).**
- **Spousal Consent.**

Withdrawal or Modification

¹ **NTD:** To be populated with paying agent’s information.

The Expiration Time (as defined below) is the deadline for you to withdraw your tender or change the Participation Option selected in any previously submitted Election Documents prior to determination of the percentage of Eligible Shares counted as participating in the Offer for the purpose of determining the Offer Price. Prior to the Expiration Time, you may withdraw your election to participate in the Offer by:

- sending a notice of withdrawal electronically by e-mail to [NAME] at [EMAIL] (with a copy to [EMAIL]); and
- specify the name of the Eligible Holder having tendered the Common Shares to be withdrawn.

Prior to the Expiration Time, you may also change your Participation Option by:

- sending a notice electronically by e-mail to [NAME] at [EMAIL] (with a copy to [EMAIL]); and
- specifying the Participation Option you are selecting.

Any cancellation of or change to your previous election must be made, and all revised Election Documents must be submitted prior to the Expiration Time in order to be effective at the time the participating Eligible Shares are counted to determine the Offer Price. You will have a separate opportunity to rescind your acceptance of the Offer as further described with respect to the Rescission Time in the section herein titled “*Important Dates and Deadlines.*”

Signature and Delivery Requirements

Your name and signature on the Election Documents must correspond with the name of the holder of Common Shares identified as the Tendered Shares as recorded on the books of the Company. If your name has been legally changed since your Common Shares were issued, please e-mail proof of the legal name change to [NAME]. If the Tendered Shares are held in the name of a trust (other than a grantor trust with a U.S. grantor or other U.S. owner) or an entity, then the IRS Form W-9, W-8 BEN, W- 8 BEN-E, or other applicable form must be completed on behalf of such trust or entity (not on behalf of the individual trustee, beneficiary, or signatory), in each case, as further set forth in the Letter of Transmittal. Proper evidence of your authority to act on behalf of the trust or entity must be submitted to [NAME] no later than the Expiration Time.

Note that each holder of Common Shares of record (including Common Shares separately held by any joint holder) who intends to sell shares in the Offer must complete and submit a separate set of Election Documents.

The timely delivery of all required Election Documents is mandatory for participation. Delivery will be deemed made only when properly completed Election Documents are actually submitted to [NAME] at [EMAIL]. Note that the Buyer’s acceptance of your offer to sell your Tendered Shares if you do not timely deliver all of the Election Documents is at the Buyer’s sole discretion. The Buyer will be required to accept only responses that are complete, properly submitted and (to the extent applicable) actually received by the Expiration Time and any failure to do so may irrevocably foreclose your opportunity to participate in the Offer. The Buyer shall retain the right to determine in its sole reasonable discretion whether any tender conforms to these requirements and shall have the absolute right to reject any or all responses determined by it not to conform to such requirements and any such decision by the Buyer will be final and binding.

Closing Conditions

The Offer is dependent on the satisfaction of certain closing conditions described in this Offer to Purchase. If those closing conditions are not satisfied or waived by the Buyer, the Offer may be terminated by the Buyer and the Buyer will not purchase any Eligible Shares regardless of whether Eligible Shares were properly tendered in accordance with the foregoing instructions.

Notices

Because notices of extension, termination or amendment of the Offer may be communicated to you by e-mail, you are encouraged to check for any such changes regularly during the course of the Offer.

* * *

IMPORTANT DATES AND DEADLINES

- **[●], 2024** (the “*Offer Date*”): The date on which the Buyer’s Offer begins. If you have any questions about completing and submitting the Election Documents in accordance with this Offer to Purchase or any other matters related to the Offer, please submit such questions by e-mail to [NAME] at [EMAIL] (with a copy to [EMAIL]).
- **[●], 2024 at 11:59 P.M. Eastern Time** (or such later date to which the Buyer may extend the Offer, the “*Expiration Time*”): This Offer is scheduled to expire on the Expiration Time and this is the deadline to submit electronically to [NAME] at [EMAIL] the signed Election Documents set forth above in the section titled “*Instructions to Participate in the Offer*”. Please note that the Election Documents must be electronically submitted prior to the Expiration Time. The Expiration Time is also the deadline for you to modify or withdraw any existing orders previously submitted if you decide to withdraw or change your Participation Option prior to the determination of the Offer Price.
- **[●], 2024 at 11:59 P.M. Eastern Time** (or such later date to which the Buyer may extend the Rescission Right, the “*Rescission Time*”): Promptly following the Expiration Date, the Buyer will notify each Eligible Holder who has properly submitted signed Election Documents in accordance with the terms hereof of the percentage of Eligible Shares that have elected to accept the Offer and the corresponding per share price that the Buyer will pay each Eligible Holder who has properly submitted signed Election Documents for their Tendered Shares in accordance with the terms hereof. See “Selection of Participation Option” in the Instructions to Participate in the Offer. In such notification, the Buyer will also provide a form of rescission notice (such form, the “*Rescission Notice*”). Each of such Eligible Holders may, prior to the Rescission Time, rescind their acceptance of the Offer with respect to all (but not less than all) of the Tendered Shares tendered by such Eligible Holder. If you or any other Eligible Holder desires to exercise such rescission right, then you must submit electronically to [NAME] at [EMAIL] the signed Rescission Notice no later than the Rescission Time. If more than 30% of the Eligible Shares participate in the Offer, and following the Rescission Time less than 30% of the Eligible Shares are participating in the Offer as a result of the delivery of Rescission Notices, the per share purchase price for Tendered Shares shall not be changed or increased.
- **On or about [●], 2024** (the “*Settlement Date*”): If you submitted your properly signed Election Documents and delivered all required documentation as described above in the section titled “*Instructions to Participate in the Offer*” and did not properly withdraw your order(s) before the Expiration Time or submit a rescission notice before the Rescission Time, and, if all conditions to the Offer are either satisfied or waived by the Buyer, this is the expected date on which the Tendered Shares will be purchased by the Buyer. The Offer Price, without interest, will be transferred to the Accounts of participating Eligible Holders in the Offer by or at the direction of the Buyer. The Offer Price will be reduced by any applicable tax withholdings and transfer taxes. In the event the aggregate amount of such reductions exceeds the aggregate amount of purchase price payable to you, you will be responsible for the amount by which such reductions exceed such purchase price. The amounts relating to the total exercise price and the applicable tax withholdings and transfer taxes will be remitted to the Company, which will in turn deliver the applicable tax withholdings and transfer taxes to the appropriate tax authorities.

* * *

THE OFFER

1. Background of the Offer²

In 2015 and 2016, SDF Funding, LLC (“*SDF*”) made books and records requests of Flashpoint, primarily focused on Flashpoint’s related party transactions with Collision Communications, Inc. (“*Collision*”) and Concert Technology Inc. (“*Concert*”). In response, Flashpoint made three productions of documents in 2016, including documents related to transactions between Flashpoint, on the one hand, and Collision or Concert, on the other hand, and Flashpoint’s lease agreements for office and storage space with Flashpoint’s CEO and Chairman of the Board, Stanley Fry (“*Fry*”) (the “*Leases*”).

In October of 2017, SDF and, its owner, former plaintiff Stuart Feldman (“*Feldman*”), initiated the Derivative Action by filing a complaint (the “*Original Complaint*”) asserting four claims against the Buyer (for the purposes of this Background of the Offer, “*Defendants*”), which challenged certain transactions between Flashpoint and Collision, Flashpoint and Concert, and certain Lease payments from Flashpoint to Fry.

On January 12, 2018, Defendants filed an answer denying the vast majority of the allegations and asserting affirmative defenses. In 2018 and 2019, the parties engaged in extensive discovery. In late 2019, SDF and Feldman determined that: (a) they had identified additional derivative claims to assert on behalf of Flashpoint; and (b) Flashpoint had substantially ceased its business operations—with the exception of overseeing Flashpoint’s interest in Collision.

By that time, the Parties (then SDF, Feldman and Defendants) had begun discussing mediation and potential settlement. In March 2020, the Parties engaged in a formal mediation effort, which did not result in a settlement. On December 2, 2020, SDF and Feldman filed an Amended Complaint adding Fry’s sons, Jared Fry (“*Jared*”) and Ryan Fry (“*Ryan*”) as defendants and adding new derivative claims relating to: (i) allegedly excessive cash bonuses paid to Fry, Jared, and Ryan between 2010 and 2013; (ii) allegedly improper and underpriced stock options awarded to Defendants, including Jared and Ryan, in 2008 and 2010; (iii) a claim that Defendants (then including Ryan and Jared)—with the exception of Ross Bott—allegedly usurped Flashpoint corporate opportunities by forming and/or investing in two patent enforcement companies—Retro Reflective Optics, LLC (“*RRO*”) and Optical Devices, LLC (“*OD*”).

On February 16, 2021, Defendants moved for partial summary judgment on claims that accrued prior to March of 2015 on the grounds that SDF and Feldman lacked standing to bring those claims because SDF was not a stockholder prior to that time and Feldman was never a stockholder and the claims were time-barred by laches. Defendants also moved to dismiss the newly added claims in the Amended Complaint and all claims against Jared and Ryan. On May 13, 2022, after extensive briefing and oral argument, the Delaware Court of Chancery (the “*Court*”) granted Defendants’ motion for partial summary judgment on standing grounds, removing Feldman from the case, and granted the motion to dismiss all claims against Jared and Ryan for lack of personal jurisdiction. The Court denied Defendants’ motion to dismiss the newly added claims against the original Defendants.

On July 26, 2022, John Y. Wang (“*Wang*” or “*Plaintiff*”) moved to intervene as a derivative plaintiff to replace Feldman and sought to reinstate the claims that were dismissed based on Feldman’s lack of standing. On September 27, 2022, the Court granted Wang’s motions. On October 5, 2022, Plaintiffs filed the Second Amended Complaint reasserting all original and added claims (except for the claims against Ryan and Jared). Defendants filed their answer on October 28, 2022, denying the vast majority of the allegations and asserting affirmative defenses. In November 2022, the Parties (at this point, Wang, SDF and the original Defendants) proceeded to take extensive additional discovery, including subpoenas of third-party witnesses, and disclosure of experts and rebuttal experts.

In May of 2023, the Parties reinitiated settlement negotiations. On September 7, 2023, the Parties participated in a full-day mediation with professional JAMS mediator, Jed Melnick, Esq. (the “*Mediator*”) During the mediation, Plaintiff negotiated for various types of monetary settlement consideration to Flashpoint and to Independent Stockholders. Among other things, Plaintiff negotiated that Defendants or their assignee make this Offer to all Independent

² A more fulsome presentation of this background can be found in the Agreement of Settlement which has been filed with the Court. Additional information can be found in the pleadings and Court opinion in the Derivative Action. Copies of such pleadings and Court opinions can be obtained from Plaintiff’s counsel.

Stockholders, excluding Defendants and their affiliated stockholders as defined above, to allow them to receive a direct settlement benefit that Defendants, as Flashpoint stockholders, would not receive.

After reviewing Flashpoint's financial statements and other records—including debts owed to Defendants—Plaintiff believes that Flashpoint is no longer actively seeking to monetize its patents and has substantially ceased active business operations. Flashpoint now exists as a holding company with one asset, its minority interest in the common stock of Collision. As far as Plaintiff is aware, Flashpoint has yet to receive any royalties, distributions, or dividends from its interest in Collision. Moreover, it was represented during the mediation that Collision had recently settled two actions, which did not net sufficient revenue to distribute to Collision's stockholders, including Flashpoint. It was further represented that Collision is intending to initiate additional patent enforcement actions. Nevertheless, Plaintiff and his Counsel's view is that there is no way to know (i) whether those actions will be successful; (ii) even if they are successful, whether they would generate revenue sufficient to distribute to Collision's stockholders, including Flashpoint; and (iii) even if future funds were to be distributed to Collision's stockholders, including Flashpoint, whether any of those funds would be distributed to Flashpoint's stockholders, including the Independent Stockholders. Therefore, Plaintiff believes the likelihood of Flashpoint making distributions or paying out dividends to the Independent Stockholders in the future is extremely small absent the settlement consideration negotiated by Plaintiff, including this Offer. Therefore, Plaintiff believes that the Offer, represents a large premium over the fair value of the Tendered Shares and a substantial benefit to the Independent Stockholders. The Offer Price is the maximum offer amount that Plaintiff was able to negotiate from the Buyer (i.e., Defendants) after an extensive arms-length negotiation facilitated by the Mediator.

The summary provided in this "Background of the Offer" was prepared by Plaintiff. None of the Buyer, TPHS nor their respective representatives or affiliates makes any representation or warranty regarding, nor shall have any liability regarding, the accuracy or completeness of such information.

2. Price and Number of Shares; Eligibility and Tender Limitations

Price and Number of Shares.

The Buyer is offering to purchase from Eligible Holders outstanding Common Shares of Flashpoint, at a purchase price of \$0.25 per share if between 0% and 30%, inclusive, of the Eligible Shares participate in the Offer or \$0.20 per share if more than 30% of the Eligible Shares participate in the Offer, in either case less any applicable tax withholdings and transfer taxes.

Eligibility and Tender Limitations.

To be eligible to participate in the Offer you must: (i) validly hold vested Eligible Shares as of the Offer Date and through the Settlement Date and (ii) not reside in an Excluded Jurisdiction as of the Offer Date and through the Settlement Date.

If you are an Eligible Holder, you are permitted to sell all or a portion of your Eligible Shares, in either case subject to the limitations herein.

Additional Information.

Only the Common Shares that you elect to tender and sell in the Offer may be purchased by the Buyer. Currently, the Offer is expected to be outstanding for forty-five (45) business days. If you decide to participate in the Offer, you will also be entitled to certain rescission rights following the final determination of the per share purchase price for Tendered Shares. Additional information regarding this rescission right can be found in "Important Dates and Deadlines."

The Buyer will have sole and absolute discretion to make any adjustments and amend your Election Documents as required to conform to the terms set forth in this Offer to Purchase.

This Offer is not intended to be made or distributed in any Excluded Jurisdiction. Holders of Flashpoint securities who reside in an Excluded Jurisdiction are not eligible to participate in the Offer, and any attempt to tender Flashpoint securities in the Offer by any such holders in an Excluded Jurisdiction will be null and void.

3. Payment of Offer Price.

The Buyer will pay or cause to be paid the Offer Price for each validly tendered and accepted Eligible Share, less any applicable tax withholdings and transfer taxes, which you have hereby directed the Buyer to pay to Flashpoint on your behalf for your tendered Eligible Shares. Any net proceeds from the tender of your Tendered Shares will be wired directly into your selected Account. None of Flashpoint or the Buyer will be responsible or liable for any erroneous information that may be provided regarding accounts or account numbers for ACH or wire transfer, or for any other technical difficulties in sending such ACH or wire transfers. It is your responsibility to ensure the accuracy of all ACH or wire transfer information. On the Settlement Date, Buyer will transfer or cause to be transferred the Offer Price, less any applicable tax withholdings and transfer taxes. Such calculations of the ultimate payment amount will be determined based solely on information [provided by Flashpoint] and the Buyer will rely on such information. **All payments will be sent exclusively in U.S. dollars. It is your responsibility to ensure that the external bank account that links to your selected Account will accept ACH or wire transfer in U.S. dollars (and you will be responsible for any charges by the institution in which you hold your Account in connection with such wire).** Under no circumstances will interest be paid on the Offer Price for the Tendered Shares, regardless of any extension of the Offer or any delay in making payment for the Tendered Shares.

Neither TPHS nor Plaintiff's Counsel is responsible for the contents of any offering material, and neither is providing any legal, financial, investment or tax advice to any Eligible Holders in the Offer, and should not be considered an agent of or advisor to the Eligible Holders.

4. Additional Conditions of the Offer.

The Buyer will not be required to accept and purchase any Tendered Shares delivered if:

- a. the Buyer's purchase of your tendered Eligible Shares would violate any law, statute or other regulation;
- b. any action or proceeding has been threatened or instituted that seeks to prevent, block or enjoin the Offer;
- c. any formal or informal court or government action has been threatened or taken that would, in the Buyer's reasonable judgment, be expected to (1) make the purchase of some or all of the Tendered Shares illegal or otherwise restrict or prohibit completion of the Offer, (2) delay or restrict the Buyer's ability to purchase some or all of the Tendered Shares, or (3) impose limitations on the Buyer's (or any of its affiliates') ability to acquire or hold or exercise full rights of ownership of the Tendered Shares purchased; and/or
- d. all authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state or any third party that are required in connection with the Offer have not been obtained as of the Settlement Date.

The foregoing conditions are for the Buyer's benefit and all conditions to the Offer must be satisfied or waived prior to the Expiration Time. If any condition is not satisfied or waived by the Buyer, the Buyer may not purchase any Eligible Shares, and the Buyer shall cause [NAME] to return or void any Election Documents that have been submitted to [NAME].

5. Information Concerning Flashpoint, the Buyer, and the Transactions.

The Disclosure Notice attached as Exhibit A (including the annexes thereto) sets forth information regarding Flashpoint and the Buyer. A copy of the Bylaws of the Company (the "**Bylaws**") and additional information concerning the Company included as part of the Disclosure Notice will be made available upon request to [NAME] at [EMAIL]. **YOU ARE URGED TO READ THIS INFORMATION CAREFULLY BEFORE MAKING YOUR DECISION TO SELL OR NOT SELL YOUR SHARES PURSUANT TO THE OFFER.**

You should not rely on any portion of Flashpoint's website (if any), any previous communications from Flashpoint (including any of its officers, directors or managers or employees) to you, or on any other information

available regarding Flashpoint other than the information available pursuant to this Offer (including the Offer to Purchase, the Frequently Asked Questions and the Disclosure Notice (and all annexes thereto)) in deciding whether to sell Eligible Shares in the Offer. In particular, if you have previously received forward-looking information or projections from Flashpoint (or any of its officers, directors or managers or employees), you should not rely on them as they are subject to a high degree of uncertainty and may no longer be accurate. Instead, you should rely on the information provided by the Company through Plaintiff Wang or his counsel and made available pursuant to this offer and upon request to [NAME] at [EMAIL]. Note that the information provided in the annexes to the Disclosure Notice (with the exception of certain information about the Buyer (including in the section entitled “*Information about the Buyer*”) which was provided by the Buyer) was provided by Flashpoint and was not prepared by the Buyer or their respective representatives, and none of the Buyer, nor TPHS, nor their respective representatives or affiliates makes any representation or warranty regarding, or shall have any liability regarding, the accuracy or completeness of such information. By participating in the Offer, you understand that you may not rely on such information as a representation or warranty by the Buyer as to the business of Flashpoint or otherwise.

6. Extension, Termination or Amendment of the Offer.

The Buyer may extend the period of time during which the Offer is open, extend the period of time with respect to the rescission right contemplated in connection with the Offer or delay the Buyer’s purchase of any Eligible Shares. If any of the conditions of the Offer are not satisfied or waived, the Buyer may terminate the Offer and the Buyer shall cause [NAME] to return or void any Election Documents that have been submitted to [NAME]. The Buyer may amend the Offer prior to the Expiration Time and may extend the Expiration Time and/or Rescission Time, in each case, if required by law or if such extension is determined to be beneficial, and will notify you in writing of such amendment in the same manner as the original notification of the Offer (i.e., via e-mail) and by any other means available pursuant to applicable law.

7. Certain Risks and Considerations.

None of TPHS, the Buyer, Flashpoint nor their respective management, directors or managers, officers, employees, attorneys or other advisors, agents or affiliates makes any recommendation or provides any advice to you in the Offer as to whether you should or should not sell any Eligible Shares. Plaintiff recommends that you sell all of your Eligible Shares in the Offer. There are risks associated with both selling your shares and deciding not to sell your shares, as set forth in the Disclosure Notice. In addition, there may be additional risks and uncertainties relating to Flashpoint and the Offer not specifically described in the Disclosure Notice, including those not currently known to Flashpoint. If any of the risks related to selling your shares in the Offer actually occur, you may be able to realize more value in the future by choosing not to participate in the Offer. For example, in the future, a market may develop for the Company’s Common Shares through an IPO or a direct listing or SPAC transaction, or any other change in control or liquidity event with respect to the Company that may increase the market value of the Common Shares higher than the Offer Price. Conversely, if any of the risks related to not selling your shares in the Offer or relating to Flashpoint’s business actually occur, Flashpoint’s business, financial condition, operating results and prospects could be materially and adversely affected, and the Offer may be your most attractive opportunity to sell your shares. **IN DETERMINING WHETHER TO SELL OR RETAIN ANY OF YOUR ELIGIBLE SHARES, YOU SHOULD CAREFULLY CONSIDER THE RISKS AND CONSIDERATIONS SET FORTH IN THE DISCLOSURE NOTICE (INCLUDING ITS ANNEXES).**

8. Certain Material U.S. Federal Income Tax Consequences for U.S. Holders.

The following is a general discussion of certain material United States federal income tax consequences of the Offer to U.S. Holders (as defined below) who are Eligible Holders and whose Eligible Shares are tendered and accepted for purchase pursuant to the Offer. The summary is based on current provisions of the Internal Revenue Code of 1986, as amended (which we refer to as the “*Code*”), the Treasury Regulations promulgated thereunder, and administrative and judicial interpretations thereof, all of which are subject to change, possibly with retroactive effect. Any such change could affect the accuracy of the statements and conclusions set forth in this discussion. We have not sought, and do not intend to seek, any ruling from the IRS with respect to the statements made and the conclusions reached in the following summary, and no assurance can be given that the IRS will agree with the views expressed herein, or that a court will not sustain any challenge by the IRS in the event of litigation.

The summary applies only to U.S. Holders who hold Eligible Shares as capital assets within the meaning of Section 1221 of the Code (generally, property held for investment). This summary does not address any tax consequences arising under the unearned income Medicare contribution tax pursuant to the Health Care and Education Reconciliation Act of 2010, nor does it address any foreign, state or local tax consequences of the Offer. In addition, this summary does not address United States federal tax other than the income tax. Further, this discussion does not purport to consider all aspects of United States federal income taxation that may be relevant to a holder in light of its, his or her particular circumstances, or that may apply to a holder that is subject to special treatment under the United States federal income tax laws (including, for example, foreign taxpayers, small business investment companies, regulated investment companies, real estate investment trusts, S corporations, controlled foreign corporations, passive foreign investment companies, cooperatives, banks and other financial institutions, insurance companies, tax-exempt organizations (including private foundations), retirement plans, holders that are, or hold Eligible Shares through, partnerships or other pass-through entities for United States federal income tax purposes, United States persons whose functional currency is not the U.S. dollar, dealers in securities or foreign currency, traders that use the mark-to-market method of accounting with respect to their securities, holders who are required to recognize income or gain with respect to the Offer no later than such income or gain is required to be reported on an applicable financial statement under Section 451(b) of the Code, expatriates and former long-term residents of the United States, persons subject to the alternative minimum tax, holders holding Eligible Shares that are part of a straddle, hedging, constructive sale, conversion transaction or other integrated transaction, holders who receive cash pursuant to the exercise of appraisal rights, and holders who received Eligible Shares pursuant to the exercise of employee stock options, or otherwise as compensation).

For purposes of this summary, the term “U.S. Holder” means a beneficial owner of Eligible Shares that, for United States federal income tax purposes, is: (i) an individual who is a citizen or resident of the United States; (ii) a corporation, or an entity treated as a corporation for United States federal income tax purposes, created or organized under the laws of the United States, any state thereof or the District of Columbia; (iii) an estate, the income of which is subject to United States federal income tax regardless of its source; or (iv) a trust, if (A) a court within the United States is able to exercise primary supervision over the trust’s administration and one or more United States persons have authority to control all of the trust’s substantial decisions or (B) the trust has a valid election in effect under applicable United States Treasury Regulations to be treated as a United States person for United States federal income tax purposes. This discussion does not address the tax consequences to holders who are not U.S. Holders.

If an entity or arrangement treated as a partnership for United States federal income tax purposes holds Eligible Shares, the tax treatment of a person treated as a partner in such partnership generally will depend upon the status of the partner and the partnership’s activities. Accordingly, entities or arrangements treated as partnerships for United States federal income tax purposes that hold Eligible Shares and persons treated as partners in such partnerships are urged to consult their tax advisors regarding the specific United States federal income tax consequences to them of the Offer.

Because individual circumstances may differ, each holder is urged to consult its, his or her own tax advisor to determine the particular tax consequences of the Offer to it, him or her, including the application and effect of the alternative minimum tax and any state, local and foreign tax laws and changes in any laws.

The exchange of Eligible Shares for cash pursuant to the Offer will be a taxable transaction to U.S. Holders for United States federal income tax purposes. In general, a U.S. Holder who exchanges Eligible Shares for cash pursuant to the Offer will recognize gain or loss for United States federal income tax purposes in an amount equal to the difference, if any, between the amount of cash received and the U.S. Holder’s adjusted tax basis in the Eligible Shares exchanged. If a U.S. Holder acquired Eligible Shares by purchase, the U.S. Holder’s adjusted tax basis in its Eligible Shares will generally equal the amount the U.S. Holder paid for the relevant Eligible Shares, less any returns of capital that the U.S. Holder might have received with regard to the relevant Eligible Shares. Such gain or loss will generally be capital gain or loss and will be long-term capital gain or loss if, as of the date of the exchange, a U.S. Holder’s holding period for such Eligible Shares is more than one (1) year. Long-term capital gain recognized by certain non-corporate holders, including individuals, is currently taxable at a reduced rate. The deductibility of capital losses is subject to certain limitations.

If a U.S. Holder acquired different blocks of Eligible Shares at different times and/or different prices, such U.S. Holder must determine its, his or her adjusted tax basis and holding period separately with respect to each block of Eligible Shares. A U.S. Holder who exchanges Eligible Shares for cash pursuant to the Offer is subject to information reporting and may be subject to backup withholding unless certain information is provided to the [Paying Agent] or an

exemption applies. See “Instructions to Participate in the Offer —Signature and Delivery Requirements.” Certain stockholders (including corporations) generally are not subject to backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules generally will be allowed as a refund or a credit against a U.S. Holder’s U.S. federal income tax liability if the required information is properly and timely furnished by such U.S. Holder to the IRS.

THE FOREGOING DISCUSSION DOES NOT PURPORT TO BE A COMPLETE DISCUSSION OF THE POTENTIAL TAX CONSEQUENCES OF THE OFFER. HOLDERS OF ELIGIBLE SHARES SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE SPECIFIC TAX CONSEQUENCES TO THEM, INCLUDING THE APPLICABILITY AND EFFECT OF UNITED STATES FEDERAL, STATE, LOCAL AND FOREIGN TAX LAWS IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES, AND CHANGES IN ANY LAWS. NOTHING IN THIS DISCUSSION IS INTENDED TO BE, OR SHOULD BE CONSTRUED AS, TAX ADVICE.

SECURITIES COMPLIANCE:

This Offer is only being made to Eligible Holders in the Offer Jurisdiction. The Offer is not being made to (nor will sales be accepted from or on behalf of) holders of Eligible Holders in any Excluded Jurisdiction, including in which the making of the Offer or the acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. In those jurisdictions where applicable laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be null and void with respect to such jurisdiction.

* * *

You must submit the signed Disclosure Notice Acknowledgment and Disclaimer, which is Exhibit A to the Letter of Transmittal, the completed and signed Letter of Transmittal, and any other required documents, as applicable, electronically to [NAME] at [EMAIL].

Questions and requests for assistance may be directed to [NAME] at [EMAIL].

For all questions regarding any applicable tax, investment or financial concerns, please contact your advisors.

* * *

Exhibit A

DISCLOSURE NOTICE

The Offer is being made in connection with the Settlement of the Derivative Action. Plaintiff is acting on behalf of the Company with respect to the Settlement. The individuals acting as Buyer in the Offer are the defendants in the Derivative Action.

Periodically during the litigation of the Derivative Action, Plaintiffs and Buyer engaged in discussions concerning a potential resolution of the case. On September 7, 2023, Plaintiffs and Buyer reached agreement to settle the claims for consideration in various forms, one of which is this Offer. Based on their investigation and prosecution of the Derivative Action, Plaintiffs concluded that the terms and conditions of the Settlement are fair, reasonable, and adequate to, and in the best interests of, Flashpoint and its Independent Stockholders. The Settlement, including the Offer and the Offer Price, reflects an arms-length, negotiated agreement that was reached voluntarily after consultation with experienced legal counsel, and facilitated by a professional mediator agreed upon by the parties in the Derivative Action, and reflects the Plaintiff's and Buyer's wishes to finally and irrevocably resolve their differences and thereby avoid the time, expense and acrimony associated with the Derivative Action.

None of TPHS, the Buyer, Flashpoint, nor any of their respective current or former management, directors or managers, officers, employees, attorneys or other advisors, agents or affiliates (i) makes any recommendation or provides any advice to you as to whether you should or should not sell any of your Eligible Shares, or (ii) has authorized any person to make any such recommendation or provide any such advice. Flashpoint and its directors or managers, officers, employees, attorneys and other advisors and agents express no opinion and are remaining neutral toward the Buyer's Offer. On the other hand, Plaintiff recommends that you sell all of your Eligible Shares in the Offer. No person has been authorized to give any information or to make any representation on behalf of the Buyer or Flashpoint except as expressly set forth herein or in the Election Documents and, if any person not so described herein, including any officer of Flashpoint, gives any information or makes any representation, such information or representation must not be relied upon as having been authorized by the Buyer or Flashpoint. You should carefully review and evaluate all information available to you (including the Election Documents), consult your own financial and tax advisors, and make your own decisions about whether to tender any Eligible Shares.

Except as explicitly set forth herein, none of the Buyer, TPHS or Flashpoint guarantees the accuracy of any information or makes any representations or warranties about Flashpoint, your Eligible Shares or otherwise. You acknowledge and agree that you have not relied on any statements of the Buyer or Flashpoint's directors or managers, officers, employees, attorneys or other advisors or agents, any oral statements by any persons, any third-party information or any other information, except for the information available in connection with this Offer (including this Disclosure Notice) in making the decision to sell or not to sell any of your Eligible Shares. You acknowledge and agree that neither the Buyer nor Flashpoint nor their respective directors or managers, officers, employees, attorneys or other advisors or agents shall have any liability in connection with any such statements or any statements made by the Buyer, Flashpoint or any other third party. Notwithstanding the foregoing, nothing in this paragraph speaks to, or is intended to speak to, Plaintiff or his counsel.

You further acknowledge and agree that the Offer and other information provided by the Company through Plaintiff's counsel and made available to you in connection with this Offer constitute confidential and proprietary information regarding the Buyer and Flashpoint and you agree not to disclose such information to any third parties, other than to your financial and tax advisors who are otherwise obligated to keep such information confidential. You may not print or make copies of these materials. You hereby acknowledge that you have received and reviewed the materials provided by the Company through Plaintiff's counsel and made available to you. Capitalized terms used but not otherwise defined in this Disclosure Notice shall have the meanings set forth in the Offer to Purchase.

Information about the Buyer and Flashpoint

This Offer to Purchase sets forth information regarding the Buyer and Flashpoint. In addition, you may request access via [EMAIL] to: (a) the Bylaws, and (b) Flashpoint's summary capitalization table as of [●], 2023.

You should not rely on any portion of Flashpoint's website (if any), any previous communications from Flashpoint or Buyer to you, or on any other information available regarding Flashpoint other than the information set forth in this Offer and the disclosure materials available upon request via [EMAIL] in deciding whether to sell any of your Eligible Shares in this Offer. The information provided in the disclosure materials (with the exception of certain information about the Buyer (including in the section entitled "*Information about the Buyer*")) was provided by Flashpoint through Plaintiff's and their counsel and was not prepared by the Buyer. Neither the Buyer nor or any representative of the Buyer makes any representation or warranty to and shall have no liability regarding the accuracy or completeness of such information. By participating in this Offer, you understand that you may not rely on such information as a representation or warranty by the Buyer or its representatives as to the business of Flashpoint or otherwise.

Flashpoint and its current and former directors or managers, officers, employees, attorneys and other advisors and agents express no opinion regarding the Offer. None of TPHS, the Buyer, Flashpoint, nor any of their respective current or former management, directors or managers, officers, employees, attorneys or other advisors, agents or affiliates (i) expresses any opinion or recommendation as to whether you should or should not sell any of your Eligible Shares, or (ii) has, except with respect to the Settlement, authorized any person pursuant to the Offer to make any such recommendation or provide any such advice. Any statement by any person, regardless of their position with the Buyer, must be regarded as their personal opinion and not a recommendation by the Buyer, or its respective current or former directors or managers, officers, employees, attorneys or other advisors or agents, as applicable. Plaintiff recommends that you sell all of your Eligible Shares in the Offer. You must make your own decision as to whether to sell any of your Eligible Shares.

Information about the Buyer

The Buyer in this Offer is, Stanley B. Fry, Edward D. Herrick, Ross Bott, Cyrus W. Gregg, and Magdalena Ramos, collectively, or their assignee. The Buyer seeks to purchase Eligible Shares in connection with a Definitive Settlement Agreement, dated [_____], by and between John Y. Wang, derivatively on behalf of Flashpoint, and Stanley Fry, Cyrus Gregg, Edward Herrick, Ross Bott, and Magdalena Ramos.

Information about Flashpoint

As of [date], Flashpoint has [●] shares of Common Stock issued and outstanding, of which [●] may be tendered in connection with the Offer and constitute Eligible Shares.

[Insert description of the background of the Offer related to the settlement and how the Offer Price was determined.]

Information about the Intentions of Plaintiff with respect to the Offer

Plaintiff recommends that you sell all of your Eligible Shares in the Offer. You must make your own decision as to whether to sell any of your Eligible Shares. See more information below in the risk factors set forth in the Disclosure Notice.

Risks Related to the Offer to Purchase

You should carefully consider the following risk factors, together with all of the other information included in this Offer to Purchase, the Letter of Transmittal, the Frequently Asked Questions, all exhibits to each such document, and other information about the Company provided to you, in deciding whether to accept the Offer. There are risks associated with both selling any of your Eligible Shares and deciding not to sell any of your Eligible Shares. In addition, there may be additional risks relating to the Company and the Offer that are not specifically addressed below, including those not currently known to the Company.

- 1. Flashpoint is a holding company with no current operations and its value is substantially dependent on the value of Collision Communications, Inc., a [Delaware] corporation (“CCI”), a portion of the equity of which is the only material asset of Flashpoint.**

Flashpoint is a holding company with no material direct operations. Flashpoint’s principal assets are the equity interests it holds in CCI. CCI is legally distinct from Flashpoint and may be prohibited or restricted from paying dividends, including the restrictions contained in certain loan documentation, or otherwise making funds available to Flashpoint under certain conditions. Therefore, the value of your stock is significantly dependent on the value of CCI, and a change in the value of CCI, the value or nature of its assets or its business or operations may have a material, and potentially negative, impact on the value of Flashpoint and your stock.

- 2. The Offer Price being offered by the Buyer for your Eligible Shares may not represent a fair value for the Eligible Shares or the price you could obtain from a third party outside of the Offer.**

The Offer Price is not reflective of any third-party valuation and is not based upon any third-party valuation. The Offer Price being offered by the Buyer was determined in connection with settlement negotiations described in more detail in “The Offer – Background of the Offer” and was based upon a variety of factors.

There is no established or regular trading market for the Company’s shares as the Company is a privately-held company and the Offer Price does not necessarily reflect the price that you might receive for the sale of Common Shares to a third party outside of the Offer. Those prices could be higher or lower than the Offer Price.

No independent party has been retained by the Buyer, the Company or any other person to evaluate or render any opinion to Eligible Holders with respect to the fairness of the Offer Price, and no representation is made as to any fairness or other measures of value that may be relevant to Eligible Holders. You are urged to review the information provided in this Offer to Purchase, this Disclosure Notice and the information about the Company provided upon request via [EMAIL] in making your own determination of the fairness of the Offer Price, and to consult your own financial and tax advisors in connection with the Offer.

NONE OF THE BUYER, THE COMPANY OR ANY OF THEIR RESPECTIVE AFFILIATES, AGENTS OR REPRESENTATIVES IS MAKING ANY REPRESENTATION THAT THE PURCHASE PRICE IS FAIR TO YOU OR ACTUALLY REPRESENTS THE PRICE YOU MIGHT RECEIVE FOR THE SALE OF STOCK TO A THIRD PARTY OUTSIDE THE OFFER.

- 3. The Offer Price does not take into account all future prospects of Flashpoint or CCI.**

The Offer Price is speculative in nature and does not ascribe value to certain potential future improvements in the operating performance of Flashpoint or CCI or potential future strategic or financing transactions. The Company advises you that, in the normal course of their businesses, it and CCI each evaluates strategic opportunities that may be available from time to time, including acquisitions, dispositions, mergers, private equity financings and other corporate transactions or liquidity events (such as an IPO or direct listing). These events could increase or decrease the market value of your stock. While Flashpoint currently has no definitive plans with respect to any of the foregoing transactions, there can be no assurance that Flashpoint or CCI will or will not pursue one or more of them. Flashpoint or CCI may enter into one or more strategic or financing transactions either prior to the Expiration Time, between the Expiration Time and the Settlement Date, or following the Settlement Date and disposition of your Tendered Shares. Any such strategic or financing transaction could increase or decrease the value of your Eligible Shares. Neither Flashpoint nor CCI will have no obligation to inform you of such event, and you will have no ability to revoke your election to sell your Tendered Shares following the Expiration Time.

4. There may be conflicts of interest with respect to the Offer.

Plaintiff recommends that you sell all of your Eligible Shares in the Offer. Plaintiff may have different interests from you in electing or not electing to participate in the Offer, and there is no requirement for Plaintiff to elect to participate in the Offer. Further, although none of Plaintiff, the Company, its Board nor any committee of its Board or its management can predict the future value of the Company's capital stock, the Offer Price could differ significantly from the net proceeds that could be realized from a current sale of the Company or that may be realized upon any future liquidity event.

The Buyer may have different interests in the Offer as a buyer relative to both your interests and those of other Eligible Holders. Stanley B. Fry, Edward D. Herrick, Ross Bott, Cyrus W. Gregg, and Magdalena Ramos are investors, directors and/or officers of CCI and may be aware of material nonpublic information about CCI (of which you may not be aware and may not be included in this Disclosure Notice), which may impact the value of the Eligible Shares.

5. The Company may increase or decrease in value.

Depending on how successfully each of Flashpoint and CCI operates its business and other factors, including market conditions, it is possible that you will not have opportunities to sell your Eligible Shares at a price higher than the Offer Price in the future. If Flashpoint's or CCI's results of operations, financial condition or prospects materially worsen or underperform management's current expectations, the value of the Flashpoint or CCI could decrease. The Flashpoint may be sold in the future at a price per share that is lower than the Offer Price, or CCI could be sold in the future at a price that yields a lower value per share of Flashpoint than the Offer Price. There can be no assurances, however, that the Flashpoint or CCI will receive any acquisition offers in the future, or that either of them will accept or recommend acceptance by its stockholders of any such offer.

6. If you accept the Offer and sell Eligible Shares, you may be subject to tax on your sale.

A sale of your Tendered Shares in the Offer will generally be subject to tax. Neither the Buyer, the Company nor any of their respective affiliates, agents, advisors or representatives can or will render any tax advice to you. You are responsible for determining and paying your own taxes and for filing all necessary tax returns with respect thereto. Neither the Buyer, the Company nor any of their respective affiliates, advisors, agents or representatives shall have any obligation to file or prepare any tax returns or prepare any other reports for any taxing authorities concerning matters related to the Offer, except as expressly contemplated by the Offer and accompanying documents or as required by applicable law. Please see sections in the Offer to Purchase titled "*Certain Material U.S. Federal Income Tax Consequences for U.S. Holders*" for additional information.

7. The tax treatment of your sale of Eligible Shares pursuant to the Offer could change in the future.

The tax treatment of the transactions contemplated by the Offer, including your sale of your Tendered Shares, may change in the future. Any such changes could make it advantageous for you to defer any sale of your Tendered Shares until a later date. In addition, the rate at which any gain at sale is taxed could increase or decrease in the future, due to a change in tax laws, a change in your income or tax situation, an increase in the period for which you have owned the Eligible Shares, or for other reasons. By electing to sell Eligible Shares pursuant to the Offer, you will forego any potential tax advantage that you may have been able to realize by deferring the sale of such Eligible Shares until a later date.

8. If you sell Eligible Shares in the Offer, you will lose the right to share in any future benefits with respect to such Eligible Shares.

The Eligible Holders who sell Eligible Shares will be giving up the opportunity to participate in any future potential benefits associated with ownership of such Eligible Shares, including the right to participate in any future distribution of cash or property or appreciation in the value of such Eligible Shares or liquidity events (such as an acquisition, IPO, direct listing, or SPAC transaction).

Future profits of the Company may increase for a number of reasons, including as a result of increased business in the current and future fiscal years. However, there can be no assurance that any future distribution or appreciation will occur.

None of TPHS, the Buyer, Flashpoint, nor any of their respective management, boards of directors or managers, officers, employees, attorneys or other advisors, agents or affiliates (i) expresses any opinion or recommendation as to whether you should or should not sell any of your Eligible Shares, or (ii) has authorized any person to make any such recommendation or provide any such advice. Flashpoint's Board, officers, employees, attorneys and other advisors and agents express no opinion and are remaining neutral toward the Offer. Plaintiff recommends that you sell all of your Eligible Shares in the Offer. You must make your own decision as to whether you should or should not sell any of your Eligible Shares. The Buyer and Flashpoint strongly urge you to consult your own financial, legal and tax advisors.

IF NOT SOLD PURSUANT TO THE OFFER, THE VALUE OF YOUR ELIGIBLE HOLDINGS MAY APPRECIATE OR DEPRECIATE OVER TIME. THE PRICE AT WHICH THE BUYER IS OFFERING TO PURCHASE YOUR ELIGIBLE HOLDINGS MAY NOT BE THE HIGHEST PRICE YOU COULD OBTAIN FOR YOUR ELIGIBLE HOLDINGS NOW OR IN THE FUTURE. IN THE FUTURE, A MARKET MAY DEVELOP FOR THE COMPANY'S COMMON SHARES THROUGH AN IPO, DIRECT LISTING, A SALE OF THE COMPANY (INCLUDING A SPAC TRANSACTION), OR ANY OTHER CHANGE IN CONTROL OR LIQUIDITY EVENT WITH RESPECT TO THE COMPANY. ALTHOUGH THERE CAN BE NO ASSURANCES THAT SUCH A MARKET MAY DEVELOP, IF SUCH A MARKET WERE TO DEVELOP, SALES OF SHARES MAY OCCUR IN THAT MARKET AT A PRICE PER SHARE HIGHER OR LOWER THAN THE PURCHASE PRICE. IF YOU CHOOSE TO PARTICIPATE IN THIS OFFER, YOU UNDERSTAND AND AGREE THAT YOU ARE GIVING UP THE OPPORTUNITY TO SELL YOUR TENDERED SHARES TO ANY PERSON, INCLUDING THE BUYER AND THE COMPANY, AT A POSSIBLY HIGHER PRICE NOW OR IN THE FUTURE AND TO RECEIVE THE BENEFIT OF FUTURE APPRECIATION, IF ANY, IN THE VALUE OF YOUR ELIGIBLE HOLDINGS SOLD TO THE BUYER. THERE CAN BE NO ASSURANCE, HOWEVER, THAT THERE WILL BE A FUTURE OPPORTUNITY TO SELL SHARES, OR THAT THE PRICE OF THE SHARES WILL INCREASE OR TO WHAT EXTENT. A BUYER MAY ALSO, IN THE FUTURE, DETERMINE TO PURCHASE SHARES OTHER THAN THOSE PURCHASED PURSUANT TO THE OFFER, AND IT IS POSSIBLE THAT SUCH PURCHASE MAY BE AT A HIGHER PRICE, BUT THERE IS NO GUARANTEE THAT THERE WILL BE ANY FUTURE OFFERS TO PURCHASE YOUR SHARES BY THE BUYER, OTHER THIRD PARTIES OR THE COMPANY.

* * *

Index to Annexes to Disclosure Notice

The Offer to Purchase (including documents incorporated therein or included with the Disclosure Notice) contains statements that are not historical facts and constitute projections, forecasts or forward-looking statements. All forward-looking statements, by their nature, are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. The forward-looking statements include, without limitation, statements relating to future performance of Flashpoint, statements relating to the completion of the proposed Offer, and other statements containing words such as “may,” “could,” “should,” “would,” “believe,” “anticipate,” “estimate,” “expect,” “intend,” “plan,” “target,” “goal,” and similar expressions or statements of current expectation, assumption or opinion. There are a number of risks and uncertainties, known and unknown, that could cause actual results to differ materially from these forward-looking statements, including the following: (1) the transaction may involve unexpected costs, liabilities or delays; (2) the business of Flashpoint may suffer as a result of speculation surrounding the transaction or based on other factors; and (3) other risks to the Offer, including the risk that the Offer will not be consummated within the expected time period or at all. The actual events, results or actions may differ materially from those expected, anticipated or inferred from such forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements speak only as of the Offer Date or the date of the documents in the Disclosure Notice. Neither Flashpoint nor the Buyer nor their representatives are under any obligation and do not intend to make available any updates or other revisions to any of the forward-looking statements contained in the Offer to Purchase to reflect circumstances existing after the Offer Date or to reflect the occurrence of future events even if experience or future events make it clear that any expected results expressed or implied by those forward-looking statements will not be realized.

The information provided in the exhibits to the Disclosure Notice was provided by Flashpoint and was not prepared by any Buyer, Flashpoint, TPHS or their representatives, and none of the Buyer, Flashpoint, TPHS nor any of their respective representatives makes any representation or warranty to and shall have no liability regarding the accuracy or completeness of such information. By participating in the Offer, you understand that you may not rely on such information as a representation or warranty by any Buyer as to the business of Flashpoint, CCI or otherwise.

The following annexes to this Disclosure Notice are available and can be accessed upon request via e-mail at [EMAIL].

1. Annex A: [Bylaws of Flashpoint Technology, Inc, dated [●].]
2. Annex B: Summary capitalization table of Flashpoint Technology, Inc., as of [●], 2023.

IMPORTANT: The above-mentioned documents can be requested via e-mail at [EMAIL].

* * *

Exhibit B

LETTER OF TRANSMITTAL

Attached.

Exhibit C

FREQUENTLY ASKED QUESTIONS

Attached.

Exhibit D
EXCLUDED SHARES

Attached.

LETTER OF TRANSMITTAL

To Accompany Offer to Purchase certain shares
of common stock of Flashpoint Technology, Inc.

[●], 2024

**THE OFFER TO PURCHASE WILL EXPIRE AT
11:59 P.M., EASTERN TIME, ON [●], 2024, UNLESS THE OFFER TO PURCHASE IS
EXTENDED BY BUYER.**

Stanley B. Fry, Edward D. Herrick, Ross Bott, Cyrus W. Gregg, and Magdalena Ramos, collectively, or their assignee (in each case, the “*Buyer*”), is offering to purchase in the aggregate up to [__] shares of the outstanding common stock of Flashpoint Technology, Inc, a Delaware corporation (“*Flashpoint*” or the “*Company*”), par value \$0.001 per share, owned by stockholders that are not Buyer or affiliated with Buyer, other than Flashpoint Holding Associates, LLC (such stockholders being the “*Independent Stockholders*”). Shares of the Company’s common stock owned by Independent Stockholders shall be referred to herein as the “*Common Shares*” or “*Eligible Shares*”. The purchase price offered by the Buyer is \$0.25 per share if between 0% and 30% of the Eligible Shares participate in the offer or \$0.20 per share if more than 30% of the Eligible Shares participate in the offer (the “*Offer Price*”), in each case, in cash, without interest, and less any applicable tax withholdings and transfer taxes. The offer by the Buyer is subject to the terms and conditions set forth in the Offer to Purchase dated [●], 2024 (the “*Offer Date*”) and in this Letter of Transmittal (which, together with the Offer to Purchase, each with all exhibits and annexes hereto and thereto and as may be amended or supplemented from time to time, collectively constitute the “*Offer*”). The aggregate amount paid to any participant in the Offer will be rounded down to the nearest cent.

Capitalized terms that are used in this Letter of Transmittal but not defined herein shall have the meanings assigned to them in the Offer to Purchase.

The Offer is being made in connection with the settlement (the “*Settlement*”) of the action captioned SDF Funding, LLC v. Fry, C.A. No. 0732-KSJM (Del. Ch) (the “*Derivative Action*”). John Y. Wang is a derivative plaintiff (“*Plaintiff*”), acting as on behalf of the Company with respect to the Settlement. The individuals acting as Buyer in the Offer are the defendants in the Derivative Action, or their assignee.

During the litigation of the Derivative Action, Plaintiff and Buyer engaged in discussions concerning a potential resolution of the case. On September 7, 2023, Plaintiff and Buyer reached agreement to settle the claims for consideration in various forms, one of which is this Offer. Based on their investigation and prosecution of the Derivative Action, Plaintiff and their counsel concluded that the terms and conditions of the Settlement are fair, reasonable, and adequate to, and in the best interests of, Flashpoint and its stockholders. The Settlement, including the Offer and the Offer Price, reflects an arms-length, negotiated agreement that was reached voluntarily after consultation with experienced legal counsel, and facilitated by a professional mediator agreed upon by the parties in the Derivative Action, and reflects the Plaintiff’s and Buyer’s wishes to finally and irrevocably resolve their differences and thereby avoid the time, expense and acrimony associated with the Derivative Action. The Offer and the Offer Price is not reflective of any third-party valuation and is not based upon any third-party valuation.

The Eligible Shares that you select to sell (and are not withdrawn) are referred to as your “*Tendered Shares.*”

The Offer is being made in the United States (the “*Offer Jurisdiction*”). Notwithstanding the foregoing, an Offer Jurisdiction shall only include any country or jurisdiction where, pursuant to applicable securities laws, statutes and other similar regulations and all other applicable laws and regulations, the Offer can be made and completed on the terms and conditions set forth herein without obtaining any consent, approval, order or authorization of, qualification from or registration with any federal, state or local governmental authority (each, a “*Governmental Approval*”), or for which any and all such Governmental Approvals will have been obtained prior to the Settlement Date. Holders of the Company’s securities who reside in any jurisdiction in which the Offer would violate any securities law, statute or other similar regulation (each, an “*Excluded Jurisdiction*”) are not eligible to participate in the Offer, and any attempt to tender the Company’s securities in the Offer by any such holders in any Excluded Jurisdiction will be null and void.

The Company has agreed to waive all applicable transfer restrictions on your Eligible Shares in connection with the Offer, other than restrictions under applicable securities laws.

If you wish to participate in the Offer, you must (i) validly hold vested Eligible Shares as of the Offer Date and through the Settlement Date, (ii) not reside in an Excluded Jurisdiction as of the Offer Date and through the Settlement Date, and (iii) complete and submit each item listed herein under the heading “*Tendered Shares Held by You,*” including this Letter of Transmittal and all relevant annexes, schedules and exhibits hereto, prior to 11:59 P.M. Eastern Time, on [●], 2024, (the “*Expiration Time*”), unless the Offer is extended by Buyer in accordance with the terms of the Offer to Purchase.

If you elect to tender Eligible Shares, following your submission of this Letter of Transmittal (including the applicable annexes, schedules and exhibits), you will receive the applicable purchase price payable in respect of the Tendered Shares, but you will give up all rights and obligations associated with ownership of those Tendered Shares; *provided, however,* that you will have the opportunity to rescind your participation in the Offer as described in the Offer to Purchase. Any such termination of rights and obligations as a stockholder of the Company will be contingent on Buyer’s purchase of the Tendered Shares, so that if any condition to Buyer’s purchase is not satisfied or waived, and Buyer does not complete the purchase of the Tendered Shares, Buyer will continue to recognize the rights and obligations associated with such Tendered Shares, and your Tendered Shares will remain outstanding.

The obligation of Buyer to purchase the Tendered Shares is subject to, among other things, the conditions outlined in the “*Additional Conditions of the Offer*” Section of the Offer to Purchase. If any of such conditions are not satisfied or waived, Buyer may terminate the Offer prior to the Expiration Time, and refuse to purchase any Tendered Shares, in which case any Election Documents already submitted will be void and returned or destroyed, as appropriate. In the event any conditions of the Offer are not satisfied, Buyer may in its sole and absolute discretion elect to waive such conditions to the extent not in conflict with applicable law. Notwithstanding the foregoing, Buyer may extend the period of time during which the Offer is open.

Questions:

Any operational or administrative questions or requests may be directed to [NAME] at [EMAIL]. For questions related to the tax implications of selling Eligible Shares in the Offer, please contact your own legal, financial or tax advisors.

You should consult with your legal, financial or tax advisors before participating in the Offer.

None of Troutman Pepper Hamilton Sanders LLP, Buyer, Flashpoint, nor any of their respective current or former management, directors or managers, officers, employees, attorneys or other advisors, agents or affiliates (i) expresses any opinion or recommendation as to whether you should

or should not sell any of your Eligible Shares, or (ii) has authorized any person to make any such recommendation or provide any such advice. Flashpoint and its Board, officers, employees, attorneys and other advisors and agents express no opinion and are remaining neutral toward the Offer. On the other hand, Plaintiff recommends that you sell all of your Eligible Shares in the Offer. You must make your own decision as to whether you should or should not sell any of your Eligible Shares and, if so, how many shares to sell. The Buyer and Flashpoint strongly urge you to consult your own financial, legal and tax advisors.

THIS LETTER OF TRANSMITTAL IS NOT A SOLICITATION TO SELL YOUR ELIGIBLE SHARES. THE OFFER TO PURCHASE, THIS LETTER OF TRANSMITTAL AND THE OTHER ELECTION DOCUMENTS ARE INTENDED TO INFORM YOU OF BUYER'S PROPOSED ACTIONS AND THE TERMS AND CONDITIONS UNDER WHICH BUYER PROPOSES TO ACQUIRE OR PURCHASE A NUMBER OF TENDERED SHARES. YOUR DECISION TO PARTICIPATE IN THE OFFER AND SUBMIT THE REQUIRED INFORMATION IN THE ELECTION DOCUMENTS CONSTITUTE A BINDING CONTRACT WITH BUYER TO SELL TENDERED SHARES PURSUANT TO BUYER'S TERMS AND CONDITIONS AS SET FORTH IN THIS DOCUMENT AND THE OFFER TO PURCHASE.

BY ELECTRONICALLY SIGNING AND RETURNING THIS LETTER OF TRANSMITTAL, YOU ARE TENDERING THE ELIGIBLE SHARES YOU SPECIFY IN THE ELECTION DOCUMENTS.

TENDERED SHARES HELD BY YOU

Please populate the tables below to correctly reflect the Eligible Shares that you wish to sell to Buyer in the Offer.

Each Eligible Holder who intends to sell Eligible Shares in the Offer will need to complete and submit a separate Letter of Transmittal. This means that if Eligible Shares are held by family members, trusts or other persons or entities related to or affiliated with you, each such other person or entity must complete and submit a separate Letter of Transmittal.

Name(s) of Holder(s) Please fill in exactly as name(s) appear(s) on document by which you received the Eligible Shares	Total Number of Eligible Shares	Participation Option (select only one)
	[•]	<p>1. I will tender the number of Eligible Shares identified herein regardless of how many Eligible Shares elect to participate (in which case the purchase price per Eligible Share will be determined based on the percentage of Eligible Shares tendered as described herein and may be as low as \$0.20 per share).</p> <p><i>Check box to select Participation Option 1</i> <input type="checkbox"/> and indicate the number of Eligible Shares that you wish to tender: _____</p> <p>2. I will tender the number of Eligible Shares identified herein only if between 0% and 30%, inclusive of 30%, of the Eligible Shares, including my identified Eligible Shares, participate in the offer (in which case the purchase price per Eligible Share will be \$0.25 per share less any applicable tax withholdings and transfer taxes).</p> <p><i>Check box to select Participation Option 2</i> <input type="checkbox"/> and indicate the number of Eligible Shares that you wish to tender: _____</p> <p>3. I will tender the number of Eligible Shares identified herein only if greater than 30% of the Eligible Shares, including my identified Eligible Shares, participate in the offer (in which case the purchase price per Eligible Share will be \$0.20 per share less</p>

		<p>any applicable tax withholdings and transfer taxes).</p> <p><i>Check box to select Participation Option 3 <input type="checkbox"/></i> <i>and indicate the number of Eligible Shares that you wish to tender: _____</i></p>
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OFFER PRICE AND WIRE INSTRUCTIONS FOR PAYMENT OF OFFER PRICE

The proceeds of the Offer will be deposited in the account you indicate below.

You are responsible for ensuring that the account indicated below will accept a wire transfer in U.S. Dollars, and you will be responsible for any fees imposed by your banking institution (or any intermediate institution through which the funds are routed) in connection with the acceptance of the wire transfer.

In the event delivery of such Offer Price is delayed for any reason, Buyer shall not be responsible for interest payments on such Offer Price. Buyer shall not be responsible or liable for any erroneous information that may be provided regarding accounts or account numbers for wire transfer, or for any other technical difficulties in sending or receiving such wire transfers. All proceeds will be rounded to the nearest cent.

Wire Instructions	
Name of Account Holder:	
Bank Name:	
ABA Routing Number or SWIFT code (non-US):	
Account Number:	
Reference/Bank Contact/Telephone Number:	

All Eligible Holders must complete the following:

_____ *Print name of registered holder (individual or entity)*

By: _____

Signature of individual or authorized person

Name: _____

Print name of authorized person, if holder is an entity

Title: _____

Title of authorized person, if holder is an entity

Date: _____

CONSENT OF SPOUSE OR JOINT HOLDER:

Print name of spouse or joint holder

By: _____

Signature of spouse or joint holder

Date: _____

Address: _____

Telephone Number: _____

E-mail Address: _____

TAX CONSEQUENCES

THE TAX CONSEQUENCES OF YOUR PARTICIPATION IN THE OFFER MAY BE SUBJECT TO INTERPRETATION BY THE INTERNAL REVENUE SERVICE (“IRS”) OR OTHER APPLICABLE TAX AUTHORITIES AND SUCH INTERPRETATION MAY NOT BE CONSISTENT WITH THE INFORMATION PROVIDED IN THIS LETTER OF TRANSMITTAL, THE OFFER TO PURCHASE OR ANY OTHER DOCUMENT MADE AVAILABLE TO YOU AS PART OF THE OFFER. YOU ARE URGED TO CONSULT YOUR OWN TAX ADVISOR TO DETERMINE THE PARTICULAR TAX CONSEQUENCES TO YOU OF PARTICIPATING OR NOT PARTICIPATING IN THE OFFER.

The tax consequences of participating in the Offer are based on complex laws, which may be subject to varying interpretations, and the application of such laws may depend, in large part, on the surrounding facts and circumstances. There is no guarantee that the IRS or other applicable tax authorities, including non-U.S. tax authorities, will agree with the information related to taxes and tax consequences of participating in the Offer provided in this Letter of Transmittal, the Offer to Purchase or any other document made available to you as part of the Offer, and your participation in the Offer may result in a negative tax result to you that may be different than what is stated in the Offer to Purchase, this Letter of Transmittal or any other document made available to you as part of the Offer. Additionally, you should be aware that tax laws may change, and any such changes could affect the tax consequences described in the Offer to Purchase (possibly on a retroactive basis). By participating in the Offer, you acknowledge and agree that the treatment of your Tendered Shares in the Offer may be different than what is described in this Letter of Transmittal, the Offer to Purchase or any other document made available to you as part of the Offer.

By checking the box and executing this Letter of Transmittal, you acknowledge that neither Buyer nor Flashpoint is guaranteeing any particular tax treatment of your Tendered Shares if you choose to participate in the Offer and the actual tax treatment of your participation in the Offer may differ from the description set forth in the Offer to Purchase, this Letter of Transmittal or any other document made available to you as part of the Offer, you may have adverse tax consequences if you participate in the Offer, and you understand and accept that you should discuss your participation in the Offer with your own tax, legal, financial and other advisors.

TAX FORMS AND WITHHOLDING OF TAX IN CONNECTION WITH THE TENDER OF ELIGIBLE SHARES

Payments of the Offer Price for Eligible Shares will be reported to the IRS in accordance with applicable law. In addition, under the U.S. federal income tax laws, Buyer or other applicable withholding agent may be required to backup withhold at the applicable statutory rate, currently 24%, on the purchase price paid for Eligible Shares pursuant to the Offer. To avoid such backup withholding, each Eligible Holder participating in the Offer who is a “U.S. person” as defined in the instructions to IRS Form W-9 must certify that such holder is not subject to backup withholding by completing an IRS Form W-9 (attached as Exhibit B-1) or otherwise establish a satisfactory exemption from backup withholding. Certain Eligible Holders (including, among others, corporations and certain foreign individuals and entities) are not subject to these backup withholding and reporting requirements. In order for a foreign individual to avoid backup withhold it must submit a properly completed IRS Form W-8BEN (attached as Exhibit B-2), signed under penalties of perjury, attesting to such holder’s foreign status. Foreign entities generally must submit an appropriate and properly completed IRS Form W-8BEN-E, W-8ECI, W-8EXP or W-8IMY, as the case may be, signed under penalties of perjury, attesting to such holder’s foreign status. Any such forms not included in this Letter of Transmittal may be obtained from the IRS at its website.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be refunded or credited against the Eligible Holder’s U.S. federal income tax liability if certain required information is timely furnished to the IRS. Eligible Holders should consult their own tax advisors regarding the application of backup withholding in their particular circumstances and the availability of, and procedure for obtaining, an exemption from backup withholding.

Failure to provide a properly completed and signed IRS Form W-9 may result in withholding of U.S. taxes of 10% of the “amount realized” with respect to tender of the Eligible Shares. An Eligible Holder’s amount realized will generally be measured by the sum of the cash received by the Eligible Holder plus any reduction in the Eligible Holder’s share of Buyer’s liabilities.

For more information consult the instructions to IRS Form W-9. Please consult your tax advisor for further guidance regarding completion of the form.

AGREEMENT

This is a Binding Contract

Unless you effectively revoke this Letter of Transmittal prior to the Expiration Time or pursuant to the rescission process described in the Offer to Purchase, signing and submitting this Letter of Transmittal constitutes acceptance of Buyer's offer to purchase your Tendered Shares on the terms and conditions set forth in the Offer to Purchase and this Letter of Transmittal, and creates a binding obligation to sell all of the Eligible Shares tendered in the Offer on the Settlement Date.

For a withdrawal to be effective, a notice of withdrawal must be:

- sent electronically by e-mail to [NAME] at [EMAIL] (with a copy, which shall not constitute notice to [EMAIL]), and must be received prior to the Expiration Time; and
- specify the name of the Eligible Holder having tendered the Common Shares to be withdrawn.

Prior to the Expiration Time, you may also change your Participation Option by:

- sending a notice electronically by e-mail to [NAME] at [EMAIL] (with a copy to [EMAIL]); and
- specifying the Participation Option you are selecting.

Any cancellation of or change to your previous election must be made, and all revised Election Documents must be submitted prior to the Expiration Time in order to be effective at the time the participating Eligible Shares are counted to determine the Offer Price. You will have a separate opportunity to rescind your acceptance of the Offer as further described with respect to the Rescission Time in the section of the Offer to Purchase titled "*Important Dates and Deadlines.*"

Effective and binding as of the Expiration Time, but subject to your selected Participation Option and the rescission rights described herein and in the Offer to Purchase, you hereby deliver to Buyer the Tendered Shares, in each case identified above under the heading "*Tendered Shares Held by You,*" for purchase by Buyer. You hereby agree to the terms and conditions of the Offer described in this Letter of Transmittal, the accompanying Offer to Purchase, and all exhibits referenced in each such documents. Subject to (your selected Participation Option and the rescission rights described herein and in the Offer to Purchase, you hereby sell and/or tender for cancellation, assign, transfer and convey to Buyer all right, title and interest in and to all of the Tendered Shares identified in this Letter of Transmittal under the heading "*Tendered Shares Held by You*" standing in your name on the books of Buyer, and do hereby irrevocably constitute and appoint Buyer, as your attorney-in-fact with respect to such Tendered Shares, with full power of substitution, to transfer such Tendered Shares on Buyer's books. Such power of attorney is irrevocable and coupled with an interest.

Representations and Warranties of Eligible Holders

The undersigned Eligible Holder hereby represents and warrants to Buyer as follows:

1. The undersigned understands and agrees that delivering Tendered Shares pursuant to the terms and procedures described in the Offer to Purchase and the instructions herein will constitute the

undersigned's acceptance of the terms and conditions of the Offer to Purchase and this Letter of Transmittal (and all applicable exhibits thereto), and will create a binding contract between the undersigned and Buyer.

2. The undersigned understands that acceptance of Tendered Shares by Buyer in return for payment of the Offer Price will constitute a binding, irrevocable agreement between the undersigned and Buyer, upon the terms and subject to the conditions of the Offer to Purchase.

3. The undersigned has read, understands, and agrees to all of the terms of the Offer to Purchase, this Letter of Transmittal, and the exhibits to each.

4. The undersigned understands and agrees (and, as applicable, consents) that Buyer and its respective agents and affiliates will process and transfer among themselves the undersigned's personal data for the sole purpose of performing their respective contractual obligations under the Offer, administering participation in the Offer and facilitating compliance with applicable tax, securities and other laws.

5. The undersigned, if a natural person, is of adult age and sound mental capacity to make investment decisions and, in particular, exercise the judgement necessary to tender and sell the Tendered Shares. The undersigned, if a natural person, has all requisite right and authority to enter into and to consummate the transactions contemplated by the Offer to Purchase and this Letter of Transmittal and otherwise to carry out his or her obligations hereunder or thereunder. The undersigned, if not a natural person, is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with full right, corporate, partnership or other applicable power and authority to enter into and to consummate the transactions contemplated by the Offer to Purchase and this Letter of Transmittal and otherwise to carry out its obligations thereunder and hereunder, and the execution, delivery and performance by the undersigned of the transactions contemplated by this Letter of Transmittal have been duly authorized by all necessary corporate or similar action on the part of the undersigned. This Letter of Transmittal, when executed and delivered by the undersigned, will constitute a valid and legally binding obligation of the undersigned, enforceable against the undersigned in accordance with its terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors' rights generally or (b) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

6. The undersigned is the lawful record and beneficial owner of the Tendered Shares with good and marketable title thereto, and the undersigned has the absolute right to sell, assign, convey, transfer, exercise and deliver such Tendered Shares. Pursuant to this Letter of Transmittal, such rights and benefits are transferable by the undersigned to Buyer and except as provided in the Offer to Purchase, this Letter of Transmittal and under applicable state and federal securities laws, such Tendered Shares are free and clear of all the following: security interests, liens, pledges, claims (pending or threatened), charges, escrows, options, rights of first offer or refusal, mortgages, indentures, security agreements or other encumbrances, whether written or oral and whether or not relating in any way to credit or the borrowing of money (collectively called "**Claims**"). The purchase and sale of the Tendered Shares as contemplated herein will (a) pass good and marketable title to such Tendered Shares to Buyer, free and clear of all Claims and (b) convey, free and clear of all Claims, any and all rights and benefits incident to the ownership of such Tendered Shares. Neither the execution and delivery of this Letter of Transmittal, nor the consummation of the transactions contemplated hereby, does or will violate any law, constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency, or court to which the undersigned is subject or any provision of its organizational documents or other similar governing instruments, or conflict with, violate or constitute a default under any agreement, credit facility, debt or other instrument or understanding to which the undersigned is a party.

7. The undersigned (a) has adequate information concerning the business and financial condition of the Company, including the information set forth in the Offer to Purchase under the heading “The Offer – Background of the Offer,” to make an informed decision regarding the sale of the Tendered Shares, (b) has reviewed the Disclosure Notice provided in the Offer to Purchase, including the risk factors contained in the Offer to Purchase, (c) makes the representations set forth in this Letter of Transmittal, as completed by the undersigned, and (d) has (x) independently and without reliance upon the Buyer, the Company, or the Company’s directors, officers, employees, agents, attorneys, consultants, representatives, stockholders or affiliates (collectively, the “*Company Representatives*”), and (y) based on such information and the advice of such advisors as the undersigned has deemed appropriate to consult, made his, her, or its own analysis and decision to sell the Tendered Shares to Buyer pursuant to the terms and subject to the conditions set forth in the Offer to Purchase. The undersigned acknowledges that none of Buyer, the Company or Company Representatives, or any of the agents or representatives of the foregoing, is acting as a fiduciary or financial or investment advisor to the undersigned, or has provided the undersigned with any advice, opinion, or recommendation regarding whether to sell Eligible Shares or how many Eligible Shares to sell (notwithstanding the foregoing, nothing in this sentence speaks to, or is intended to speak to, Plaintiff or his counsel).

8. The undersigned acknowledges that Buyer, the Company, Company Representatives, and certain stockholders of the Company may currently have information regarding the Company and/or Collision Communications, Inc., a Delaware corporation, a portion of the equity of which is the only material asset of the Company, including but not limited to their business, their financial condition, their prospects, and the value of Eligible Shares, that is not known to the undersigned and that may affect the undersigned’s assessment of the value of the undersigned’s Tendered Shares and the prudence of selling the Tendered Shares pursuant to the Offer (the “*Excluded Information*”). The undersigned acknowledges and agrees that the undersigned has determined to sell the Tendered Shares notwithstanding his, her, or its lack of knowledge of the Excluded Information. The undersigned acknowledges and agrees that Buyer and the Company shall not have any liability to the undersigned with respect to the non-disclosure of Excluded Information and the undersigned waives and releases any claims that it might have against Buyer, the Company or Company Representatives, as applicable, whether under applicable securities laws or otherwise, with respect to the nondisclosure of any information by Buyer or the Company in connection with the sale of the undersigned’s Tendered Shares, and the transactions contemplated by the Offer to Purchase.

9. There is no action, suit, proceeding, judgment, claim or investigation pending, or to the knowledge of the undersigned, threatened against the undersigned which could reasonably be expected in any manner to challenge or seek to prevent, enjoin, alter or materially delay any of the transactions contemplated by the Offer to Purchase or this Letter of Transmittal.

10. The undersigned is not under the jurisdiction of a court in a Title 11 proceeding under U.S. law or similar case or involved in any insolvency proceeding or reorganization.

11. The undersigned is selling the Tendered Shares for the undersigned’s own account only and not with a view to, or for sale in connection with, a distribution of the Tendered Shares within the meaning of the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

12. The undersigned has had an opportunity to review the federal, state, local and non-U.S. tax consequences of the sale of the Tendered Shares to Buyer, including, where applicable, as set forth in the Offer to Purchase, and the transactions contemplated by the Offer to Purchase and this Letter of Transmittal with their own tax advisors. The undersigned is not relying on any statements or representations of Buyer, Company, Company Representatives, or any of their respective affiliates or any of their respective agents

or representatives with respect to tax matters and understands that the tax consequences to the undersigned in connection with their participation in the Offer may differ from those described in the Offer to Purchase, this Letter of Transmittal or any other document made available as part of the Offer. The undersigned understands and agrees that the undersigned (and not Buyer or the Company) shall be responsible for their own tax liability that may arise as a result of the transactions contemplated by the Offer to Purchase and this Letter of Transmittal. The undersigned further understands and agrees that (a) there are circumstances in which Buyer, the Company or other applicable withholding agent will not withhold taxes in connection with the sale of Tendered Shares and the undersigned is separately responsible for paying the applicable taxes, (b) the time frame in which these tax payments must be made varies based on a number of factors, and (c) the undersigned should consult a tax advisor to determine whether payments would be required prior to when tax returns are otherwise filed.

The undersigned acknowledges, understands and agrees that (a) the Tendered Shares may significantly increase in value after the Settlement Date and that the undersigned shall not realize any distributions or appreciation with respect to the Tendered Shares after the Effective Time; (b) the undersigned has been encouraged to and given the opportunity to consult with his, her or its personal financial, legal and tax advisors regarding the Offer and believes the Offer Price (subject to adjustment as described in the Offer) represents full and fair value for the Tendered Shares; and (c) the undersigned has voluntarily chosen to participate in the Offer and has voluntarily tendered Eligible Shares in the Offer, not in reliance on any advice from Buyer, the Company or Company Representatives, or any of their respective affiliates or advisors (notwithstanding the foregoing, nothing in this sentence speaks to, or is intended to speak to, Plaintiff or his counsel).

13. If the Spousal Consent, attached hereto as Exhibit C (the “*Spousal Consent*”), is not signed and delivered by the undersigned pursuant to the instructions set forth in this Letter of Transmittal and the Offer to Purchase, the undersigned hereby represents and warrants that the undersigned is not married and that no current spouse of the undersigned has any right, title, or interest in or to the Eligible Shares sold hereunder. If the Spousal Consent is signed and delivered by the undersigned, then the undersigned represents and warrants that the undersigned’s current spouse has voluntarily and knowingly signed the Spousal Consent and that the undersigned has provided the undersigned’s spouse with all relevant information regarding the sale of Eligible Shares, including by making a copy of this Letter of Transmittal and Offer to Purchase available to the undersigned’s spouse. The undersigned hereby represents and warrants that no former spouse of the undersigned has any right, title, or interest in or to the tendered Eligible Shares.

14. The undersigned understands, acknowledges and agrees that any failure by the Buyer to consummate this Offer in accordance with the terms set forth herein shall be the sole liability of the Buyer, and no other third party shall have any responsibility or liability to any participant or eligible security holder or to the Company in connection therewith.

15. The undersigned has completed this Letter of Transmittal truthfully and accurately and acknowledges that the net Offer Price for the Tendered Shares as are purchased by Buyer will be deposited directly into the undersigned’s bank account pursuant to the instructions set forth in this Letter of Transmittal under the section titled “*Offer Price and Wire Instructions for Payment of Offer Price,*” to which the undersigned maintains all legal rights as are necessary to access the funds upon delivery.

16. Neither the undersigned nor any of the undersigned representatives is a Sanctioned Person (as defined below). None of (a) the purchase and sale of the Tendered Shares, (b) the use of the proceeds from the sale of the Tendered Shares, or (c) the consummation of the Offer, or the fulfillment of the terms of the Offer, will result in a violation by anyone, including, without limitation, Buyer, the Company or Company Representatives, as applicable, of any Sanctions or of any anti-money laundering laws or

economic sanctions laws and regulations of the United States or any other applicable jurisdiction. For the purposes of this paragraph: (i) “**Sanctions**” means any of the laws, executive orders, regulations and rules related to sanctions programs administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury (“**OFAC**”), the Bureau of Industry and Security of the U.S. Department of Commerce (“**BIS**”) or the U.S. Department of State (“**State Department**”). For ease of reference, and not by way of limitation, OFAC’s Sanctions programs are described on OFAC’s website at www.treas.gov/ofac; (ii) “**Sanctioned Person**” means any government, country, corporation or other entity, group or individual with whom or which the Sanctions prohibit or restrict a U.S. Person from engaging in transactions, and includes without limitation any individual or corporation or other entity that appears on the OFAC list of Specially Designated Nationals and Blocked Persons (the “**SDN List**”) and other lists maintained by OFAC, the BIS Entity List, Denied Persons List and Unverified List, and the sanctions lists maintained by the State Department, as each such list may be amended from time to time. For ease of reference, and not by way of limitation, OFAC’s SDN List may be found on OFAC’s website at <https://home.treasury.gov/policy-issues/financial-sanctions/specially-designated-nationals-and-blocked-persons-list-sdn-human-readable-lists>; (iii) “**U.S. Person**” means any U.S. citizen, permanent resident alien, entity organized under the laws of the United States (including foreign branches), or any person (individual or entity) in the United States, and, with respect to OFAC’s sanctions programs relating to Cuba and Iran, also includes any corporation or other entity that is owned or controlled by one of the foregoing, without regard to where it is organized or doing business.

17. The undersigned acknowledges that the aggregate Offer Price (subject to adjustment as described in the Offer) represents the entire consideration to be paid for the Eligible Shares sold by the undersigned in the Offer and that, following the Settlement Date, the undersigned shall have no further rights with respect to such Eligible Shares sold by the undersigned in the Offer.

18. The undersigned has had an opportunity to review the terms of the Offer and the Offer to Purchase and consult with the undersigned’s personal, legal, tax and financial advisors with respect to the transactions contemplated in the Offer to Purchase, this Letter of Transmittal and the Election Documents, and is not relying on any statements, representations or warranties of Buyer, the Company or the Company Representatives with respect to the Offer.

19. The undersigned hereby acknowledges and agrees that the execution of the Election Documents (as defined in the Offer to Purchase) or the participation in the Offer to Purchase does not alter the undersigned’s obligations to the Company or any of its direct or indirect subsidiaries pursuant to any confidentiality, non-compete, non-solicit or similar covenants set forth in any agreement between the undersigned and the Company pursuant to which the Tendered Shares were issued to the undersigned, which obligations shall survive the redemption of the Tendered Shares, and the undersigned hereby acknowledges, reaffirms and ratifies the undersigned’s continuing obligations to the Company and any of its subsidiaries pursuant to such agreements or arrangements.

Covenants of Eligible Holder

The undersigned hereby covenants as follows:

1. On request, the undersigned will execute and deliver any additional documents that Buyer reasonably deems necessary or appropriate to complete the assignment, transfer, and sale of the Tendered Shares that are accepted for purchase by Buyer or that Buyer reasonably deems necessary to comply with, or determine compliance with, applicable laws and regulations, including tax obligations. Such additional documents shall include a properly completed and duly executed IRS Form W-9 or applicable IRS Form W-8.

2. The undersigned will be responsible for all amounts payable to the IRS and other foreign and domestic tax authorities, regardless of any amounts withheld in connection with the Offer.

3. The undersigned shall take any actions reasonably necessary to ensure the undersigned's participation in the Offer is in compliance with all applicable legal requirements for the sale of the Tendered Shares, including U.S. federal, state and/or foreign securities laws.

Other Agreements between Eligible Holder and Buyer

1. The timely delivery of all required Election Documents is mandatory for participation in the Offer. Delivery will be deemed made only when properly completed Election Documents are actually received by [NAME].

2. Buyer shall retain the right to determine in its sole discretion whether any tender of Eligible Shares conforms to the requirements set forth in the Election Documents and shall have the absolute right to reject any or all tenders of any particular Tendered Shares that are determined in good faith by Buyer not to conform to such requirements. If the Buyer rejects a tender of particular Tendered Shares, those Tendered Shares shall not be considered as participating shares for the purposes of calculating the Offer Price. To the extent permitted by applicable law and permitted by this Letter of Transmittal and the Offer to Purchase, Buyer also reserves the absolute right to waive any of the conditions of the Offer or any defect or irregularity in the tender of any particular Tendered Share. Buyer's interpretation of the terms of the Offer (including this Letter of Transmittal) will be final and binding between the undersigned and Buyer. No delivery of Tendered Shares will be deemed to have been properly made until all defects or irregularities have been cured by the undersigned or waived by Buyer, or the tender has been accepted by Buyer. Buyer is not under any duty to give notification or cure of any defects or irregularities in any documents delivered by the undersigned and will not incur any liability for failure to give any such notification.

3. The undersigned understands and agrees that the payments described herein are in full satisfaction of all of his, her, or its rights and interests relating to the Tendered Shares. Buyer's, the Company's, or other applicable withholding agent's determination regarding the amount of any withholding obligations will be final and binding on the undersigned.

4. It is the Eligible Holder's responsibility to ensure that all Election Documents are properly completed, submitted, and received. None of the Buyer, the Company, or any of their respective agents or representatives, has any obligation to give notification of any defects or irregularities in any documents delivered by the undersigned and will not incur any liability for failure to give any such notification.

5. The undersigned recognizes that under certain circumstances set forth in the Offer to Purchase, Buyer may terminate, modify or amend the Offer.

6. All authority conferred or agreed to be conferred in this Letter of Transmittal shall survive the death or incapacity of the undersigned, and any obligations of the undersigned under this Letter of Transmittal shall be binding upon the heirs, legal or personal representatives, executors, administrators, trustees, successors and assigns of the undersigned. Except as stated in the Offer to Purchase, the delivery of Tendered Shares pursuant to this Letter of Transmittal is irrevocable.

7. Buyer's interpretation of the terms of the Offer will be final and binding on the undersigned. Buyer's interpretation of the terms of the Offer (including this Letter of Transmittal) will be final and binding between the undersigned and Buyer.

8. The undersigned understands and agrees that by executing this Letter of Transmittal, he, she or it is agreeing to and accepting all of the terms and conditions set forth in the Offer to Purchase (as the same may be modified or amended from time to time by Buyer, under certain circumstances set forth therein).

9. All questions as to the eligibility of persons to participate in the Offer and the validity, form, proper completion and time of delivery of Election Documents will be determined by Buyer, in its sole and absolute discretion, and such determination will be final and binding. Provided, however, that Buyer may not decline to purchase Tendered Shares by an Eligible Holder that has complied with all of the terms of the Offer to Purchase and this Letter of Transmittal.

10. All questions as to the number of Tendered Shares to be purchased by Buyer and the number of Tendered Shares that may be sold by each Eligible Holder will be determined by Buyer and such determination will be final and binding.

11. IF NOT SOLD PURSUANT TO THE OFFER, THE VALUE OF YOUR ELIGIBLE SHARES MAY APPRECIATE OR DEPRECIATE OVER TIME. THE PRICE AT WHICH BUYER IS OFFERING TO PURCHASE YOUR ELIGIBLE SHARES MAY NOT BE THE HIGHEST PRICE YOU COULD OBTAIN FOR YOUR ELIGIBLE SHARES NOW OR IN THE FUTURE. IN THE FUTURE, A MARKET MAY DEVELOP FOR COMPANY'S COMMON SHARES THROUGH AN INITIAL PUBLIC OFFERING, DIRECT LISTING, A SALE OF THE COMPANY (INCLUDING A SPAC TRANSACTION), OR ANY OTHER CHANGE IN CONTROL OR LIQUIDITY EVENT WITH RESPECT TO THE COMPANY THAT MAY INCREASE OR DECREASE THE MARKET VALUE OF THE SHARES HIGHER OR LOWER THAN THE PURCHASE PRICE. IF YOU CHOOSE TO PARTICIPATE IN THIS OFFER, YOU UNDERSTAND AND AGREE THAT YOU ARE GIVING UP THE OPPORTUNITY TO SELL YOUR TENDERED SHARES TO ANY PERSON, INCLUDING THE BUYER AND THE COMPANY, AT A POSSIBLY HIGHER PRICE NOW OR IN THE FUTURE AND TO RECEIVE THE BENEFIT OF FUTURE APPRECIATION, IF ANY, IN THE VALUE OF YOUR ELIGIBLE SHARES SOLD TO BUYER. THERE CAN BE NO ASSURANCE, HOWEVER, THAT THERE WILL BE A FUTURE OPPORTUNITY TO SELL SHARES, OR THAT THE PRICE OF THE SHARES WILL INCREASE OR TO WHAT EXTENT. A BUYER MAY ALSO, IN THE FUTURE, DETERMINE TO PURCHASE SHARES OTHER THAN THOSE PURCHASED PURSUANT TO THE OFFER, AND IT IS POSSIBLE THAT SUCH PURCHASE MAY BE AT A HIGHER PRICE, BUT THERE IS NO GUARANTEE THAT THERE WILL BE ANY FUTURE OFFERS TO PURCHASE YOUR SHARES BY BUYER OR OTHER THIRD PARTIES.

12. The undersigned acknowledges and agrees that in the event that any suit, claim or cause of action arises in connection with, or relating to, the Offer, as between the undersigned and Buyer, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses incurred in connection with or as a result of such suit, claim or cause of action, including those associated with enforcing any right of such prevailing party under or with respect to the Offer, which fees, costs and expenses shall include, without limitation, all fees, costs and expenses of appeals, including reasonable attorneys' fees. Each Eligible Holder acknowledges and agrees that the Company is a third-party beneficiary of this paragraph and is entitled to rely thereon and may enforce such provision as if it were a party hereto.

13. **The undersigned acknowledges and agrees that the Offer and the supplemental materials that accompany it shall be governed by and construed in accordance with the laws of the State of Delaware without reference to such state's principles of conflicts of law. The undersigned acknowledges and irrevocably consents to the exclusive jurisdiction and venue of the State of Delaware (or, in the case of a federal claim as to which federal courts have exclusive jurisdiction, the**

Federal Court of the United States of America) in connection with any matter based upon them in any manner authorized by the laws of the State of Delaware for such persons and waives and covenants not to assert or plead any objection which they might otherwise have to such jurisdiction, venue and such process. The undersigned acknowledges and agrees not to commence any legal proceedings related hereto except in such courts.

RELEASE

FOR VALUE RECEIVED, AS OF THE DATE OF ACCEPTANCE OF THE PAYMENT FOR ELIGIBLE SHARES TENDERED HEREUNDER, THE UNDERSIGNED HEREBY DOES UNCONDITIONALLY FULLY REMISE, RELEASE AND FOREVER DISCHARGE (AND COVENANTS NOT TO SUE), AND ON BEHALF OF HIS, HER OR ITS HEIRS, EXECUTORS, ADMINISTRATORS, SUCCESSORS AND ASSIGNS, HEREBY UNCONDITIONALLY FULLY REMISE, RELEASE AND FOREVER DISCHARGE (AND COVENANTS NOT TO SUE), BUYER, PLAINTIFF, AND FLASHPOINT TECHNOLOGIES, INC. AND THEIR RESPECTIVE AFFILIATES AND EACH OF THEIR RESPECTIVE CURRENT, FORMER AND FUTURE STOCKHOLDERS, DIRECTORS, OFFICERS, PARTNERS, AGENTS, EMPLOYEES, ATTORNEYS, CONSULTANTS, SUBSIDIARIES AND PROFESSIONAL ADVISORS (COLLECTIVELY, THE “**RELEASED PARTIES**”) FROM ANY AND ALL COMMITMENTS, OBLIGATIONS, DAMAGES, DEMANDS, ACTIONS, CHARGES, CAUSES OF ACTION, SUITS, COMPLAINTS, COUNTERCLAIMS, SET-OFFS, DEFENSES, PROMISES, AGREEMENTS, CONTROVERSIES, ACTS AND OMISSIONS, DEBTS, LIABILITIES, COSTS AND EXPENSES, AND OTHER CLAIMS ARISING OUT OF ANY MATTER, CIRCUMSTANCE OR EVENT OCCURRING AT OR PRIOR TO THE CONSUMMATION OF THE OFFER (OTHER THAN THE RIGHT TO RECEIVE THE APPLICABLE OFFER PRICE (LESS ANY APPLICABLE TAX WITHHOLDINGS AND TRANSFER TAXES) FROM BUYER UPON BUYER’S RECEIPT OF THE TENDERED SHARES AND CONSUMMATION OF THE OFFER IN ACCORDANCE WITH THE TERMS SET FORTH HEREIN AND IN THE OFFER TO PURCHASE (THE “**RELEASE**”). THE PROVISIONS OF THIS RELEASE ARE SEVERABLE. IF ANY PROVISION HEREOF IS DECLARED INVALID OR UNENFORCEABLE, THAT WILL NOT AFFECT THE VALIDITY AND ENFORCEABILITY OF ANY OTHER PROVISION OF THIS RELEASE. AS TO THE RELEASE, THE UNDERSIGNED ACKNOWLEDGES AND AGREES THAT HE, SHE OR IT IS AWARE OF, HAS HAD THE OPPORTUNITY TO SEEK LEGAL COUNSEL REGARDING, AND IS FAMILIAR WITH THE PROVISIONS OF, CALIFORNIA CIVIL CODE SECTION 1542, WHICH PROVIDES AS FOLLOWS:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

WITH FULL AWARENESS AND UNDERSTANDING OF THIS PROVISION, THE UNDERSIGNED HEREBY WAIVES ALL RIGHTS THAT THIS PROVISION OR ANY COMPARABLE PROVISION UNDER ANY STATE, FEDERAL OR NON-U.S. LAW MAY GIVE TO SUCH PARTY AS WELL AS UNDER ANY OTHER STATUTE OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT—TO THE MAXIMUM EXTENT PERMISSIBLE UNDER DELAWARE AND FEDERAL LAW. THE UNDERSIGNED INTENDS THE RELEASE SET FORTH IN THIS LETTER OF TRANSMITTAL TO APPLY FULLY TO CLAIMS THAT THE UNDERSIGNED DOES NOT PRESENTLY KNOW OR SUSPECT TO EXIST AT THIS TIME. THE UNDERSIGNED UNDERSTANDS THAT THE FACTS WITH RESPECT TO WHICH THIS LETTER OF TRANSMITTAL IS GIVEN MAY HEREAFTER PROVE TO BE DIFFERENT FROM THE FACTS NOW KNOWN OR BELIEVED BY HIM, HER OR IT, AND THE UNDERSIGNED HEREBY ACCEPTS AND ASSUMES THE RISK THEREOF AND AGREES THAT THE OFFER TO PURCHASE SHALL BE AND SHALL REMAIN, IN ALL RESPECTS, EFFECTIVE AND NOT SUBJECT TO TERMINATION OR RESCISSION BY REASON OF ANY SUCH DIFFERENCE IN FACTS. THE RELEASES HEREIN SHALL BE CONSTRUED BROADLY AS GENERAL RELEASES.

THE INSTRUCTIONS SET FORTH IN THIS LETTER OF TRANSMITTAL SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS SIGNED.

IMPORTANT

This Letter of Transmittal must be signed by the registered holder(s) of Tendered Shares exactly as the name of each registered holder is recorded on the Company's share ledger. If your name has been legally changed since your Eligible Shares were issued, please contact [NAME] at [EMAIL] for instructions on how to submit proof of the legal name change. If this Letter of Transmittal is being signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, that person should so indicate in the field labeled "Title" when signing, and must contact [NAME] at [EMAIL] for further instructions on how to provide proper evidence satisfactory to the Company of the authority of that person to act in that capacity.

ELIGIBLE HOLDER SIGN HERE

(The below signature block to be completed if multiple signatories are required)

Print name of registered holder (individual or entity)

By: _____
Signature of individual or authorized person

Name: _____
Print name of authorized person, if holder is an entity

Title: _____
Title of authorized person, if holder is an entity

Date: _____

CONSENT OF SPOUSE OR JOINT HOLDER:

Print name of spouse or joint holder

By: _____
Signature of spouse or joint holder

Date: _____

Address: _____

Telephone Number: _____

E-mail Address: _____

Exhibit A

DISCLOSURE NOTICE ACKNOWLEDGEMENT AND DISCLAIMER

By checking the boxes below and executing this Disclosure Notice Acknowledgement and Disclaimer, you acknowledge and agree that you have had access to, and have reviewed, the following documents.

Offer to Purchase (and related exhibits)

Letter of Transmittal (and related exhibits)

NONE OF TROUTMAN PEPPER HAMILTON SANDERS LLP, THE BUYER, FLASHPOINT, NOR ANY OF THEIR RESPECTIVE MANAGEMENT, BOARDS OF DIRECTORS OR MANAGERS, OFFICERS, EMPLOYEES, ATTORNEYS OR OTHER ADVISORS, AGENTS OR AFFILIATES (i) EXPRESSES ANY OPINION OR RECOMMENDATION AS TO WHETHER YOU SHOULD OR SHOULD NOT SELL ANY OF YOUR ELIGIBLE SHARES, OR (ii) HAS AUTHORIZED ANY PERSON TO MAKE ANY SUCH RECOMMENDATION OR PROVIDE ANY SUCH ADVICE. FLASHPOINT'S BOARD OF DIRECTORS, OFFICERS, EMPLOYEES, ATTORNEYS AND OTHER ADVISORS AND AGENTS EXPRESS NO OPINION AND ARE REMAINING NEUTRAL TOWARD THE OFFER. YOU MUST MAKE YOUR OWN DECISION AS TO WHETHER YOU SHOULD OR SHOULD NOT SELL ANY OF YOUR ELIGIBLE SHARES AND, IF SO, HOW MANY SHARES TO SELL. THE BUYER AND THE COMPANY STRONGLY URGE YOU TO CONSULT YOUR OWN FINANCIAL, LEGAL AND TAX ADVISORS REGARDING THE OFFER AND ANY RELATED MATTERS.

PLAINTIFF HAS RECOMMENDED THAT YOU SELL ALL OF YOUR ELIGIBLE SHARES IN THE OFFER.

YOU ACKNOWLEDGE AND AGREE THAT YOU HAVE NOT RELIED ON ANY STATEMENTS OF BUYER, ANY ORAL STATEMENTS BY ANY PERSONS, ANY THIRD-PARTY INFORMATION OR ANY OTHER INFORMATION, EXCEPT FOR THE INFORMATION IN THE OFFER TO PURCHASE, THE LETTER OF TRANSMITTAL AND THE EXHIBITS THERETO, AND THE INFORMATION PROVIDED IN THE LETTER OF TRANSMITTAL AND IN THE OFFER TO PURCHASE, IN MAKING THE DECISION TO SELL OR NOT TO SELL ANY TENDERED SHARES.

YOU ACKNOWLEDGE AND AGREE THAT THE OFFER TO PURCHASE, THE LETTER OF TRANSMITTAL AND THE EXHIBITS THERETO CONSTITUTE CONFIDENTIAL AND PROPRIETARY INFORMATION REGARDING THE BUYER AND THE COMPANY, AS APPLICABLE, AND YOU AGREE NOT TO USE SUCH INFORMATION OTHER THAN TO EVALUATE THE OFFER AND YOU AGREE NOT TO DISCLOSE SUCH INFORMATION TO ANY THIRD PARTIES, OTHER THAN TO YOUR LEGAL, FINANCIAL AND TAX ADVISORS WHO ARE OBLIGATED TO KEEP SUCH INFORMATION CONFIDENTIAL. YOU UNDERSTAND AND AGREE THAT, AS TO THE COMPANY, SUCH INFORMATION IS SUBJECT TO THE CONFIDENTIALITY OBLIGATIONS UNDER ANY NONDISCLOSURE AGREEMENT IN EFFECT BETWEEN YOU AND THE COMPANY OR ANY OF ITS AFFILIATES.

The Disclosure Notice Acknowledgement and Disclaimer is hereby acknowledged and agreed by:

Print name of registered holder (individual or entity)

By: _____
Signature of individual or authorized person

Name: _____
Print name of authorized person

Title: _____
Title of authorized person

Date: _____

Exhibit B-1

IRS Form W-9

(To be completed by “U.S. persons” as defined in the instructions to the attached IRS Form W-9.)

Exhibit B-2

IRS Form W-8BEN

(To be completed by individuals who are not “U.S. persons” as defined in the instructions to IRS Form W-9 attached as Exhibit B-1 and are eligible to use this form)

Please consult your tax advisor to determine which IRS Form W-8 is appropriate for you and to determine the additional required tax forms and certifications.

Exhibit C

Spousal Consent

Attached.

SPOUSAL CONSENT AGREEMENT

The undersigned does hereby certify that s/he is the spouse of _____, the individual who executed that certain Letter of Transmittal, dated as of [●], 2024 (collectively with the Offer to Purchase relating thereto and the exhibits, schedules and annexes attached thereto, the “*Election Documents*”). I acknowledge that I have received and reviewed the Election Documents and that my spouse’s ownership in the related securities shall be irrevocably subject to the restrictions and bound by the terms of the Election Documents. I further understand and agree that my community property interest in such related securities, if any, shall similarly be subject to said restrictions and bound by said terms. I agree to execute and deliver such documents as may be necessary to carry out the intent of the Election Documents.

Date: _____

Spouse Signature: _____

Spouse Name: _____



GRANTED

EFiled: Jan 22 2024 10:06AM EST
Transaction ID 71841693
Case No. 2017-0732-KSJM



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

**SDF FUNDING LLC AND JOHN Y. WANG
derivatively on behalf of FLASHPOINT
TECHNOLOGY, INC.,**

Plaintiffs,

- against -

**STANLEY B. FRY, EDWARD D. HERRICK,
ROSS BOTT, CYRUS W. GREGG, AND
MAGDALENA RAMOS,**

Defendants,

and

FLASHPOINT TECHNOLOGY, INC.,

Nominal Defendant.

Civil Action No. 2017-
0732-KSJM

**SCHEDULING ORDER WITH RESPECT TO NOTICE AND
SETTLEMENT HEARING**

WHEREAS, (a) Plaintiff John Y. Wang (“Plaintiff”), individually and derivatively on behalf of Flashpoint Technology, Inc. (“Flashpoint” or the “Company”), (b) Defendants Stanley B. Fry, Edward D. Herrick, Ross Bott, Cyrus W. Gregg, and Magdalena Ramos (the “Individual Defendants”), and (c) nominal defendant Flashpoint (together with the Individual Defendants “Defendants,” and collectively with Plaintiff, the “Parties”), have entered into an Agreement of

{00464149.DOCX; 1}

Settlement dated January 18, 2024 (the “Settlement Agreement”)¹, which sets forth the terms and conditions of the proposed Settlement and dismissal with prejudice of the above-captioned litigation, and provides for the full and final compromise, discharge, release, and settlement of the Released Claims by their respective releasing parties as against their respective released parties, subject to the approval of the Court;

WHEREAS, the Court has read and considered the Settlement Agreement and the exhibits attached thereto; and

WHEREAS, the Parties have consented to entry of this order;

NOW, upon application of the Parties, after review and consideration of the Settlement Agreement and exhibits attached thereto, **IT IS HEREBY ORDERED** this ___ day of January 2024, as follows:

1. A hearing (the “Settlement Hearing”) shall be held on April 4, 2024 at 1:30 p.m. to: (a) determine whether the proposed Settlement on the terms and conditions provided for in the Settlement Agreement, is fair, reasonable, and adequate and in the best interests of Flashpoint and its stockholders, including the

¹ All capitalized terms not otherwise defined herein shall have the same meaning ascribed to such terms in the Settlement Agreement.

Independent Shareholders; (b) determine whether the Court should approve the Settlement Agreement and enter the Order and Final Judgment (the “Final Judgment”) as provided in the Settlement Agreement, dismissing the Action with prejudice and extinguishing and releasing the Released Claims; (c) hear and rule on any objections to the proposed Settlement; (d) determine whether the Court should approve Plaintiff’s application for a Fee Award; and (e) rule on such other matters as the Court may deem appropriate.

2. The Settlement Hearing may be adjourned by the Court from time to time without further notice to anyone other than the Parties and any Objectors (as defined herein).

3. The Court reserves the right to approve the Settlement Agreement at or after the Settlement Hearing with such modifications as may be consented to by the Parties and without further notice.

4. The Court approves, in form and content, the Notice of Pendency of Settlement of Derivative Litigation (the “Notice”) filed by the Parties as Exhibit 3 to the Settlement Agreement and finds that the distribution of Notice in the manner set forth herein meets the requirements of Rule 23.1 of the Rules of the Court of Chancery of the State of Delaware and due process, is the best notice practicable

under the circumstances, and shall constitute due and sufficient notice to all Flashpoint stockholders, including the Independent Shareholders.

5. By no later than sixty (60) calendar days prior to the Settlement Hearing, Flashpoint shall mail the Notice, substantially in the form attached as Exhibit 3 to the Settlement Agreement, to all stockholders of Flashpoint at their respective addresses currently set forth in Flashpoint's stock records. In addition, the Company shall use reasonable efforts to give notice to all owners of Flashpoint stock by emailing copies of this Settlement Agreement and the Notice to Flashpoint's last point of contact for each of its stockholders, including each Independent Shareholder. Counsel for Defendants, shall, at least ten (10) business days before the Settlement Hearing, file with the Court an appropriate affidavit with respect to the preparation, mailing and public dissemination of the notice required by this paragraph. Flashpoint shall be responsible for all costs associated with the notice required by this paragraph.

6. In addition to the Notice provided by Flashpoint, Plaintiff's Counsel shall post copies of the Settlement Agreement and Notice on their website.

7. As set forth in the Notice, any stockholder of Flashpoint who objects to the Settlement Agreement, the proposed Final Judgment, and/or the Fee Award who wishes to be heard ("Objector") may appear in person or by his, her, or its attorney at the Settlement Hearing and present any evidence or argument that may be proper

and relevant; *provided, however*, that no Objector shall be heard or entitled to contest the approval of the terms and conditions of the Settlement, or, if approved, the Final Judgment, unless he, she, or it has, no later than twenty (20) calendar days prior to the Settlement Hearing (unless the Court in its discretion shall thereafter otherwise direct, upon application of such person and for good cause shown), filed with the Register in Chancery, Court of Chancery, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801, and served upon counsel listed below, the following: (i) proof of current ownership of Flashpoint stock; (ii) a written notice of the Objector's intention to appear that states the Objector's name, address, and telephone number and, if represented, the Objector's counsel; (iii) a detailed statement of all of the grounds thereon and the reasons for the Objector's desire to appear and to be heard, and (iv) all documents or writings which the Objector desires the Court to consider. Such filings must be served upon the following counsel by hand delivery, overnight mail, or the Court's electronic filing and service system:

HALLORAN FARKAS + KITTLA
LLP

John G. Harris, Esq. (Del. Bar No.
4017)
5801 Kennett Pike, Suite C/D
Wilmington, Delaware 19807
Telephone: (302) 257-2011
jgh@hfk.law

TROUTMAN PEPPER HAMILTON
SANDERS LLP

Douglas D. Herrmann
Hercules Plaza, Suite 5100
1313 Market Street
Wilmington, DE 19801
Telephone: (302) 777-6500
Douglas.herrmann@troutman.com

Pamala S. Palmer

SADIS & GOLDBERG LLP
Douglas R. Hirsch
Ben Hutman
551 Fifth Avenue, Fl. 21
New York, NY 10176
Telephone: (212) 573-6675
bhtuman@sadis.com

*Attorneys for Plaintiff John Y. Wang,
derivatively on behalf of Flashpoint
Technology, Inc.*

Two California Plaza
350 South Grand Avenue, Suite 3400
Los Angeles, CA 90071
Telephone: (213) 928-9800
Pamela.Palmer@troutman.com

*Attorneys for Individual Defendants
Stanley B. Fry, Edward D. Herrick, Ross
Bott, Cyrus W. Gregg, and Magdalena
Ramos and Flashpoint Technology, Inc.*

8. Any Person who fails to object in the manner prescribed in paragraph 7 above shall be deemed to have waived such objection (including the right to appeal), unless the Court in its discretion allows such objection to be heard at the Settlement Hearing, and shall forever be barred from raising such objection in this Action or any other action or proceeding or otherwise contesting the Settlement Agreement or Fee Award, and will otherwise be bound by the Final Judgment to be entered and the releases to be given.

9. Plaintiff shall file and serve their opening brief in support of the Settlement and their application for the requested Fee Award no later than thirty (30) calendar days prior to the Settlement Hearing. Plaintiff may file a brief in further support of the Settlement and their application for the requested Fee Award no later than ten (10) calendar days prior to the Settlement Hearing. At the time of either Plaintiff's opening brief or reply brief, counsel for Plaintiff shall file with the Court

an appropriate affidavit with respect to the public dissemination of the notice required by paragraph 6.

10. At least five (5) calendar days prior to the Settlement Hearing, the Parties may serve and file with the Court a joint response brief (or, at the Parties discretion, separate response briefs) to any objections made by an Objector pursuant to paragraph 7 above.

11. In the event that the Settlement Agreement is not approved by the Court, the Settlement and any actions taken in connection therewith shall become null and void for all purposes, and all negotiations, transactions, proceedings connected with it: (i) shall be without prejudice to the rights of any Party thereto; (ii) shall not be deemed to be construed as evidence, or an admission by any Party, of any fact, matter, or thing; and (iii) shall not be admissible in evidence or be used for any purpose in any subsequent proceedings in the Action or any other action or proceeding. In addition, in the event that the Settlement Agreement is not approved by the Court, the Parties shall be deemed to have reverted to their respective status in the Action as of the date and time immediately prior to the execution of the Settlement Agreement.

12. All proceedings in the Action (except proceedings as may be necessary to carry out the terms and conditions of the proposed Settlement) are hereby stayed

and suspended until further order of the Court. Except as provided in the Settlement Agreement, pending final determination of whether the Settlement should be approved, Plaintiff and Flashpoints' other stockholders, including the Independent Shareholders, are barred and enjoined from commencing, prosecuting, instigating, or in any way participating in the commencement or prosecution of any action asserting any Released Claim against any of the Defendants or any of the Defendant Released Parties.

13. The Court may, for good cause shown, extend any of the deadlines set forth in this order without notice to anyone other than the Parties to the Action and any Objectors.

The Honorable Kathaleen S.J. McCormick
Chancellor

This document constitutes a ruling of the court and should be treated as such.

Court: DE Court of Chancery Civil Action

Judge: Kathaleen St Jude McCormick

File & Serve

Transaction ID: 71830423

Current Date: Jan 22, 2024

Case Number: 2017-0732-KSJM

Case Name: CONF ORDER - SDF Funding LLC, et al. (Plaintiffs) vs Stanley B. Fry, et al.
(Defendants)

Court Authorizer: Kathaleen St Jude McCormick

/s/ Judge Kathaleen St Jude McCormick

EXHIBIT 3

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

SDF FUNDING LLC AND JOHN Y. WANG
derivatively on behalf of FLASHPOINT
TECHNOLOGY, INC.,

Plaintiffs,

- against -

STANLEY B. FRY, EDWARD D. HERRICK,
ROSS BOTT, CYRUS W. GREGG, AND
MAGDALENA RAMOS,

Defendants,

and

FLASHPOINT TECHNOLOGY, INC.,

Nominal Defendant.

Civil Action No. 2017-
0732-KSJM

**NOTICE OF PENDENCY OF SETTLEMENT OF DERIVATIVE
LITIGATION**

**TO: ALL CURRENT STOCKHOLDERS OF FLASHPOINT
TECHNOLOGY, INC. (“FLASHPOINT”)**

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS
ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY THE LEGAL
PROCEEDINGS IN THIS DERIVATIVE LITIGATION. IF THE COURT
APPROVES THE PROPOSED SETTLEMENT, YOU WILL BE FOREVER
BARRED FROM CONTESTING THE FAIRNESS, REASONABLENESS
AND ADEQUACY OF THE PROPOSED SETTLEMENT, OR PURSUING
THE RELEASED CLAIMS DEFINED HEREIN.**

**IF YOU DO NOT INTEND TO OBJECT TO THE PROPOSED
SETTLEMENT, OR THE ATTORNEY’S FEE AWARD AMOUNT**

DESCRIBED HEREIN, NO ACTION IS REQUIRED BY YOU IN RESPONSE TO THIS NOTICE.

I. WHY ARE YOU RECEIVING THIS NOTICE?

The purpose of this Notice¹ is to inform you of (i) the above-captioned derivative litigation brought by Plaintiffs derivatively on behalf of Flashpoint (the “Action”); (ii) a proposal to settle the Action as provided in an Agreement of Settlement (the “Settlement Agreement”) dated January 18, 2024, which sets forth the terms and conditions of the proposed Settlement of the Action; (iii) your right, among other things, to object to the proposed Settlement and Plaintiff’s Counsel’s requested Fee Award, and to attend and participate in a hearing scheduled for April 4, 2024 at 1:30 p.m. (the “Settlement Hearing”). This Notice describes the rights you may have under the Settlement Agreement and what steps you may, but are not required to, take concerning the proposed Settlement. If the Court approves the Settlement Agreement, the Parties will ask the Court to approve an Order and Final Judgment (the “Final Judgment”) that would end the Action.

II. BACKGROUND OF THE DERIVATIVE ACTION AND SETTLEMENT

THE FOLLOWING DESCRIPTION DOES NOT CONSTITUTE FINDINGS OF ANY COURT. IT IS BASED ON STATEMENTS OF THE PARTIES AND SHOULD NOT BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION OF ANY COURT AS TO THE MERITS OF ANY OF THE CLAIMS OR DEFENSES RAISED BY ANY OF THE PARTIES.

¹ All capitalized terms not otherwise defined herein shall have the same meaning ascribed to such terms in the Settlement Agreement and the Scheduling Order.

In 2015, SDF Funding, LLC (“SDF”) requested audited financials from Flashpoint. In May 2015, Defendant Ramos sent Flashpoint’s 2013 audited financial statements to SDF. The audited financial statements contained footnotes that referenced, among other things, Flashpoint’s related party transactions with Collision Communications, Inc. (“Collision”) and Concert Technology Inc. (“Concert”).

SDF made books and records requests of Flashpoint in late 2015 and 2016. In response, Flashpoint made three productions of documents in 2016, including documents related to transactions between Flashpoint, on the one hand, and Collision or Concert, on the other hand, and Flashpoint’s lease agreements with respect to certain premises affiliated by ownership with Fry (the “Leases”).

In October 2017, SDF and, its owner, former plaintiff Stuart Feldman (“Feldman”), initiated the Action by filing a complaint (the “Original Complaint”) asserting four counts challenging certain of Flashpoint’s transactions with Collision, Concert, and the Leases.

In the Original Complaint, SDF and Feldman alleged that the Director Defendants and Fry and Ramos as officers of Flashpoint breached their fiduciary duties to Flashpoint by: (i) causing Flashpoint to enter into transactions with Collision—an entity in which Defendants were or would become investors and/or directors and/or officers—specifically in the amount of \$4.4 million—and later

restructuring of Flashpoint's interests in Collision (the "Collision Transactions"); and (ii) causing Flashpoint to make loans to Concert— an entity in which Defendants were or would become investors and/or directors and/or officers—specifically in the amount of approximately \$600,000. The Original Complaint further alleged that (iii) Fry breached his fiduciary duties by causing Flashpoint to enter into the Leases and make payments for certain offices and storage space, including space located on Fry's property where his home also is located, while other entities affiliated with Fry used the same space; and (iv) Herrick, Gregg, Bott and Ramos aided and abetted Fry's alleged breach with respect to the Leases.

On January 12, 2018, Defendants filed an answer denying the vast majority of the allegations and asserting affirmative defenses, including: (i) statute of limitations and laches, (ii) failure to state a claim, (iii) unclean hands, (iv) waiver/estoppel, (v) failure to make a pre-suit demand, (vi) the presumption of valid business judgment, (vii) that their actions were in good faith and did not breach any fiduciary duties, (viii) entire fairness to Flashpoint, (ix) exculpation pursuant to Flashpoint's corporate charter and Delaware law, and (x) shareholder ratification/consent.

In 2018 and 2019, the Parties engaged in extensive documentary discovery, including interrogatories, and conducted four depositions. In November and

December of 2019, SDF and Feldman determined to seek to assert additional derivative claims on behalf Flashpoint.

By that time, the Parties had begun discussing mediation and potential settlement. On March 13, 2020, the parties held a formal mediation with former Vice Chancellor Donald F. Parsons, Jr. based on a draft of the proposed amended complaint asserting additional claims. This mediation did not result in a settlement.

On May 12, 2020, SDF and Feldman filed a motion for leave to file an Amended Shareholder Derivative Complaint (the “Amended Complaint”). Defendants opposed this motion on the basis of futility and also moved to disqualify SDF and Feldman as derivative plaintiffs.

On October 20, 2020, the Court denied Defendants’ motion to disqualify and granted SDF and Feldman’s motion for leave to file the Amended Complaint.

On December 2, 2020, SDF and Feldman filed the Amended Complaint adding Fry’s sons, Jared Fry (“Jared”) and Ryan Fry (“Ryan”), as defendants, reasserting the original claims, and adding claims that: (A) the Director Defendants: (i) improperly approved excessive cash bonuses to Fry, Jared and Ryan in excess of \$20 million from 2010 through 2013 and (ii) improperly awarded stock options to themselves in 2008 and 2010, and improperly repriced and/or awarded stock options to themselves, Ryan and Jared in 2010 at an undervalue exercise price of \$0.02, allegedly diluting Flashpoint’s shareholders and resulting in subsequent dividends

upon exercise of the stock options to Defendants of more than \$6 million; (B) Fry, Ryan, Jared, Ramos, Gregg, and Herrick usurped Flashpoint’s corporate opportunities by forming and investing in two patent enforcement companies—Retro Reflective Optics, LLC (“RRO”) and Optical Devices, LLC (“OD”) and (C) Fry, Gregg, Herrick and Bott were unjustly enriched.

On February 16, 2021, Defendants moved for partial summary judgment on claims that accrued prior to March of 2015 on the grounds that: (i) SDF lacked standing as a Flashpoint shareholder prior to that time and Feldman lacked standing as a Flashpoint shareholder and (ii) the claims were barred by laches. Defendants also moved to dismiss the newly added claims in the Amended Complaint against them, and Ryan and Jared moved to dismiss all claims against them.

On May 13, 2022, after extensive briefing—including supplemental briefing on Feldman’s standing requested by the Court—and oral argument, the Court granted Defendants’ motion for partial summary judgment on standing grounds—finding Feldman lacked standing as a derivative plaintiff and SDF lacked standing as a derivative plaintiff for claims arising prior to March 10, 2015. The Court also granted Ryan and Jared’s motion to dismiss all claims against them based on lack of personal jurisdiction over them in Delaware.

On July 26, 2022, John Y. Wang (“Wang” or “Plaintiff”) moved to intervene as a derivative plaintiff and moved to reinstate those claims that had been dismissed on summary judgment based on lack of derivative standing.

On September 27, 2022, the Court granted Wang’s motion to intervene and ordered Plaintiffs to file the Second Amended Derivative Complaint (“Second Amended Complaint”). Plaintiffs filed the Second Amended Complaint on October 5, 2022—including all allegations and claims in the Amended Complaint, except those directed against Jared and Ryan who had been dismissed.

On October 28, 2022, Defendants filed their Answer to the Second Amended Complaint, again denying the vast majority of the allegations and asserting affirmative defenses, two additional defenses: (i) that the derivative claims were subject to set-offs by amounts due to Defendants from Flashpoint as a debtor; (ii) seeking equitable recoupment for such amounts due to Defendants.

In November 2022, the Parties re-opened document discovery and served documents requests and interrogatories.

In early 2023, Plaintiffs subpoenaed documents from non-parties Jared and Ryan, and non-party entities, Collision, Concert, Scenera Research, LLC, RRO, and OD. In 2023 the Defendants and non-parties produced extensive documents and the Parties conducted or defended depositions of all Parties (except Fry, as noted below) and of certain non-parties, including Jared and Ryan.

In May and July 2023, the Parties disclosed their retained experts. Plaintiffs disclosed experts to render opinions on: (i) executive compensation in connection with Plaintiffs' claims that excessive cash compensation had been awarded to Fry, Ryan and Jared and that stock options had been improperly awarded to Defendants, Ryan and Jared; and (ii) Flashpoint's line of business in connection with Plaintiffs' claims that Defendants (except Bott) usurped the RRO and OD corporate opportunities.

Defendants disclosed experts to render opinions on: (i) the fairness to Flashpoint of the challenged transactions; (ii) the reasonableness of the cash and stock compensation received by the Defendants, Jared, and Ryan; (iii) the potential value of Flashpoint's investments in Collision; and (iv) the bookkeeping and accounting of RRO and OD to support Defendants' claim that RRO and OD were not profitable.

In July 2023, the parties disclosed their retained rebuttal experts on all of the above issues.

In May 2023, the Parties restarted settlement negotiations. In August of 2023, the Parties agreed to pause expert discovery deadlines and Fry's deposition—the sole remaining non-expert deposition—in order to facilitate mediation.

On September 7, 2023, the Parties participated in a full-day mediation with JAMS mediator, Jed Melnick, Esq. During the mediation, the Parties reached an

agreement on the terms of Settlement, including monetary compensation to Flashpoint and direct benefits its stockholders, including to the Independent Shareholders (defined below) in a variety of forms—set forth below in detail—and entered into a binding Term Sheet (subsequently amended on September 8, 2023) where the Parties agreed to use best efforts to draft and execute a final Agreement of Settlement. In summary, the agreed-to monetary consideration will consist of three forms: (i) a direct monetary payment to Flashpoint of \$3,500,000; (ii) a tender offer to Flashpoint’s Independent Shareholders to purchase their stock for between \$0.20 and \$0.25 per share—a value of up to approximately \$3,020,000, if all Independent Shareholders tender their stock; and (iii) the forbearance of \$3,823,284 in compensation owed to Defendants by Flashpoint until Flashpoint has distributed \$4,400,000 in dividends to all post-tender offer Flashpoint stockholders, which benefits all Flashpoint’s stockholders.

Subsequent to the execution of the binding Term Sheet, SDF refused to sign the Settlement Agreement resulting in Plaintiff’s Counsel withdrawing from representing SDF. Wang and Plaintiff’s Counsel continue to believe that the Settlement is fair, beneficial, and in the best interests of Flashpoint and the Independent Shareholders

Plaintiff and his Counsel believe that the terms of Settlement are beneficial, reasonable, and fair to Flashpoint and its stockholders, including the Independent

Shareholders, defined as shareholders that are not Defendants and are unaffiliated with Defendants (with the exception of Flashpoint Holding Associates, LLC) (collectively the “Independent Shareholders”). The Settlement is beneficial because Flashpoint (a) receives a \$3.5 million cash payment; and (b) will refrain from paying the Director Defendants the \$3,823,284 it owes them until Flashpoint is in a position to, and does, distribute at least \$4.4 million to all of its stockholders (post Tender Offer).

The Settlement is further beneficial because Independent Stockholders (a) receive the opportunity to sell and get a return on their illiquid Flashpoint stock at \$0.20 \$0.25 cents per share, where otherwise Plaintiff and his Counsel believe Independent Shareholders are unlikely to ever see any return; and (b) if any choose not to tender their shares, Flashpoint will not pay the Director Defendants the \$3,823,284 it owes until Flashpoint is in a position to, and does, distribute at least \$4.4 million to all stockholders, including the Independent Shareholders. Plaintiff and his Counsel recommend that the Independent Shareholders tender their shares. Based on the document and deposition discovery, Plaintiff and his Counsel determined that Flashpoint had long ceased active operations and held only one asset—an approximately 14% share in Collision’s common stock, subordinate to many other Collision stakeholders—which, to date, has never generated any revenue for Flashpoint. It was represented during the mediation that Collision had recently

settled two actions, which did not net enough revenue to distribute to Collision's stockholders, including Flashpoint. It was further represented that Collision is intending to initiate additional patent enforcement actions. Nevertheless, Plaintiffs' and their Counsel's view is that there is no way to know (i) whether those actions will be successful; (ii) even if they are successful, whether they would generate revenue to distribute to Collision's stockholders, including Flashpoint; and (iii) even if funds are distributed to Collision's stockholders, including Flashpoint, whether any of those funds will be distributed to Flashpoint's stockholders, including the Independent Shareholders.

Plaintiff and his Counsel also considered the risks that, in this Action, (i) Defendants might prevail on their defenses and be found not to bear any liability; (ii) even if Defendants are found liable, they might prevail on their damages arguments, reducing the potential return to Flashpoint to below the settlement consideration; (iii) even if Defendants are found liable and the damages are greater than the settlement consideration, any recovery would flow to Flashpoint—not its stockholders, including the Independent Shareholders—which is controlled by certain of the Defendants, and Flashpoint's stockholders, including the Independent Shareholders, may never receive any direct or monetary benefit from that recovery.

On September 8, 2023, the Parties amended and executed the Term Sheet.

THE COURT HAS NOT FINALLY DETERMINED THE MERITS OF PLAINTIFF'S CLAIMS OR THE DEFENSES THERETO. THIS NOTICE DOES NOT IMPLY THAT THERE HAS BEEN OR WOULD BE ANY FINDING OF VIOLATION OF THE LAW BY DEFENDANTS OR THAT RECOVERY COULD BE HAD IN ANY AMOUNT IF THE DERIVATIVE ACTION WAS NOT SETTLED.

III. WHAT ARE THE TERMS OF THE SETTLEMENT?²

In consideration for the full Settlement and release of the Released Claims and upon Court approval of the Settlement, Defendants will provide the following consideration (the “Settlement Consideration”):

Direct Monetary Payment: Defendants will pay **\$3,500,000** in cash directly to Flashpoint (the “Common Fund”). This payment may come, in whole or in part, from the Defendants’ insurance carriers. Flashpoint shall use the Common to pay the Fee Award (as defined below) and then pay—or hold as a reserve against—any liabilities of Flashpoint other than the Forbearance (as defined below) provided, however, that no portion of the Common Fund shall be used to pay debts owed to any Defendants or any entity affiliated with any Defendants; further, subject to compliance with Delaware law, Flashpoint will distribute any remaining amounts in the Common Fund to all Flashpoint stockholders.

² To the extent the description of the Settlement set forth in this Section III conflict with the terms set forth in the Settlement Agreement, the terms of the Settlement Agreement shall control.

Tender Offer to Independent Shareholders: Defendants shall make or cause their assignee to make a tender offer to the Independent Shareholders—under terms and conditions substantially in the form attached as Exhibit A, hereto (the “Tender Offer”). The Tender Offer will offer to purchase all Flashpoint common stock held by the Independent Shareholders at the following prices: (i) \$0.25 per share, if up to 30% of the shares held by Independent Shareholders accept the Tender Offer; or (ii) \$0.20 per share, if more than 30% of the shares held by Independent Shareholders accept the Tender Offer. Defendants shall guarantee payment of the Tender Offer consideration, but may assign the rights to make the Tender Offer and buy the tendered shares. The total number of shares held by the Independent Shareholders is approximately 15,100,000. Thus if all Independent Shareholders accept the Tender Offer, the total consideration paid will be approximately **\$3,020,000**.

Forbearance/Future Consideration: Unless and until such time that **\$4,400,000** is received by Flashpoint—and distributed to the holders of Flashpoint common stock after the Tender Offer closes—Defendants will forbear from claiming, receiving, or accepting payment from Flashpoint in any form of the following amounts due and owing as of September 7, 2023, subject to the terms and limitations below (the “Forbearance”): (i) all unpaid salary and director fees to Fry, totaling \$2,104,534.00; (ii) all unpaid director fees to Gregg, totaling \$500,000; (iii) all unpaid director fees to Herrick, totaling \$500,000; and (iv) all unpaid director fees

to Bott, totaling \$718,750. This consideration will protect and/or provide monetary compensation to those Flashpoint shareholders that choose not to accept the Tender Offer.

The Parties further agreed that that the Settlement Consideration includes Concert's repayment of **\$612,187** owed to Flashpoint on loans—that had previously been written off—and were repaid following Plaintiffs' investigations, initiation, and litigation of this Action and at least **\$526,142**, representing funds Flashpoint saved by stopping Lease payments to Fry following Plaintiffs' initiation of the investigations—including books and records requests—that led to this Action.

IV. WHAT CLAIMS WILL THE SETTLEMENT RELEASE?³

Upon the Final Approval of the Settlement, the Releasing Parties (defined below) shall fully, finally, and forever compromise, settle, resolve, release, relinquish, waive, and discharge and shall forever be enjoined from prosecuting any and all of the Plaintiffss Released Claims (defined below) as against the Defendant Released Parties (defined below).

³ To the extent the description of the releases set forth in this Section IV conflict with the releases set forth in the Settlement Agreement, the release set forth in the Settlement Agreement shall control.

Upon the Final Approval of the Settlement, the Defendants shall fully, finally, and forever compromise, settle, resolve, release, relinquish, waive, and discharge and shall forever be enjoined from prosecuting any and all of the Defendants' Released Claims (defined below) as against the Plaintiff Released Parties (defined below).

“Plaintiff’s Released Claims” means any and all claims that the Releasing Parties ever had, now have, or may have, whether direct, derivative, individual, class, representative, legal, equitable or of any other type, or in any other capacity, including unknown claims—to the fullest extent permissible under Delaware law—that are (1) based on his, her or its ownership of Flashpoint stock, whether based on state, local, foreign, federal, statutory, regulatory, common or other law or rule, or (2) based upon, arise from, relate in any way to, or involve, directly or indirectly, any of the actions, transactions, contracts, occurrences, statements, representations, alleged misrepresentations, alleged failures of disclosure, omissions, allegations, facts, practices, events, claims or any other matters, things or causes whatsoever, or any series thereof, that are, were, or could have been, alleged, asserted, set forth, claimed, embraced, involved, or referred to in, or related to, directly or indirectly, in the Action or the subject matter of the Action in any court, tribunal, forum or proceeding; *provided, however*, that the release shall not include claims for or arising

from the performance or non-performance of the terms of the Settlement Agreement, including the Settlement Documents.

“Defendants’ Released Claims” means any and all claims that the Defendants ever had, now have, or may have, whether direct, derivative, individual, class, representative, legal, equitable or of any other type, or in any other capacity, including unknown claims—to the fullest extent permissible under Delaware law—that are (i) based upon or arising out of the investigation and prosecution of the Action, (ii) based upon Plaintiffs’ ownership of Flashpoint stock, or (iii) based upon, arise from, relate in any way to, or involve, directly or indirectly, any of the actions, transactions, contracts, occurrences, statements, representations, alleged misrepresentations, alleged failures of disclosure, omissions, allegations, facts, practices, events, claims or any other matters, things or causes whatsoever, or any series thereof, that are, were, or could have been, alleged, asserted, set forth, claimed, embraced, involved, or referred to in, or related to, directly or indirectly, in the Action or the subject matter of the Action in any court, tribunal, forum or proceeding; *provided, however*, that the release shall not include claims for or arising from the performance or non-performance of the terms of the Settlement Agreement, including the Settlement Documents.

“Releasing Parties” means Flashpoint and its stockholders, including Plaintiffs and the Independent Shareholders.

“Released Claims” means Plaintiffs’ Released Claims and Defendants’ Released Claims.

The Settlement is intended to extinguish all of the Released Claims by the Releasing Parties and Defendants, respectively, each against the Defendant Released Parties and Plaintiff Released Parties, respectively, as set forth above, and, consistent with such intention, upon Final Approval of the Settlement, the Releasing Parties and Defendants shall waive and relinquish and be deemed to waive and relinquish, to the fullest extent permitted by law, the provisions, rights, and benefits of any state, federal, or foreign law or principle of common law, which may have the effect of limiting the Released Claims. This shall include a waiver of any rights pursuant to California Civil Code § 1542 (and equivalent, comparable, or analogous provisions of the laws of the United States or any state or territory thereof, or of the common law), which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR THE RELEASED PARTY.

V. WHAT ARE THE REASONS FOR SETTling THE ACTION?

Plaintiff's entry into the Settlement Agreement is not intended to be and shall not be construed as an admission or concession concerning the relative strength or merit of the claims alleged in the Action. Plaintiff has vigorously asserted and continue to vigorously assert that the alleged claims have legal merit. Plaintiff and Plaintiff's Counsel based on their direct oversight of the prosecution of this matter, have agreed to settle the Released Claims pursuant to the terms and provisions of the Settlement Agreement, after considering: (i) the substantial benefits that Flashpoint and its stockholders, including Plaintiff and other Independent Shareholders will receive from the Settlement; (ii) the risks of going to trial, including the risk of failing to prove liability and/or failing to prove causation and damages greater than the Settlement Consideration; (iii) the risk that any award achieved at trial would go solely to Flashpoint which is still controlled by Defendants who may not distribute any portion of that award to Flashpoint's stockholders, including the Independent Shareholders; (iv) the desirability that the Settlement be consummated as provided by the terms of the Settlement Agreement; and (v) the view that the terms of the Settlement are fair, reasonable, adequate, and in the best interests of Flashpoint and its stockholders, including the Independent Shareholders.

Defendants have denied, and continue to deny, that they committed any breach of duty, violated any law, or engaged in any wrongdoing, expressly maintain

that they diligently and scrupulously complied with their fiduciary and other legal duties, to the extent such duties exist, and further believe that the Action is without merit. Defendants have entered into the Settlement Agreement to eliminate the uncertainty, burden and expense of further protracted litigation. Neither their entry into the Settlement Agreement nor the Settlement Agreement itself shall be construed or deemed to be evidence of or an admission or concession on the part of any of the Defendants, with respect to any claim or allegation of any fault or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that Defendants have, or could have, asserted in the Action. Defendants expressly deny that Plaintiffs have asserted any valid claims as to any of them, and expressly deny any and all allegations of fault, liability, wrongdoing or damages whatsoever.

VI. HOW WILL THE ATTORNEYS GET PAID?

After negotiation of the principal terms of the Settlement, including the Settlement Consideration and the definition of Released Claims, the Parties negotiated—with the help of Mediator Melnick—the amount of attorneys’ fees and expenses that Plaintiff’s Counsel would request they be paid in connection with the Settlement of this derivative Action. The Parties agreed that Defendants would not oppose or object to any requested award of attorneys’ fees and expenses up to \$2,500,000 (the “Fee Award”).

Plaintiff may also seek the Court's approval of a reasonable services award to Wang, to be paid from the Fee Award.

The Fee Award will be paid from the Common Fund.

Neither Plaintiff nor Plaintiff's Counsel will make any application for an award of attorneys' fees or expenses in any other jurisdiction. Except as otherwise provided in the Settlement Agreement, each of the Parties shall bear his, her, or its own fees and costs.

VII. WHEN WILL THE SETTLEMENT HEARING TAKE PLACE?

The Court has scheduled a Settlement Hearing to be held on April 4, 2024 at 1:30 p.m. At the Settlement Hearing, the Court will consider whether the terms of the Settlement are fair, reasonable, and adequate and thus should be finally approved, whether the Fee Award should be approved, and whether the Action should be dismissed with prejudice by entry of the Final Judgment pursuant to the Settlement Agreement. The Court will also hear and rule on any objections to the proposed Settlement and Fee Award, and rule on such other matters as the Court may deem appropriate. The Court may adjourn the Settlement Hearing from time to time without further notice to anyone other than the Parties and any Objectors (as defined below). The Court reserves the right to approve the Settlement Agreement

at or after the Settlement Hearing with such modifications as may be consented to by the Parties to the Settlement Agreement and without further notice.

VIII. DO I HAVE A RIGHT TO APPEAR AND OBJECT?

Yes. Any stockholder of Flashpoint who wishes to object to the Settlement Agreement, the proposed Final Judgment, and/or the Fee Award (“Objector”) may appear in person or by his, her, or its attorney at the Settlement Hearing and present any evidence or argument that may be proper and relevant; *provided, however*, that no Objector shall be heard or entitled to contest the approval of the terms and conditions of the Settlement, or, if approved, the Final Judgment, unless he, she, or it has, no later than twenty (20) calendar days prior to the Settlement Hearing (unless the Court in its discretion shall thereafter otherwise direct, upon application of such person and for good cause shown), filed with the Register in Chancery, Court of Chancery, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801, and served upon counsel listed below, the following: (i) proof of current ownership of Flashpoint stock; (ii) a written notice of the Objector’s intention to appear that states the Objector’s name, address, and telephone number and, if represented, the Objector’s counsel; (iii) a detailed statement of all of the grounds thereon and the reasons for the Objector’s desire to appear and to be heard, and (iv) all documents or writings which the Objector desires the Court to consider.

Such filings must be served upon the following counsel by hand delivery, overnight mail, or the Court's electronic filing and service system:

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*Attorneys for Individual Defendants
Stanley B. Fry, Edward D. Herrick, Ross
Bott, Cyrus W. Gregg, and Magdalena
Ramos and Flashpoint Technology, Inc.*

Any person who fails to object in the manner prescribed above shall be deemed to have waived such objection (including the right to appeal), unless the Court in its discretion allows such objection to be heard at the Settlement Hearing, and shall forever be barred from raising such objection in this Action or any other action or proceeding or otherwise contesting the Settlement Agreement or Fee Award, and will otherwise be bound by the Final Judgment to be entered and the releases to be given.

IX. HOW DO I GET ADDITIONAL INFORMATION?

This Notice summarizes the Settlement Agreement. It is not a complete statement of the events in the Action nor a complete recitation of the terms and conditions of the Settlement Agreement. For additional information about the Action and Settlement, please refer to the documents filed with the Court in the Action and the Settlement Agreement. You may also examine the files in the Action during regular business hours of each business day at the office of the Register in Chancery, Court of Chancery, New Castle County Courthouse, 500 North King Street, Wilmington, Delaware 1980. The Clerk's office will *not* mail copies of documents to you. For more information concerning the Settlement, you may also call or write to Plaintiff's Counsel referenced above in Section VIII.

PLEASE DO NOT CALL OR WRITE TO THE COURT.

DATED:

The Honorable Kathaleen S.J. McCormick
Chancellor

EXHIBIT 4

SUMMARY NOTICE

If You Are a Stockholder of Flashpoint Technology Inc. (“Flashpoint”), You are Entitled to Notice of Settlement in a Derivative Action on Behalf of Flashpoint.

A court authorized this notice. This is only a summary.¹ More information is available at Plaintiff’s Counsel’s provided website: www.flashpointsettlement.com

A settlement has been proposed in a derivative lawsuit about alleged breaches of fiduciary duty by Flashpoint’s Board of Directors, CEO and Corporate Secretary. The Settlement provides for various types of consideration including a Tender Offer by the Defendants, or their assignee, to holders of Flashpoint common stock that are not Defendants and are unaffiliated with Defendants (with the exception of Flashpoint Holding Associates, LLC) (collectively the “Independent Shareholders”) to purchase Flashpoint common stock at the following prices: (i) \$0.25 per share, if up to 30% of the shares held by Independent Shareholders accept the Tender Offer; or (ii) \$0.20 per share, if more than 30% of the shares held by Independent Shareholders accept the Tender Offer.

Who is Eligible to Participate in the Settlement?

All Flashpoint stockholders are participating in the Settlement. Only the Independent Shareholders are eligible to receive and accept the Tender Offer. There is no obligation to participate in the Tender Offer.

What is this About?

The court in charge of the case is the Court of Chancery of the State of Delaware (the “Court”) and the case is called *SDF Funding, LLC v. Stanley B. Fry, et. al.*, C.A. No. 2017-0732-KSJM. This derivative Action was brought by Flashpoint shareholders, SDF Funding, LLC and John Y. Wang, and alleges that certain of Flashpoint’s officers and directors breached their fiduciary duties to Flashpoint by (a) approving transactions between Flashpoint and companies in which they had interests, (b) awarding the CEO and certain of his family members, who worked for Flashpoint, allegedly excessive cash bonuses, (c) awarding allegedly improper and underpriced stock options to Flashpoint’s directors, the CEO and certain of the

¹ All capitalized terms not otherwise defined herein shall have the same meaning ascribed to such terms in the Stipulation which has been filed with the Court and is available at www.flashpointsettlement.com.

CEO's family members, (d) allegedly usurping Flashpoint's corporate opportunities by founding and/or investing in companies that acquired and enforced patents that Flashpoint allegedly could have acquired and enforced itself, and (e) approving allegedly excessive lease payments by Flashpoint to Flashpoint's CEO and/or a company affiliated with Flashpoint's CEO for office and storage. ***Defendants vigorously deny each of these allegations and all liability and damages.***

What Does the Settlement Provide?

In consideration for the full and final settlement, and the release, Defendants have agreed to the following consideration: (a) causing a cash payment to be made to Flashpoint of \$3.5 million; (b) making, or causing their assignee to make, a Tender Offer to the Independent Shareholders of (i) \$0.25 per share if up to 30% of the shares held by Independent Shareholders accept the Tender Offer, or (ii) \$0.20 per share if more than 30% of the shares held by Independent Shareholders accept the Tender Offer; and (c) forbearing from accepting payment by Flashpoint of \$3,823,284 in compensation due and owing to them until \$4.4 million is paid to Flashpoint and then distributed by Flashpoint, subject to Delaware law limitations, to all shareholders at the time of distribution. There is no guarantee that the \$4.4 million will ever be received by Flashpoint or distributed by Flashpoint to shareholders in any form.

How do I participate in the Tender Offer?

A detailed Offer to Purchase document, disclosure notice, and letter of transmittal will be sent to your last known address and email address. You may also request the Tender Offer documents from Flashpoint by contacting counsel for Flashpoint and Defendants:

Troutman Pepper Hamilton Sanders, Attn: Douglas D. Herrmann, 1313 N. Market Street, Hercules Plaza, Wilmington, Delaware 19801, phone: (302) 777-6552 or email: douglas.herrmann@troutman.com

What are my Other Options?

You can object to the Settlement, if you choose. Or you can hire a lawyer, at your own cost, to object to the Settlement for you. The Court has scheduled a hearing to determine whether the Settlement is fair, reasonable, and adequate (the "Settlement Hearing") to be held on April 4, 2024 at 1:30 p.m. at the Court of Chancery, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801. If you wish to object, you must file your objection with the Register in Chancery at the above address no later than twenty (20) calendar days prior to the Settlement

Hearing. At the Settlement Hearing the Court will consider any objections. The Court will also rule on an application for a Fee Award to Plaintiff's Counsel.

EXHIBIT 5

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

**SDF FUNDING LLC AND JOHN Y. WANG
derivatively on behalf of FLASHPOINT
TECHNOLOGY, INC.,**

Plaintiffs,

- against -

**STANLEY B. FRY, EDWARD D. HERRICK,
ROSS BOTT, CYRUS W. GREGG, AND
MAGDALENA RAMOS,**

Defendants,

and

FLASHPOINT TECHNOLOGY, INC.,

Nominal Defendant.

Civil Action No. 2017-
0732-KSJM

ORDER AND JUDGMENT

A hearing having been held before this Court on April 4, 2024, pursuant to the Court's order of January 22, 2024 (the "Scheduling Order"), upon the Agreement of Settlement dated January 18, 2024 (the "Settlement Agreement"),¹ entered into between and among the Parties in this litigation, which is incorporated by reference, it appearing that due notice of the hearing has been given to all of Flashpoint's

¹ All capitalized terms not otherwise defined herein shall have the same meaning ascribed to such terms in the Settlement Agreement and Scheduling Order.

stockholders, including the Independent Shareholders in accordance with the Scheduling Order, that Parties having appeared through their respective attorneys of record, the Court having heard and considered evidence in support of the proposed Settlement, the attorneys for the Parties having been heard, an opportunity to be heard having been given to all other persons requesting to be heard in accordance with the Scheduling Order, the Court having determined that notice to all Flashpoint's stockholders, including the Independent Shareholders was adequate and sufficient, and the entire matter of the proposed Settlement having been heard and considered by the Court, **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED**, this ___ day of _____, 2024, that:

1. The Court has jurisdiction of the subject matter of the Action, and all matters relating to the Settlement of the Action, and it is further determined that Plaintiffs, Defendants, the Company, and all Flashpoint's stockholders, including the Independent Shareholders, as well as their heirs, executors, successors, and assigns, are bound by this Order and Judgement.

2. Notice has been given to all Flashpoint's stockholders, including the Independent Shareholders, pursuant to and in the mater directed by the Scheduling Order, proof of dissemination of the Notice has been filed with the Court, and full opportunity to be heard has been offered to all Parties and to all other persons and

entities with an interest in matters relating to the Settlement. The form and manner of the Notice is hereby determined to have provided due and sufficient notice of the Settlement and to have been given in full compliance with the requirements of Court of Chancery Rule 23.1 and due process.

3. Based on the record before the Court, each of the provisions of Court of Chancery Rule 23.1 has been satisfied and the Action has been properly maintained according to the provisions of Court of Chancery Rule 23.1.

4. The Settlement is found to be fair, reasonable, adequate, and in the best interests of Flashpoint and all its stockholders, including the Independent Shareholders, and is hereby approved pursuant to Court of Chancery Rule 23.1. The Parties are hereby authorized and directed to comply with and to consummate the Settlement in accordance with its terms and provisions, including the Tender Offer.

5. This Action is hereby dismissed with prejudice, and the Register in Chancery is directed to enter and docket this Order and Judgment.

6. The Parties in this Action shall bear their own fees, costs, and expenses, except as provided in paragraph 12 below or as otherwise provided in the Settlement Agreement and Scheduling Order.

7. Upon Final Approval of the Settlement, the Releasing Parties shall fully, finally, and forever compromise, settle, resolve, release, relinquish, waive and discharge, and shall forever be enjoined from prosecuting any and all of the Plaintiff's Released Claims as against the Defendant Released Parties.

8. Upon Final Approval of the Settlement, consistent with paragraph 36 of the Settlement Agreement, Defendants shall fully, finally, and forever compromise, settle, resolve, release, relinquish, waive and discharge, and shall forever be enjoined from prosecuting any and all of the Defendants' Released Claims as against the Plaintiff Released Parties.

9. The Parties are hereby authorized, without further approval from the Court, to agree to adopt such amendments and modifications of the Settlement Agreement that are consistent with this Order and Judgment and that do not limit the rights of the Parties or Flashpoint's stockholders, including the Independent Shareholders, under the Settlement Agreement. Without further order of the Court, the Parties may agree to reasonable extensions of time to carry out any of the provisions of the Settlement Agreement.

10. Neither this Order and Judgment, nor the Settlement Agreement or their negotiation, nor any proceedings taken pursuant thereto shall be deemed or argued to be evidence of or to constitute an admission or concession by: (a) Defendants, the

Company, or any of the other Released Parties of (i) the truth of any fact alleged by Plaintiffs; (ii) the validity of any claims or other issues raised, or which might be or might have been raised, in the Action or in any other litigation; (iii) the deficiency of any defense that has been or could have been asserted in the Action or in any other litigation; or (iv) any wrongdoing, fault, or liability of any kind by any of them, which each of them expressly denies; or (b) Plaintiff Wang or any of the other Releasing Parties that any of their claims are without merit or that any of the Defendants had meritorious defenses.

11. In the event that the Settlement is terminated pursuant to the terms of the Settlement Agreement or if any of the conditions in paragraph 57 of the Settlement Agreement do not occur for any reason, then (i) the Settlement and the Settlement Agreement (other than paragraphs 56, 58, and 59 thereof) shall be canceled and terminated; (ii) this Order and Judgment and any related orders entered by the Court shall in all events be treated as vacated, *nunc pro tunc*; (iii) the Released Claims by the Releasing Parties and the Defendants as against the Released Parties provided for in this Order and Judgment shall be null and void; (iv) the fact of the Settlement shall not be admissible in any proceeding before any court or tribunal, except as provided in paragraph 55 of the Settlement Agreement; (v) all proceedings in, and Parties to, the Action shall revert to their status immediately prior to their entry into the Settlement Agreement, and no materials created by or received from

another Party that were used in, obtained during, or related to Settlement discussions shall be admissible for any purpose in any court or tribunal, or used, absent consent from the disclosing party, for any other purpose or in any other capacity, except to the extent that such materials are required to be produced during discovery in the Action or in any other litigation; and (vi) the Parties shall proceed in all respects as if the Settlement Agreement had not been entered into by the Parties.

12. Plaintiff's Counsel are awarded attorneys' fees and expenses in the amount of \$_____ (the "Fee Award"), which award the Court finds to be fair and reasonable, and which shall be paid to Plaintiff's Counsel in accordance with the terms of the Settlement Agreement. In addition, Plaintiff Wang is awarded \$_____ for his services in connection with the Action, which shall be paid by Plaintiff's Counsel from the Fee Award.

13. No proceedings or Court order with respect to the Fee Award, if any, or the award to Plaintiff Wang (as set forth in paragraph 12 above) shall in any way disturb or affect this Order and Judgment (including precluding Final Approval of the Settlement or the Settlement otherwise being entitled to preclusive effect upon the satisfaction of the conditions in paragraph 56 of the Settlement Agreement), and any such proceedings or Court order shall be considered separate from this Order and Judgment.

The Honorable Kathaleen S.J. McCormick
Chancellor