

Fill in this information to identify the case:

Debtor Rhodium Enterprises, Inc.

United States Bankruptcy Court for the: Southern District of Texas
(State)

Case number 24-90454

Official Form 410

Proof of Claim

04/22

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. **Do not send original documents;** they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

1. Who is the current creditor?	<u>Emil Stefkov</u> Name of the current creditor (the person or entity to be paid for this claim)	
	Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	☒ No ☐ Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent? Emil Stefkov 108 7th Avenue South - 2nd Floor New York, New York 10014, USA Federal Rule of Bankruptcy Procedure (FRBP) 2002(g) Contact phone <u>9177673970</u> Contact email <u>emil.stefkov@gmail.com</u>	Where should payments to the creditor be sent? (if different) Contact phone _____ Contact email _____ (see summary page for notice party information) Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____
4. Does this claim amend one already filed?	☒ No ☐ Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	☒ No ☐ Yes. Who made the earlier filing? _____	



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor?	☒ No ☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: __ __ __ __
7. How much is the claim?	\$ <u>3,529,411.76</u> Does this amount include interest or other charges? ☐ No ☒ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).
8. What is the basis of the claim?	Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information. <u>SAFE Agreement</u>
9. Is all or part of the claim secured?	☒ No ☐ Yes. The claim is secured by a lien on property. Nature or property: ☐ Real estate: If the claim is secured by the debtor's principle residence, file a <i>Mortgage Proof of Claim Attachment</i> (Official Form 410-A) with this <i>Proof of Claim</i> . ☐ Motor vehicle ☐ Other. Describe: _____ Basis for perfection: _____ Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.) Value of property: \$ _____ Amount of the claim that is secured: \$ _____ Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.) Amount necessary to cure any default as of the date of the petition: \$ _____ Annual Interest Rate (when case was filed) _____ % ☐ Fixed ☐ Variable
10. Is this claim based on a lease?	☒ No ☐ Yes. Amount necessary to cure any default as of the date of the petition. \$ _____
11. Is this claim subject to a right of setoff?	☒ No ☐ Yes. Identify the property: _____



12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☒ No

☐ Yes. Check all that apply:

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

Amount entitled to priority

\$ _____

☐ Up to \$3,350* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

\$ _____

☐ Wages, salaries, or commissions (up to \$15,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

\$ _____

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

\$ _____

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

\$ _____

☐ Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.

\$ _____

* Amounts are subject to adjustment on 4/01/25 and every 3 years after that for cases begun on or after the date of adjustment.

13. Is all or part of the claim entitled to administrative priority pursuant to 11 U.S.C. 503(b)(9)?

☒ No

☐ Yes. Indicate the amount of your claim arising from the value of any goods received by the debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

\$ _____

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☐ I am the creditor.

☒ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 11/19/2024
MM / DD / YYYY

/s/Alexandre Sauveplane, Esq.
Signature

Print the name of the person who is completing and signing this claim:

Name Alexandre Sauveplane, Esq.
First name Middle name Last name

Title _____

Company Bailey Duquette P.C.
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 104 Charlton Street, Suite 1W, New York, New York, 10014, USA

Contact phone _____ Email alex@baileyduquette.com



Verita (KCC) ePOC Electronic Claim Filing Summary

For phone assistance: Domestic (888) 733-1541 | International 001-310-823-9000

Debtor: 24-90454 - Rhodium Enterprises, Inc. District: Southern District of Texas, Houston Division		
Creditor: Emil Stefkov 108 7th Avenue South - 2nd Floor New York, New York, 10014 USA Phone: 9177673970 Phone 2: Fax: Email: emil.stefkov@gmail.com	Has Supporting Documentation: Yes, supporting documentation successfully uploaded Related Document Statement:	
	Has Related Claim: No Related Claim Filed By:	
	Filing Party: Authorized agent	
Disbursement/Notice Parties: Alexandre Sauveplane, Esq. C/O Bailey Duquette PC 104 Charlton Street, Suite 1W New York, New York, 10014 USA Phone: Phone 2: Fax: E-mail: alex@baileyduquette.com		
Other Names Used with Debtor:	Amends Claim: No Acquired Claim: No	
Basis of Claim: SAFE Agreement	Last 4 Digits: No	Uniform Claim Identifier:
Total Amount of Claim: 3,529,411.76	Includes Interest or Charges: Yes	
Has Priority Claim: No	Priority Under:	
Has Secured Claim: No Amount of 503(b)(9): No Based on Lease: No Subject to Right of Setoff: No	Nature of Secured Amount: Value of Property: Annual Interest Rate: Arrearage Amount: Basis for Perfection: Amount Unsecured:	

Submitted By:

Alexandre Sauveplane, Esq. on 19-Nov-2024 11:36:09 p.m. Eastern Time

Title:**Company:**

Bailey Duquette P.C.

Optional Signature Address:

104 Charlton Street

Suite 1W

New York, New York, 10014

USA

Telephone Number:**Email:**

alex@baileyduquette.com

ADDENDUM TO PROOF OF CLAIM OF EMIL STEFKOV

This addendum is hereby submitted on behalf of Emil Stefkov (“***Claimant***”) in support of this the proof of claim (“***Proof of Claim***”) filed against Rhodium Enterprises, Inc. (“***Debtor***”) in connection with Debtor’s filing of a voluntary petition for relief under Chapter 11, Title 11 of the United States Bankruptcy Code (the “***Bankruptcy Code***”) on August 29, 2024 (the “***Petition Date***”). Capitalized terms used but not defined herein shall have the meanings set forth in the SAFE (as defined below).

Claimant and Debtor entered into that certain Simple Agreement for Future Equity, dated as of September 30, 2021 (“***SAFE***”), in exchange for the payment by Claimant of three million dollars (\$3,000,000.00) (the “***Purchase Amount***”).

BASIS FOR CLAIM

The terms of the SAFE provide that, under certain circumstances, Claimant would be entitled to receive a number of shares of capital stock of Debtor equal to the “Purchase Amount divided by the applicable Conversion Price.” (the “***Conversion Value***”). The “Conversion Price” is defined as “either: (1) the SAFE Price or (2) the Discount Price, whichever calculation results in a greater number of Conversion Shares.” *See* SAFE Section 2. The “Discount Price” is defined as “the price per share of the capital stock sold in an Equity Financing or upon the closing of the Listing Event, as applicable, multiplied by the Discount Rate” which is equal to eighty-five percent 85%.

Accordingly, Claimant holds a Claim, as that term is defined in the Bankruptcy Code, against Debtor pursuant to the SAFE in an amount equal to the greater of the Purchase Amount or the Conversion Value.

If applicable, the value of a Claim against Debtor for the Conversion Value would be calculated as follows:

Purchase Amount as of the Petition Date	Conversion Value as of the Petition Date
\$3,000,000.00 (Purchase Amount)	\$3,529,411.76 (Purchase Amount of \$3,000,000 divided by the Discount Price of 85%)

RESERVATION OF RIGHTS

Nothing contained in this Proof of Claim shall, or shall be deemed to, constitute any admission or acknowledgment by Claimant of any liability, wrongdoing or other actionable conduct for any acts or omissions related to Third-Party Claims asserted against Claimant. Claimant reserves the right to amend or supplement this Proof of Claim, including, without limitation, the right to: (i) add documents; (ii) assert additional rights, claims or defenses; or (iii) change priority and fix, increase or amend in any respect the amounts and claims referred to herein or otherwise (which proofs of claim, if so filed, shall not be deemed to supersede the claim set forth herein except as expressly provided therein).

Claimant further reserves the right to file additional proofs of claim for additional claims, including, without limitation, claims for administrative expenses and all other claims, at law or in equity, arising prior to, on, or after the Petition Date. Claimant further reserves the right to amend or supplement this Proof of Claim if it deems it necessary and appropriate, for any reason, including, but not limited to, to add costs or expenses that have been incurred but not yet billed or that are allowable at law, equity or otherwise, and to assert that all or part of the claims described herein are secured by collateral of Debtor or its estate, including but not limited to, applicable insurance coverage. Finally, Claimant reserves any rights of recoupment and setoff, and, if appropriate, may exercise such rights without further order of the Bankruptcy Court and without amending this Proof of Claim.

Claimant does not waive any rights or defenses at law or equity or any rights, defenses or causes of action that Claimant has or may have against any person, including but not limited to, the Debtor and parties asserting Third-Party Claims. This Proof of Claim is not intended to be, and shall not be

construed as: (i) an election of remedies; (ii) a waiver of any past, present or future defaults; (iii) an admission as to the jurisdiction of the Bankruptcy Court or a waiver to contest the jurisdiction of the Bankruptcy Court; (iv) a waiver of the right to trial by jury in the Bankruptcy Court or any other court in any proceeding, notwithstanding the designation or not of any matter as a “core proceeding” pursuant to 28 U.S.C. § 157(b)(2), and whether such jury trial right is pursuant to statute or the United States Constitution; (v) a waiver of any contractual right to arbitration; (vi) a release of Claimant’s right to have any and all final orders in any and all non-core matters or proceedings entered only after a de novo review by a United States District Court judge; (vii) a waiver of the right to withdraw the reference with respect to the subject matter of this Proof of Claim, any objection thereto or other proceeding which may be commenced in these cases against or otherwise involving Claimant; or (viii) a waiver or limitation of any rights, remedies, claims, defenses or interests of Claimant.

NOTICES

All notices and correspondence concerning this Proof of Claim should be sent to all of the following:

Emil Stefkov
108 7th Avenue South, 2nd Floor
New York, NY 10014
Email: emil.stefkov@gmail.com

with a copy to:

Alexandre Sauveplane, Esq.
Bailey Duquette P.C.
104 Charlton Street, Suite 1W
New York, NY 10014
Email: alex@baileyduquette.com

THIS INSTRUMENT AND ANY SECURITIES ISSUABLE PURSUANT HERETO HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED IN THIS SAFE AND UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM.

RHODIUM ENTERPRISES, INC.

SAFE
(Simple Agreement for Future Equity)

THIS CERTIFIES THAT in exchange for the payment by Emil Stefkov, an individual (the “**Investor**”) of **THREE MILLION and 00/100’s DOLLARS (\$3,000,000.00)** (the “**Purchase Amount**”) on 09 / 30 / 2021, **2021**, Rhodium Enterprises, Inc., a Delaware corporation (the “**Company**”), hereby issues to the Investor the right to certain shares of the Company’s Capital Stock, subject to the terms set forth below.

The “**Valuation Cap**” is \$3,000,000,000.

The “**Discount Rate**” is 85%.

See **Section 2** for certain additional defined terms.

1. Events

(a) **Equity Financing or Listing Event.** If there is an Equity Financing or a Listing Event before the termination of this Simple Agreement for Future Equity (“**this SAFE**”), on the initial closing of such Equity Financing or, in the case of a Listing Event, immediately prior to the consummation of such Listing Event, the Company will automatically issue to the Investor either (i) in the case of an Equity Financing, the number of shares of stock issued in the Equity Financing equal to the Purchase Amount divided by the applicable Conversion Price or (ii) in the case of a Listing Event, the number of shares of Common Stock of the Company equal to the Purchase Amount divided by the applicable Conversion Price (such shares issued upon conversion in the case of clause (i) or clause (ii), the “**Conversion Shares**”).

In connection with the issuance of Conversion Shares, the Investor will execute and deliver to the Company all of the transaction documents related to the Equity Financing or Listing Event; provided, that such documents (i) are the same documents to be entered into with the purchasers of stock issued in the Equity Financing or other holders of Common Stock in the case of a Listing Event, with appropriate variations for the Conversion Shares if applicable, and (ii) have customary exceptions to any drag-along applicable to the Investor, including (without limitation) limited representations, warranties, liability and indemnification obligations for the Investor.

(b) **Liquidity Event.** If there is a Liquidity Event before the termination of this SAFE, the Investor will automatically be entitled (subject to the liquidation priority set forth in Section 1(d) below) to receive a portion of Proceeds due and payable to the Investor immediately prior to, or concurrent with, the consummation of such Liquidity Event, equal to the greater of (i) the Purchase Amount (the “**Cash-Out Amount**”) or (ii) the amount payable on the number of shares of Common Stock equal to the Purchase Amount divided by the Liquidity Price (the “**Conversion Amount**”). If any of the Company’s securityholders are given a choice as to the form and amount of Proceeds to be received in a Liquidity Event, the Investor will be given the same choice, *provided* that the Investor may not choose to receive a form of consideration that the Investor would be ineligible to receive as a result of the Investor’s failure to satisfy any requirement or limitation generally applicable to the Company’s securityholders, or under any applicable laws.

Notwithstanding the foregoing, in connection with a Change of Control intended to qualify as a tax-free reorganization, the Company may reduce the cash portion of Proceeds payable to the Investor by the amount determined by its board of directors in good faith for such Change of Control to qualify as a tax-free reorganization for U.S. federal income tax purposes, provided that such reduction (A) does not reduce the total Proceeds payable to such Investor and (B) is applied in the same manner and on a pro rata basis to all securityholders who have equal priority to the Investor under Section 1(d).

(c) **Dissolution Event**. If there is a Dissolution Event before the termination of this SAFE, the Investor will automatically be entitled (subject to the liquidation priority set forth in Section 1(d) below) to receive a portion of Proceeds equal to the Cash-Out Amount, due and payable to the Investor immediately prior to the consummation of the Dissolution Event.

(d) **Liquidation Priority**. In a Liquidity Event or Dissolution Event, this SAFE is intended to operate like standard Common Stock. The Investor's right to receive its Cash-Out Amount is:

(i) Junior to payment of outstanding indebtedness and creditor claims, including contractual claims for payment and convertible promissory notes (to the extent such convertible promissory notes are not actually or notionally converted into Capital Stock); and

(ii) On par with payments for other SAFEs, and if the applicable Proceeds are insufficient to permit full payments to the Investor and such other SAFEs, the applicable Proceeds will be distributed pro rata to the Investor and such other SAFEs in proportion to the full payments that would otherwise be due.

The Investor's right to receive its Conversion Amount is (A) on par with payments for Common Stock and other SAFEs who are also receiving Conversion Amounts or Proceeds on a similar as-converted to Common Stock basis, and (B) junior to payments described in clauses (i) and (ii) above (in the latter case, to the extent such payments are Cash-Out Amounts or similar liquidation preferences).

(e) **Termination**. This SAFE will automatically terminate (without relieving the Company of any obligations arising from a prior breach of or non-compliance with this SAFE) immediately following the earliest to occur of: (i) the issuance of Capital Stock to the Investor pursuant to Section 1(a); or (ii) the payment, or setting aside for payment, of amounts due to the Investor pursuant to Section 1(b) or Section 1(c).

2. ***Definitions***

"Capital Stock" means the capital stock of the Company, including, without limitation, the Common Stock.

"Change of Control" means (i) a transaction or series of related transactions in which any "person" or "group" (within the meaning of Section 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), becomes the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended), directly or indirectly, of more than 50% of the outstanding voting securities of the Company having the right to vote for the election of members of the Company's board of directors, (ii) any reorganization, merger or consolidation of the Company, other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of related transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity or (iii) a sale, lease or other disposition of all or substantially all of the assets of the Company.

"Common Stock" means the Class A Common Stock of the Company, par value \$0.0001 per share.

"Company Capitalization" is an amount of shares, calculated immediately prior to the Equity Financing or Listing Event, as applicable, and without double-counting, in each case calculated on an as-converted to Common Stock basis equal to the sum of:

- all shares of Capital Stock issued and outstanding;
- all Converting Securities;
- all (i) issued and outstanding Options and (ii) Promised Options; and
- the Unissued Option Pool, except that any increase to the Unissued Option Pool in connection with the Equity Financing or Listing Event, as applicable, shall only be included to the extent that the number of Promised Options exceeds the Unissued Option Pool prior to such increase.

“Conversion Price” means the either: (1) the SAFE Price or (2) the Discount Price, whichever calculation results in a greater number of Conversion Shares.

“Converting Securities” includes this SAFE and other convertible or exchangeable securities issued by the Company, including but not limited to: (i) other SAFEs; (ii) convertible promissory notes and other convertible debt instruments; (iii) Class B Common Stock of the Company, \$0.0001 par value per share and (iv) convertible securities that have the right to convert into shares of Capital Stock.

“Direct Listing” means the Company’s initial listing of its Common Stock (other than shares of Common Stock not eligible for resale under Rule 144 under the Securities Act) on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Company with the SEC that registers shares of existing capital stock of the Company for resale, as approved by the Company’s board of directors. For the avoidance of doubt, a Direct Listing shall not be deemed to be an underwritten offering and shall not involve any underwriting services.

“Discount Price” means the price per share of the Capital Stock sold in the Equity Financing or upon the closing of the Listing Event, as applicable, multiplied by the Discount Rate.

“Dissolution Event” means (i) a voluntary termination of operations, (ii) a general assignment for the benefit of the Company’s creditors or (iii) any other liquidation, dissolution or winding up of the Company (**excluding** a Liquidity Event), whether voluntary or involuntary.

“Dividend Amount” means, with respect to any date on which the Company pays a dividend on its outstanding Common Stock, the amount of such dividend that is paid per share of Common Stock multiplied by (x) the Purchase Amount divided by (y) the Liquidity Price (treating the dividend date as a Liquidity Event solely for purposes of calculating such Liquidity Price).

“Equity Financing” means a bona fide transaction or series of transactions with the principal purpose of raising capital, pursuant to which the Company issues and sells Capital Stock at a fixed valuation, including but not limited to, a pre-money or post-money valuation, and includes the conversion of any warrants, options or Simple Agreement for Future Equity agreements (other than this SAFE and any other Simple Agreement for Future Equity agreements between Investor and the Company), all at the conversion amounts set forth in those instruments; provided, however, that at Investor’s election, “Equity Financing” shall not include any transaction or series of transactions resulting in aggregate capital proceeds of less than \$20,000,000 where the aggregate implied value of all outstanding Capital Stock at the closing of such transaction(s) exceeds the Valuation Cap.

“Initial Public Offering” means the closing of the Company’s first firm commitment underwritten public offering of Common Stock pursuant to a registration statement filed under the Securities Act.

“Liquidity Capitalization” is calculated as of immediately prior to the Liquidity Event, and (without double-counting, in each case calculated on an as-converted to Common Stock basis):

- Includes all shares of Capital Stock issued and outstanding;
- Includes all (i) issued and outstanding Options and (ii) to the extent receiving Proceeds, Promised Options;
- Includes all Converting Securities, **other than** any SAFEs and other convertible securities where the holders of such securities are receiving Cash-Out Amounts or similar liquidation preference payments in lieu of Conversion Amounts or similar “as-converted” payments; and
- Excludes the Unissued Option Pool.

“Liquidity Event” means a Change of Control other than a Listing Event.

“Liquidity Price” means the price per share equal to the Valuation Cap divided by the Liquidity Capitalization.

“Listing Event” means either (i) an Initial Public Offering, (ii) a SPAC Event, or (iii) a Direct Listing.

“Options” includes options, restricted stock awards or purchases, RSUs, SARs, warrants or similar securities, vested or unvested.

“Proceeds” means cash and other assets (including without limitation stock consideration) that are proceeds from the Liquidity Event or the Dissolution Event, as applicable, and legally available for distribution.

“Promised Options” means promised but ungranted Options that are the greater of those (i) promised pursuant to agreements or understandings made prior to the execution of, or in connection with, the term sheet or letter of intent for the Equity Financing or Liquidity Event, as applicable (or the initial closing of the Equity Financing or consummation of the Liquidity Event, if there is no term sheet or letter of intent), (ii) in the case of an Equity Financing, treated as outstanding Options in the calculation of the Capital Stock’s price per share, or (iii) in the case of a Liquidity Event, treated as outstanding Options in the calculation of the distribution of the Proceeds.

“SAFE” means an instrument containing a future right to shares of Capital Stock, similar in form and content to this instrument, purchased by investors for the purpose of funding the Company’s business operations. References to “this SAFE” mean this specific instrument.

“SAFE Price” means the price per share equal to the Valuation Cap divided by the Company Capitalization (as adjusted for any stock splits, stock dividends, reorganizations, recapitalizations and the like effected in connection with a Listing Event).

“SPAC Event” means the direct or indirect acquisition of the Company by a special purpose acquisition company (a “SPAC”) that (x) results in the capital stock of the Company being listed on a U.S. securities exchange and (y) constitutes such SPAC’s “initial business combination” (as such term is used in such SPAC’s constituent documents).

“Subsequent Convertible Securities” means convertible securities that the Company may issue after the issuance of this instrument with the principal purpose of raising capital, including but not limited to, other SAFEs, convertible debt instruments and other convertible securities.

“Unissued Option Pool” means all shares of Capital Stock that are reserved, available for future grant and not subject to any outstanding Options or Promised Options (but in the case of a Liquidity Event, only to the extent Proceeds are payable on such Promised Options) under any equity incentive or similar Company plan.

3. *Company Representations*

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted. As of the date hereof, the Company has no preferred stock authorized or issued and outstanding.

(b) The execution, delivery and performance by the Company of this SAFE is within the power of the Company and, other than with respect to the actions to be taken when equity is issued to the Investor, has been duly authorized by all necessary actions on the part of the Company (subject to section 4(d)). This SAFE constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors’ rights generally and general principles of equity. To its knowledge, the Company is not in violation of (i) its current certificate of incorporation or bylaws, (ii) any material statute, rule or regulation applicable to the Company or (iii) any material debt or contract to which the Company is a party or by which it is bound, where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on the Company.

(c) The performance and consummation of the transactions contemplated by this SAFE do not and will not: (i) violate any material judgment, statute, rule or regulation applicable to the Company; (ii) result in the acceleration of any material debt or contract to which the Company is a party or by which it is bound; or (iii) result in the creation or imposition of any lien on any property, asset or revenue of the Company or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to the Company, its business or operations.

(d) No consents or approvals are required in connection with the performance of this SAFE, other than: (i) the Company's corporate approvals; (ii) any qualifications or filings under applicable securities laws; and (iii) necessary corporate approvals for the authorization of Capital Stock issuable pursuant to Section 1.

(e) To its knowledge, the Company owns or possesses (or can obtain on commercially reasonable terms) sufficient legal rights to all patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information, processes and other intellectual property rights necessary for its business as now conducted and as currently proposed to be conducted, without any conflict with, or infringement of the rights of, others.

4. *Investor Representations*

(a) The Investor has full legal capacity, power and authority to execute and deliver this SAFE and to perform its obligations hereunder. This SAFE constitutes valid and binding obligation of the Investor, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(b) The Investor is an accredited investor as such term is defined in Rule 501 of Regulation D under the Securities Act, and acknowledges and agrees that if not an accredited investor at the time of an Equity Financing, the Company may void this SAFE and return the Purchase Amount. The Investor has been advised that this SAFE and the underlying securities have not been registered under the Securities Act, or any state securities laws and, therefore, cannot be resold unless they are registered under the Securities Act and applicable state securities laws or unless an exemption from such registration requirements is available. The Investor is purchasing this SAFE and the securities to be acquired by the Investor hereunder for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and the Investor has no present intention of selling, granting any participation in, or otherwise distributing the same. The Investor has such knowledge and experience in financial and business matters that the Investor is capable of evaluating the merits and risks of such investment, is able to incur a complete loss of such investment without impairing the Investor's financial condition and is able to bear the economic risk of such investment for an indefinite period of time.

5. *Miscellaneous*

(a) Any provision of this SAFE may be amended, waived or modified by written consent of the Company and either (i) the Investor or (ii) the majority-in-interest of all then-outstanding SAFEs with the same "Valuation Cap" and "Discount Rate" as this SAFE (and SAFEs lacking one or both of such terms will be considered to be the same with respect to such term(s)), *provided that* with respect to clause (ii): (A) the Purchase Amount may not be amended, waived or modified in this manner, (B) the consent of the Investor and each holder of such SAFEs must be solicited (even if not obtained), and (C) such amendment, waiver or modification treats all such holders in the same manner. "**Majority-in-interest**" refers to the holders of the applicable group of SAFEs whose SAFEs have a total Purchase Amount greater than 50% of the total Purchase Amount of all of such applicable group of SAFEs.

(b) Any notice required or permitted by this SAFE will be deemed sufficient when delivered personally or by overnight courier or sent by email to the relevant address listed on the signature page, or 48 hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, addressed to the party to be notified at such party's address listed on the signature page, as subsequently modified by written notice.

(c) The Investor is not entitled, as a holder of this SAFE, to vote or be deemed a holder of Capital Stock for any purpose other than tax purposes, nor will anything in this SAFE be construed to confer on the Investor, as such, any rights of a Company stockholder or rights to vote for the election of directors or on any matter submitted to Company stockholders, or to give or withhold consent to any corporate action or to receive notice of meetings, until shares have been issued on the terms described in Section 1. However, if the Company pays a dividend on outstanding shares of Common Stock (that is not payable in shares of Common Stock) while this SAFE is outstanding, the Company will pay the Dividend Amount to the Investor at the same time.

(d) In the event of an Initial Public Offering, if required by the underwriters, the Investor will enter into a lock-up agreement in respect of the Conversion Shares, on terms no less favorable than those agreed to by the Company's

executive officers and directors. The Investor appoints the Company as its agent and attorney to execute, on the Investor's behalf, any such lock-up agreement.

(e) Neither this SAFE nor the rights in this SAFE are transferable or assignable, by operation of law or otherwise, by either party without the prior written consent of the other; *provided, however*, that this SAFE and/or its rights may be assigned without the Company's consent by the Investor (i) to the Investor's estate, heirs, executors, administrators, guardians and/or successors in the event of Investor's death or disability, or (ii) to any other entity who directly or indirectly, controls, is controlled by or is under common control with the Investor, including, without limitation, any general partner, managing member, officer or director of the Investor, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or shares the same management company with, the Investor; and *provided, further*, that the Company may assign this SAFE in whole, without the consent of the Investor, in connection with a reincorporation to change the Company's domicile.

(f) In the event any one or more of the provisions of this SAFE is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this SAFE operate or would prospectively operate to invalidate this SAFE, then and in any such event, such provision(s) only will be deemed null and void and will not affect any other provision of this SAFE and the remaining provisions of this SAFE will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

(g) All rights and obligations hereunder will be governed by the laws of the State of Delaware, without regard to the conflicts of law provisions of such jurisdiction. Any legal proceeding or action arising out of or relating to this SAFE or the transactions contemplated hereby shall be brought in the chancery or federal courts in the State of Delaware, and the parties hereto shall submit to the exclusive jurisdiction of each such court in any such proceeding or action. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR CLAIM, ARISING OUT OF OR IN CONNECTION WITH THIS SAFE OR ANY MATTER ARISING HEREUNDER.

(h) The parties acknowledge and agree that for United States federal and state income tax purposes this SAFE is, and at all times has been, intended to be characterized as stock, and more particularly as common stock for purposes of Sections 304, 305, 306, 354, 368, 1036 and 1202 of the Internal Revenue Code of 1986, as amended. Accordingly, the parties agree to treat this SAFE consistent with the foregoing intent for all United States federal and state income tax purposes (including, without limitation, on their respective tax returns or other informational statements).

(i) This SAFE may be executed and delivered in two or more separate counterparts (including any such counterpart executed or delivered via electronic submission), any one of which need not contain the signatures of more than one party, but each of which will be an original and all of which together shall constitute one and the same agreement binding on the parties hereto.

(Signature page follows)

IN WITNESS WHEREOF, the undersigned have caused this SAFE to be duly executed and delivered.

RHODIUM ENTERPRISES, INC.

By: Cameron Blackmon
Cameron Blackmon
Co-President

Address:

4146 W US Highway 79
Rockdale, TX 76567-5278

Email: Cameronblackmon@rhodiummining.io

INVESTOR:



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Address: 108 7th ave South, 2nd floor

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(cameronblackmon@rhodiummining.io)
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