



**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (ECIDA)
BUFFALO & ERIE COUNTY REGIONAL DEVELOPMENT CORP (RDC)**

Executive Committee Meeting

Tuesday, December 10, 2019

at 12:00

ECIDA Offices

95 Perry Street

4th Floor – Conference Room

Buffalo, New York 14203

1. Approval of Minutes – June 18, 2019 Meeting (Action)
2. First Wave (Action Item) (Handout)
3. 2020 Executive Committee Meeting Schedule (Informational)
4. Management Report
5. Adjournment - Next Meeting – **Tuesday, March 17, 2020 @ 12:00 P.M.**

**MINUTES OF A MEETING OF THE
JOINT EXECUTIVE COMMITTEE OF THE
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (ECIDA)
AND
BUFFALO & ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION (RDC)**

DATE AND PLACE: June 18, 2019, at the Erie County Industrial Development Agency, 95 Perry Street, Suite 403, Buffalo, New York 14203

MEMBERS PRESENT: Richard Lipsitz, Jr., Brenda W. McDuffie, Hon. Glenn R. Nellis and Hon. Mark C. Poloncarz

ABSENT: Hon. Bryon W. Brown, Hon. Joseph H. Emminger and Hon. Darius G. Pridgen

OTHERS PRESENT: Steve Weathers, Chief Executive Officer; John C. Cappellino, Executive Vice President; Mollie Profic, Treasurer; and Karen M. Fiala, Secretary

GUESTS: Robert G. Murray, General Counsel; Andrew Federick, Erie County Senior Economic Development Specialist

At 12:25 p.m., there being a quorum present, Ms. McDuffie called the meeting of the Joint Executive Committee to order.

MINUTES

The minutes of the December 12, 2017 meeting of the Joint Executive Committee of the Erie County Industrial Development Agency and the Buffalo and Erie County Regional Development Corporation were presented. Upon motion made by Mr. Lipsitz and seconded by Mr. Poloncarz, Ms. McDuffie called for the vote and the approval of the December 12, 2017 minutes was unanimously carried.

MANAGEMENT REPORT

Mr. Weathers presented the Medical Conservation Devices, LLC Investment memorandum. General discussion ensued. Mr. Poloncarz asked for more historical information on the initial investment and Mr. Weathers confirmed that historical information will be added to the memorandum before this issue is presented to the Board.

BERC LOAN FUND

Ms. Profic provided committee members with an update on BERC's dissolution and eventual return of the BERC Loan Fund to the ECIDA for ultimate return of that same fund to the Federal Economic Development Administration due to an inability to use the funds as currently programmed.

MANAGEMENT REPORT

Mr. Weathers then asked members to enter into an attorney-client privilege discussion to seek legal advice. Mr. Murray explained that Mr. Weathers is not seeking to enter into an executive session; rather, as permitted as an exception to the Open Meetings Law, because, as here, a confidential attorney client privilege is held between the attorney and client, the client can meet, privately, pursuant to that relationship, with its attorney. Mr. Lipsitz moved and Mr. Poloncarz seconded to enter into an attorney-client privilege session. Ms. McDuffie called for the vote and the committee entered into attorney-client privilege at 12:44 p.m. with only counsel present.

Mr. Poloncarz moved and Mr. Lipsitz seconded to end the attorney-client privilege session. Ms. McDuffie called for the vote and the committee ended the attorney-client privilege session at 1:50 p.m.

There being no further business, Ms. McDuffie adjourned the meeting at 1:50 p.m.

Dated: June 18, 2019

Karen M. Fiala, Secretary



ECIDA Executive Committee Meeting Schedule -2020

**@ 12:00 p.m.
95 Perry Street
4th Floor**

Tuesday, March 17

Tuesday, June 16

Tuesday, September 15

Tuesday, December 8



To: ECIDA Executive Committee
From: Mollie Profic, CFO
Re: Medical Conservation Devices, LLC Investment
Date: December 10, 2019

In August 2018, ECIDA was informed by Brian Bell, CEO of First Wave Technologies, Inc. (FWT) and Medical Conservation Devices, LLC (MCD), that the Board of Managers and majority of equity shareholders of FWT and MCD had agreed to merge MCD with First Wave Technologies, Inc. First Wave Technologies, Inc. (FWT) and its subsidiaries, MCD and First Wave Products Group LLC (FWPG) would become one company with two product lines, resulting in a stronger and streamlined profile, with the goal of accelerating overall growth.

The Buffalo & Erie County Industrial Land Development Corporation (ILDC), both individually and as part of the Western New York Business Development Fund (BDF), made a series of investments in FWT, FWPG and MCD between 2005-2010.

First Wave Technologies, Inc.

In 2005, ILDC invested \$500,000.00 in FWT in exchange for 166,666 shares of non-voting Series A convertible preferred stock alongside Moog, Greatbatch Inc., Nanodynamics, and Buffalo Economic Renaissance Corporation (BERC) as part of a \$1.4 million issuance of 468,331 Series A convertible preferred shares. Another investment of \$49,998.00 was made in 2008 in exchange for 16,666 shares of non-voting Series A convertible preferred stock as part of another raise with Moog, Greatbatch Inc., BERC, Keith Blakely (individually) and Brian Bell (individually). Also in 2010, the ILDC invested \$50,000.00 in FWT in exchange for 10,000 shares of Series B convertible preferred stock as part of the BDF. The total investment in FWT was transferred from ILDC to ECIDA in 2010. At this point, ECIDA owned 193,332 non-voting shares of FWT, approximately 12% of total shares outstanding. These shares were converted to FWT common stock (1:1) in 2011 as a result of a reorganization.

First Wave Products Group, LLC

In 2007, ILDC made a \$100,000.00 investment in FWPG (Pill Crusher Ventures, LLC at the time of purchase) for Series A preferred units. At this point, ILDC already had an approximate 22% interest in Pill Crusher Ventures, LLC due to FWT's approximately 67% interest in Pill Crusher Ventures, LLC. Another investment of \$99,999.36 was made in 2008. In 2010, 24,184 Series A1 units were issued to ECIDA upon the cancellation of prior preferred shares owned. These shares were converted to 40,000 shares of FWT common stock (1.654:1.0 conversion) in 2011.

Medical Conservation Devices, LLC

In 2010, ECIDA acquired 3,887 membership units of MCD through conversion of a 2008 convertible promissory note in the principal amount of \$12,500.00. No additional investment nor conversions have been made since.

Currently, ECIDA holds 237,378 shares of common stock in FWT (1.8% of outstanding shares) and 3,887 units of membership interest in MCD (.35% of total units), respectively. These are minority positions in both companies. As such, ECIDA's consent was not required to execute the restructuring. FWT closed the transaction on October 25, 2018 as there was sufficient consent from shareholders without the consent of the ECIDA.

ECIDA consulted Harris Beach regarding the reorganization of FWT and the proposed exchange of MCD membership units for shares of common stock in FWT. Under the proposed exchange, ECIDA would receive 3.75 shares of common stock in FWT for each MCD unit (14,576.25 shares). Based on materials from FWT, the MCD units were valued at \$3.75 per unit (\$14,576.25). FWT has recently offered shares for \$1.00 per share, which leads to a fair value of \$14,576.25 for the new shares. Based on this information, ECIDA staff believes the fair value of the FWT stock that would be received is roughly equal to the MCD units to be exchanged. ECIDA's original investment in MCD was \$12,500.00

Harris Beach prepared a memo detailing the reorganization and factors for the ECIDA to consider when deciding. Steve Weathers and Mollie Profic met with Pete Grum and Dan Penberthy from Rand Capital (Rand) on April 11, 2019 to discuss the reorganization. ECIDA has consulted with Rand for several years regarding our investment portfolio. Rand has converted their MCD membership units for shares of FWT and indicated that ECIDA continuing to hold MCD units does not provide ECIDA any value. Rand felt that the restructure provides some momentum for the organization, which currently has backing from some significant individual investors. Currently the business is located in Batavia, NY (Genesee County), and Rand provided information of how FWT has an impact in Erie County through the University at Buffalo, vendors, service providers, etc.

Options to consider:

Option 1: Convert current MCD membership units to 14,576.25 shares of FWT common stock, as requested. This option has no cost and keeps ECIDA in essentially the same investment position. Converting would give First Wave Technologies Holdings, LLC 100% ownership of MCD. FWT holds an 88.2% profits interest in First Wave Technologies Holdings. Converting does not appear to make a significant change to ECIDA's legal obligations or benefits.

Option 2: Continue to hold current MCD membership units. ECIDA would remain a .35% minority interest in MCD and share proportionately in any potential profits of the company.

Option 3: Determine if any current investors would be willing to purchase ECIDA's MCD units outright.

Option 4: Convert current MCD membership units to FWT common stock and determine if any current investors would be willing to purchase a portion (or all) of ECIDA's FWT common stock.

Option 5: Ask MCD to repurchase the MCD membership units; or convert MCD membership units to FWT common stock and ask FWT to repurchase the common stock.

In addition, ECIDA may also wish to consider any other conditions it would like to request in the case that it agrees to exchange the MCD units. For example, ECIDA could ask for redemption of the units if FWT moves its offices or operations outside of New York State.

MEMORANDUM

September 13, 2019

TO: The Board of Directors of the Erie County Industrial Development Agency
(ECIDA) Executive Committee

CC: Steve Weathers, Mollie Profic

FROM: Harris Beach PLLC

RE: Reorganization of First Wave Technologies, Inc. and proposed exchange of units
of membership interest in Medical Conservation Devices, LLC

The below summary is based on information received as of February 2019 regarding First Wave Technologies, Inc. and Medical Conservation Devices. We are not aware of any updates to the information presented.

Background of Corporate Organization and Restructuring

The ECIDA currently holds investments in First Wave Technologies, Inc. (“FWT”) and Medical Conservation Devices, LLC (“MCD”). First Wave Products Group, LLC (“FWPG”) and MCD were majority-owned subsidiaries of FWT. The ECIDA holds 237,378 shares of common stock in FWT and 3,887 units of membership interest in MCD. These are minority positions in both companies.

FWT describes itself as a medical device company developing products for the acute care and long-term care market.

- FWPG, offers an automated pill crusher, “First Crush”, which FWT reports has generated \$1.4 million in sales with potential for growth.
- MCD has a product, Clarity-IA, which is an inhaled sedation device that is awaiting FDA approval. FWT feels that the product has significant market potential if approved.

FWT is a Delaware corporation. Prior to the reorganization, it held a majority interest in FWPG and MCD. FWPG is a Delaware limited liability company. MCD is a New York limited liability company. Other holders, including the ECIDA held membership interest in these subsidiaries.

Below is an overview of the steps taken in the reorganization, to the best of our understanding:

- Immediately prior to the restructuring, Series B Preferred Shares in FWT were converted to 3,427,679 shares of common stock in FWT.

- Except for the ECIDA, MCD and FWPG holders exchanged their units for common shares in FWT.
- \$7 million in debt in MCD and FWPG was refinanced, of which \$3,842,016 in senior secured debt was settled for 2,715,295 shares of Class A common stock in FWT and \$3,759,087 of junior or subordinated debt was cancelled.
- FWT changed its name to FWT Holdings, Inc.
- FWT Holdings, Inc. formed a new FWT and Merger Sub and FWT Holdings became a wholly-owned subsidiary of new FWT with stockholders of FWT Holdings receiving stock of new FWT;
- FWT Holdings, Inc. formed a new holding company FWT Holdings, LLC to hold FWPG and MCD, and this LLC is held in part by FWT (88.2%) and Management holds (11.8%);
- FWT Holdings contributed FWPG and MCD to new FWT Holdings, LLC;
- FWT raised \$578,000 in new capital through a new stock offering.

Relative rights of MCD unit holders and FWT common stock holders

Under the MCD Limited Liability Company Operating Agreement dated May 1, 2006, MCD is managed by a Board of Managers. Both before and after the Reorganization, the ECIDA did not hold a percentage of units sufficient to compel any action or block any action of MCD. As a member of MCD, the ECIDA is entitled to notice of amendments to the MCD Operating Agreement and quarterly and annual financial statements. MCD members are entitled to Net Cash Flow of MCD (if any) in proportion to their share of the outstanding units. Currently, the ECIDA's 3,887 units of membership interest represent just 0.35% of the units of membership interest in MCD.

Under the Certificate of Incorporation of FWT, FWT is authorized to issue 20,000,000 shares of capital stock, 14,000,000 of which are designated as common stock, 2,730,000 of which are designated as Class A Common Stock, and 6,000,000 of which are designated as Undesignated Preferred Stock. Currently, there are 11,590,538 shares of FWT common stock outstanding, of which 2,715,295 are designated as Class A common stock. There are also outstanding warrants to purchase 529,950 shares of common stock and options to purchase 1,431,939 shares of common stock. Common stockholders and Class A common stockholders vote together as one class, except with respect to the election of one Class A common stock director, which Class A common stockholders are entitled to elect as a separate class. The Class A common stockholders also are entitled to appoint a Board Observer. Subject to the preference applicable to any senior class or series of capital stock of FWT, common stockholders and Class A common stockholders are entitled to share equally in any dividends. Subject to the rights of any senior class or series of capital stock of FWT, common stockholders and Class A common stockholders will share equally in the assets of the Company available for distribution in the event of a voluntary or involuntary liquidation, dissolution, distribution of assets or winding up of the Company. Class A common stockholders have preemptive rights with respect to future stock issuances.

Whether the ECIDA retains its units in MCD or exchanges them for FWT common stock, it will be in the position of a minority holder without any significant voting or blocking rights relative to other holders. First Wave Holdings, LLC holds sufficient units to force a merger of MCD with FWT. If MCD began to generate significant revenue, the ECIDA may see a quicker economic

benefit from directly holding the MCD units. However, until that time, there may be some benefit to holding common stock that derives value from the combined companies. There is no immediate liquidation event on the horizon for either company as far as we are aware. As an FWT common stock holder, the ECIDA will not likely see any return of its investment unless there is a merger, sale or IPO, or if the ECIDA can sell its shares to the Company or a third party. As a common stockholder in FWT, the ECIDA is owed fiduciary duties by the officers and board of directors of FWT, whereas, as a unit holder in MCD, the ECIDA is not entitled to such broad protections.

Organizational Structure and Management of Reorganized FWT and Subsidiaries.

FWT Holdings, Inc. is wholly owned by FWT. FWT Holdings, Inc. holds 88.2% of the membership interest in FWT Holdings, LLC, which holds all of the membership interest in FWPG and all of the membership interest of MCD, but for the units held by the ECIDA. Brian Bell holds an 11.8% profits interest in First Wave Technologies Holdings, LLC.

FWT Holdings, LLC is managed by its Manager, First Wave Technologies Holdings, Inc. Brian Bell and Joel Kanter have been appointed officers to manage the business of FWT Holding, LLC in the ordinary course. FWT Holdings, Inc. is entitled to distributions of unreturned capital contributions out of Cash Flow available for distribution from First Wave Holdings, LLC. Thereafter, First Wave Technologies Holdings, Inc. will receive distributions in proportion to its 88.2% interest and Brian Bell will begin to receive distributions in proportion to his 11.8% interest in addition to any salary, benefits and equity incentives in FWT. Both First Wave Technologies, Inc. and Brian Bell have tag-along rights should the other member propose to sell its interest in FWT Holding, LLC. Brian Bell is subject to drag-along rights if First Wave Technologies Holdings, Inc. approves a transfer of interest that would result in a change of control transaction.

Rationale for the Restructuring

The need to refinance the maturing \$7 million debt seems to have been an important part of the Restructuring. Holders of FWT common stock have been diluted by the conversion of the outstanding debt, the new equity issuance, and also Brian Bell's ownership of 11.8% of the membership interest of First Wave LLC. This structure was approved by FWT's board, but it gives Brian Bell an additional equity incentive beyond incentives granted at the parent company level. Brian Bell has indicated that the Reorganization structure was driven in part by considerations to minimize tax implications of the transactions.

MEMBERSHIP INTEREST CONTRIBUTION AGREEMENT

THIS MEMBERSHIP INTEREST CONTRIBUTION AGREEMENT (this “**Agreement**”), dated as of June ____ 2019, is entered into by and among First Wave Technologies, Inc., a Delaware corporation (the “**Company**”), and each of the other undersigned parties hereto (each, a “**Transferor**” and all of them together, collectively, the “**Transferors**”).

RECITALS

WHEREAS, the Company owns all of the issued and outstanding capital stock of FWT Holdings, Inc., a Delaware corporation (“**Holdings**”) that owns a majority of the issued and outstanding membership interests of each of First Wave Products Group, LLC, a Delaware limited liability company (“**FWPG**”), and Medical Conservation Devices, LLC, a New York limited liability company (“**MCD**”);

WHEREAS, each Transferor owns that number of units of FWPG and/or MCD set forth on Exhibit A hereto (such units, together, collectively, each Transferor’s “**Contributed Interests**”); and

WHEREAS, in connection with a corporate restructuring involving the Company, Holdings, FWPG, and MCD, each Transferor and the Company desire to enter into this Agreement pursuant to which each Transferor will contribute, transfer, and assign its Contributed Interests to the Company in exchange for the issuance by the Company to such Transferor of that number of shares of the ordinary common stock of the Company (i.e., shares of common stock that are not designated as shares of “Class A Common Stock” pursuant to the Company’s Certificate of Incorporation), \$0.001 par value per share, set forth on Exhibit A hereto (such shares of the Company’s common stock, each Transferor’s “**Issued Shares**”, and the Transferors’ transfer of all of the Contributed Interests to the Company in exchange for their respective Issued Shares, the “**Contribution**”).

AGREEMENTS

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Contribution of Contributed Interests. On the terms and subject to the conditions set forth in this Agreement, each Transferor hereby contributes, transfers, assigns, conveys and delivers to the Company, and the Company does hereby acquire and accept from such Transferor, all of such Transferor’s right, title and interest in and to its Contributed Interests.

2. Assumed Liabilities. The Contribution is subject to the assumption by the Company of all liabilities and obligations of each Transferor to the extent exclusively or primarily resulting from, relating to or arising out of such Transferor’s Contributed Interests of whatever kind or nature (whether absolute, accrued, contingent, determined, determinable, disclosed, known or unknown, or otherwise) (the “**Assumed Liabilities**”). The Company hereby assumes and shall

perform, pay and discharge when due the Assumed Liabilities. Nothing contained herein shall prevent the Company or its affiliates from contesting in good faith any of the Assumed Liabilities with any third-party obligee.

3. Consideration. As consideration for the contribution of the Contributed Interests, the Company hereby issues the applicable Issued Shares to each Transferor.

4. Representations and Warranties of the Transferors. Each Transferor represents and warrants to the Company as follows:

(a) Organization: Authority. If not a natural person, such Transferor is duly organized, formed, or incorporated (as applicable), validly existing and, if applicable, in good standing under the laws of the jurisdiction of its organization, formation, or incorporation (as applicable), and has all requisite power and authority to execute and deliver this Agreement and to perform its obligations thereunder. If a natural person, such Transferor has the legal capacity to execute and deliver this Agreement and to perform its obligations thereunder. If not a natural person, such Transferor has obtained all necessary corporate or other approvals required for the execution and delivery of this Agreement, the performance of its obligations hereunder, and the consummation of the transactions contemplated hereby. This Agreement has been duly executed and delivered by such Transferor and (assuming due authorization, execution and delivery by the Company) shall constitute such Transferor's legal, valid and binding obligation, enforceable against it in accordance with its terms.

(b) Ownership and Transfer of Contributed Interests. Such Transferor has valid, good, and marketable title to its Contributed Interests, such Contributed Interests are free and clear of all liens, and such Contributed Interests are the only membership interests of FWPG and/or MCD held by such Transferor as of the date hereof. Such Transferor has the unrestricted right to contribute, sell, transfer, assign, convey, and deliver to the Company all right, title and interest in and to its Contributed Interests.

(c) Acquisition of Issued Shares. With respect to its acquisition of the Issued Shares:

(i) Such Transferor is an "accredited investor" within the meaning of Rule 501 under the Securities Act of 1933, as amended, and such Transferor has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its investment in the Company;

(ii) Such Transferor is a resident of the state set forth on the signature page to this Agreement executed by such Transferor, and such Transferor is acquiring its Issued Shares for its own account, not on behalf of other persons or entities, for investment and not with a view to resale or distribution;

(iii) Such Transferor recognizes that any investment in the Company involves substantial risk, including the risk of losing all of its capital investment in the Company, and such Transferor has evaluated and fully understands all risks in its decision to acquire its Issued Shares hereunder;

(iv) Such Transferor has relied only on the information set forth in this Agreement and that certain disclosure letter, dated August 20, 2018, provided to such Transferor by the Company (the “**Disclosure Letter**”) in determining to acquire the Issued Shares, and such Transferor acknowledges that such information furnished by the Company does not constitute investment, accounting, legal or tax advice and such Transferor is relying on its own professional advisors for such advice;

(v) Such Transferor is familiar with the business and financial condition and operations of the Company as generally described in the Disclosure Letter, and such Transferor has had access to such information concerning the Company and the Issued Shares as it deems necessary to enable it to make an informed investment decision concerning its acquisition of the Issued Shares pursuant to this Agreement;

(vi) Such Transferor has not paid or given to any third party any commission or other remuneration in connection with its acquisition of the Issued Shares or sale and assignment of the Contributed Interests, and such Transferor has not received any public media advertisements and has not been solicited by any form of mass mailing solicitation in connection with the transactions contemplated by this Agreement;

(vii) Such Transferor acknowledges that none of the Issued Shares may be transferred by such Transferor (1) except as provided in the certificate of incorporation, bylaws, and other applicable organizational documents (if any) of the Company as in effect from time to time and (2) pursuant to registration under the applicable federal and state securities laws or appropriate exemptions therefrom; and

(viii) Such Transferor understands the meaning and legal consequences of the foregoing representations and warranties and acknowledges and agrees that the Company is relying upon the representations and warranties made herein in determining to issue the Issued Shares to such Transferor, and such Transferor certifies to the Company that each of the foregoing representations and warranties is true and correct as of the date hereof and shall survive the execution hereof and such Transferor’s acquisition of the Issued Shares.

5. Indemnification by Transferor. Each Transferor, severally (and not jointly and severally), for itself and on behalf of any successors, assigns, affiliates, heirs, estates, executors, administrators and legal or personal representatives of such Transferor, hereby agrees to indemnify and hold harmless the Company and each director, officer, advisor, employee, or affiliate thereof, and each of their respective successors, assigns, affiliates, heirs, estates, executors, administrators and legal or personal representatives (each, an “**Indemnified Party**”), from and against any and all loss, damage or liability due to or arising out of any inaccuracy in or breach of any representation or warranty of such Transferor set forth in this Agreement or the failure of such Transferor to comply with any covenant or agreement set forth in this Agreement. Each Transferor shall reimburse each Indemnified Party for its legal and other expenses (including the cost of any investigation and preparation) as they are incurred in connection with any such claim, action, proceeding, or investigation. The reimbursement and indemnification obligations of each Transferor and its successors, assigns, affiliates, heirs, estates, executors, administrators and legal or personal representatives under this paragraph shall survive the execution of this Agreement and

shall be binding and inure to the benefit of any successors, assigns, affiliates, heirs, estates, executors, administrators and legal or personal representatives of the Indemnified Parties.

6. Representations and Warranties of the Company.

(a) Organization of the Company. The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware.

(b) Authority. The Company has all requisite corporate power and authority to execute and deliver this Agreement, to carry out its obligations hereunder, and to consummate the transactions contemplated hereby. The Company has obtained all necessary corporate approvals for the execution and delivery of this Agreement, the performance of its obligations hereunder, and the consummation of the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Company and (assuming due authorization, execution, and delivery by each Transferor) shall constitute the Company's legal, valid, and binding obligation, enforceable against it in accordance with its terms.

(c) Valid Issuance of Issued Shares. Assuming the accuracy of the representations of the Transferors in Section 4 of this Agreement, the Issued Shares issued to each Transferor, when issued, sold and delivered in accordance with the terms and for the consideration set forth in this Agreement, will have been duly authorized and will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under the certificate of incorporation and bylaws of the Company, applicable state and federal securities laws, and liens or encumbrances created by or imposed by the applicable Transferor with respect to its Issued Shares. Assuming the accuracy of the representations of the Transferors in Section 4 of this Agreement, the Issued Shares issued to each Transferor will be issued in compliance with all applicable federal and state securities laws.

7. Further Assurances. Each Transferor and the Company agree to execute any and all documents and instruments of transfer, assignment, assumption or novation and to perform such other acts as may be reasonably necessary or expedient to further the purposes of this Agreement and the transactions contemplated by this Agreement.

8. Entire Agreement: Interpretation. This Agreement constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, representations and warranties and agreements, both written and oral, with respect to such subject matter. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

9. No Assignment by Transferors: Successors and Assigns. No Transferor shall assign this Agreement or delegate its obligations hereunder without the prior written consent of the Company. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

10. Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement.

11. Specific Performance. The parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

12. No Third-Party Beneficiaries. Except as expressly set forth in this Agreement, this Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature whatsoever, under or by reason of this Agreement.

13. Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

14. Amendment and Modification: Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

15. Governing Law; Submission to Jurisdiction. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Delaware. Any dispute, controversy or claim arising out of, relating to, or in connection with, this Agreement or any breach, termination or validity thereof shall be brought in the Circuit Court for Genesee County, New York or the United States District Court for the Northern District of New York (Syracuse Division), as appropriate (in either case, the “**Court**”), and each party hereby irrevocably submits to the Court’s jurisdiction and process. Each party hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such dispute, controversy, or claim in any such Court.

16. Releases.

(a) In connection with the transactions contemplated by this Agreement, the Company hereby fully, finally and forever releases and discharges of, from and with respect to, and covenants not to sue and otherwise agrees not to enforce against any Transferor, or any of their respective affiliates, past and present employees, directors, members, and officers and the respective successors, assigns, affiliates, heirs, estates, executors, administrators and legal or personal representatives of the foregoing (collectively, the “**Transferor Releasees**”), any and all claims, demands, covenants, rights, titles, interests, actions, causes of action, judgments,

obligations, contracts, agreements, debts and liabilities whatsoever, whether known or unknown, suspected or unsuspected, both at law and in equity, which the Company and the Company's successors and assigns now have, have ever had or may have after the date of this Agreement against the respective Transferor Releasees on account of, arising out of or relating in any way to any act, omission, fact, or circumstance occurring prior to the date hereof and relating to the Contributed Interests of any Transferor, any Transferor's ownership of its Contributed Interests, or any Transferor's status as a member of FWPG and/or MCD prior to the date of this Agreement.

(b) The Company hereto hereby acknowledges that such party may hereafter discover facts different from, or in addition to, those which it now knows or believes to be true with respect to the claims released hereunder and agrees that the releases contained herein shall be and remain in effect as full and complete releases of such claims, notwithstanding any such different or additional facts. The Company hereto acknowledges that it has been advised to consult with legal counsel and agrees to expressly waive any rights it may have under any statute or common law principle of any jurisdiction that prohibits the release of unknown or unanticipated claims.

(c) The Company hereto absolutely, unconditionally and irrevocably covenants and agrees that, from and after the date hereof, it will not directly or indirectly bring any action or initiate any proceeding in respect of any of the claims released hereunder or benefit from any such action or proceeding in respect of any such claim commenced by a third party. Without limiting or waiving any rights or remedies under this Agreement now or hereafter existing at law or in equity or by statute, Transferor hereto shall be entitled to seek specific performance of the releases contained herein and the Company's obligations contained in this Section.

17. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email (including pdf or any electronic signature complying with the U.S. federal E-SIGN Act of 2000, *e.g.*, www.docusign.com), or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

18. Surrender of Contributed Interests. Immediately upon the Company's acquisition and acceptance from each Transferor of its Contributed Interests hereunder, the Company hereby surrenders to each of FWPG and MCD for cancellation the Contributed Interests that represent membership interests in FWPG and MCD, respectively.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

TRANSFEROR:

Individual(s):

Legal Entity:

Signature(s)

Print Name of Legal Entity

Printed Name(s)

By: _____

Name (Print): _____

Title (Print): _____

Address: _____

Attention: _____
Telephone Number: (____) _____
E-mail Address: _____

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

COMPANY:

FIRST WAVE TECHNOLOGIES, INC.

By: _____
Name:
Title:

Each of FWPG and MCD hereby acknowledges and accepts the Company's surrender to them of the Contributed Interests representing membership interests in FWPG and MCD, respectively, which Contributed Interests are irrevocably cancelled and of no further force or effect.

FWPG:

FIRST WAVE PRODUCTS GROUP, LLC

By: _____
Name:
Title:

MCD:

MEDICAL CONSERVATION DEVICES,
LLC

By: _____
Name:
Title:

EXHIBIT A**CONTRIBUTED INTERESTS AND ISSUED SHARES**

<u>Transferor</u>	<u>Contributed Interests</u>		<u># of FWT Issued Shares</u>
	<u># of FWPG Units</u>	<u># of MCD Units</u>	
Bradley Fuhrman		177,374	665,152
Mark Dowhy		82,500	309,375
43 North LLC		66,312	248,670
The Research Foundation for SUNY		43,285	162,319
Joel Kanter		23,998	89,992
Cojack Investment Opportunities, LLC		20,270	76,012
Donald R. Liedke		19,286	72,322
H. Allen Robertson		19,286	72,322
Ronald G. and Carolyn M. Putzbach		12,858	48,217
Brian D. Bell		9,080	34,050
Presource Technologies Inc.		7,241	27,153
NYS Foundation for Science, Technology		6,476	24,285
Gene E. Burleson		6,212	23,295
Erie County Industrial Development Agency		3,887	14,576
Lynn Fuhrman		2,938	11,017
Diane J. McMahon		2,900	10,875
TDC Foundation		2,591	9,716

University at Buffalo Foundation		2,591	9,716
Chicago Investments, Inc.		1,875	7,031

FIRST WAVE TECHNOLOGIES, INC.

Action of Stockholders Without a Meeting

September 11, 2019

The undersigned, representing a majority of the outstanding shares of stock of First Wave Technologies, Inc., a Delaware corporation (the "Company"), do hereby adopt the following resolutions by written consent, in accordance with the provisions of the General Corporation Law of the State of Delaware:

RESOLVED, that the proposal that the Company amend its Certificate of Incorporation to increase the number of its authorized shares of Common Stock from 14,000,000 to 40,000,000, shall be, and hereby is, authorized and approved; it is further;

RESOLVED, that the proposal that the Company amend its Certificate of Incorporation to increase the number of its authorized shares of Undesignated Preferred Stock from 6,000,000 to 10,000,000, shall be, and hereby is, authorized and approved; it is further;

RESOLVED, that to carry into effect the intent of the foregoing resolution, the Company shall file an Amended and Restated Certificate and the Amended and Restated Certificate shall be, and hereby is, authorized and approved.

[The rest of the page is left intentionally blank; signature page to follow]

IN WITNESS WHEREOF, this written consent has been executed as of the ____ day of September, 2019.

COMMON STOCKHOLDERS:
