EXHIBIT
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SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

THIS SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS (this "Settlement Agreement") is made by and between: JSmith Civil, LLC ("JSmith") and Synergi Partners, Inc. ("Synergi"). Hereinafter, JSmith and Synergi are referred to individually as a "Party" and collectively as the "Parties."

WHEREAS, Synergi and JSmith entered into a Client Services Agreement dated May 20, 2022 (the "Agreement"), pursuant to which Synergi provided services related to identification and determination of eligibility for Employee Retention Tax Credits (the "Tax Credits") allowed by the Coronovirus Aid Relief and Economic Stimulus Act ("CARES Act");

WHEREAS, Synergi invoiced JSmith for fees due totaling $404,352.58 ("JSmith Fees"), via Invoice Nos. 1918765, 1918766, 1919276, and 1919277 (collectively the "Invoices").

WHEREAS, in conjunction with the Agreement, Synergi also provided its services for an affiliate of JSmith, JSE Enterprises, LLC ("JSE"), and invoiced JSE for fees due totaling $155,307.26 ("JSE Fees") via the Invoices.

WHEREAS, on or about August 9, 2022, JSmith submitted a check to Synergi totaling $279,964.92 (the "Transfer"), of which $202,176.29 was for the JSmith Fees and $77,788.63 was for JSE Fees, leaving $279,964.92 as the balance (the "Remaining Balance") owed on the Invoices.

WHEREAS, on September 19, 2023, JSmith filed a voluntary petition seeking relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of North Carolina (the "Court"), BK Case No. 23-02734 (the "Bankruptcy Case").

WHEREAS, Synergi filed a proof of claim, Claim No. 52 for the Remaining Balance (the "Proof of Claim").

WHEREAS, JSmith initiated an adversary proceeding against Synergi, Adv. No. 25-00160-5-JNC (the "Adversary Proceeding"), alleging that the Transfer is avoidable under the Bankruptcy Code.

WHEREAS, on November 3, 2025, JSmith also filed an Objection to the Proof of Claim, submitted by Synergi (the "Claim Objection"), alleging that Synergi's Proof of Claim for the Remaining Balance should be disallowed.

WHEREAS both the Adversary and the Claim Objection are based, in part, on a determination by an Order on Motion for Summary Judgment entered on August 8, 2025, and its accompanying Memorandum Opinion on Order Granting Summary Judgment entered on August 22, 2025 (collectively the "Order"), filed in a separate adversary proceeding, *JSmith Civil, LLC vs. United States of America*, AP No. 24-00004-5 (the "IRS Adversary Proceeding"), in which this Court determined that JSmith was not entitled to the Tax Credits.

WHEREAS, JSmith timely filed an appeal of the Order to the United States District Court, Eastern District of North Carolina, No. 5:25-cv-00513-D (the "Appeal"), which remains pending.

WHEREAS, JSmith has also alleged that the Transfer included $77,788.63 for partial payment of the JSE Fees, which constitutes a constructively fraudulent transfer under § 548 of the Bankruptcy Code.

WHEREAS, the Parties desire to settle and compromise the disputes between them in the Claim Objection and the Adversary Proceeding, on the terms set forth herein, to avoid the cost and uncertainty of further litigation.

AGREEMENT

APPROVAL OF BANKRUPTCY COURT UNDER FEDERAL RULE OF BANKRUPTCY PROCEDURE 9019

THE PARTIES UNDERSTAND AND ACKNOWLEDGE THAT THE TERMS AND PROVISIONS OF THE SETTLEMENT AGREEMENT ARE SUBJECT TO THE APPROVAL OF THE BANKRUPTCY COURT UNDER FEDERAL RULE OF BANKRUPTCY PROCEDURE 9019.

NOW THEREFORE, and in consideration of the recitals, covenants, representations, warranties, releases, performances and other agreements contained in the Settlement Agreement, and for such other and further consideration, the receipt and sufficiency of which is acknowledged and agreed, the Parties hereto agree as follows:

1. Court Approval. Within five (5) business days after the last Party executes the Settlement Agreement, counsel for JSmith shall file a Motion for Approval of Settlement and Compromise with Synergi Partners, Inc. (the "9019 Motion" or the "Settlement Motion") with the Bankruptcy Court, seeking approval of the terms and provisions of the Settlement Agreement, which resolves and settles the dispute between the Parties in both the Claim Objection and the Adversary Proceeding.

2. Settlement of Adversary Proceeding and Claim Objection. Within fifteen (15) calendar days of the entry of an Order approving the 9019 Motion and the terms and provisions of this Settlement Agreement (the "Settlement Order");

2.1. Synergi shall pay $77,788.63 (the "JSE Settlement Amount") to JSmith. The JSE Settlement Amount shall be made payable to "Buckmiller & Frost, PLLC IOLTA Trust Account," ("Payee"), and delivered to Buckmiller & Frost, PLLC, Attn: Joseph Z. Frost, Esq., 4700 Six Forks Road, Suite 150, Raleigh, NC 27609.

2.2. Synergi shall escrow a total of Eighty-Two Thousand One Hundred Forty-Seven and 49/100 Dollars ($82,147.49) (the "JSC Settlement Funds") with Haynsworth Sinkler

Boyd, P.A. ("HSB") to be held in HSB's trust account in accordance with this Settlement Agreement. The Settlement Funds shall be disbursed solely in accordance with Section 2.2.2 of this Settlement Agreement upon the entry of a Final Judgment (defined below) in the IRS Adversary Proceeding:

2.2.1. *Final Judgment Defined.* "Final Judgment" shall mean the ultimate determination of the issue of entitlement to the Tax Credits. A Final Judgment is one as to which (a) all appeals in the IRS Adversary Proceeding have been exhausted or the time for taking any further appeal or seeking rehearing, reconsideration, or review has expired without being timely invoked, or (b) any further appeal or review of the IRS Adversary Proceeding has been waived, dismissed, or is otherwise procedurally barred, such that the determination is no longer subject to further judicial review.

2.2.2. Disbursement of Settlement Funds. The Settlement Funds shall be disbursed in accordance with this section through one of the three (3) alternatives upon the entry of a Final Judgment in the IRS Adversary Proceeding:

2.2.2.1. ALTERNATIVE 1: Upon entry of a Final Judgment in the IRS Adversary Proceeding determining that JSmith is entitled to the Tax Credits in full, HSB shall disburse the JSC Settlement Funds to Synergi. Further, the Proof of Claim shall be allowed in an amount of $202,176.29.

2.2.2.2. ALTERNATIVE 2: Upon entry of a Final Judgment in the IRS Adversary Proceeding determining that JSmith is not entitled to any Tax Credits, then HSB shall disburse all JSC Settlement Funds to Payee. Further, the entire Proof of Claim shall be disallowed.

2.2.2.3. ALTERNATIVE 3: Upon entry of a Final Judgment in the IRS Adversary Proceeding determining that that JSmith is entitled to only a portion of the Tax Credits, the sum of JSC Settlement Funds shall be allocated between Synergi and JSmith in proportion to the percentage of the Tax Credits allowed versus disallowed as determined by the Final Judgment (the "Allocated Amounts"), and HSB shall disburse such Allocated Amounts from the Settlement Funds to Synergi and to Payee for JSmith. Further, the Proof of Claim shall be allowed in an amount equal to the fee due for the Allocated Amount of the allowed Tax Credits.

2.3. Claim Under 11 U.S.C. 502. Synergi shall be entitled to file a proof of claim under 11 U.S.C. § 502(h) of the Bankruptcy Code in the Bankruptcy Case, as a nonpriority unsecured claim, for the JSE Settlement Amount tendered under this Settlement Agreement.

2.4. Within ten (10) days following payment of the JSE Settlement Amount and JSC Settlement Funds, JSmith shall draft, prepare, and file any motions, stipulations, and any other papers or instruments necessary to effectuate a voluntary dismissal of all the Claims against Synergi set forth in the Complaint and in the Adversary Proceeding, with prejudice, with the Parties bearing their own costs and expenses, including attorneys' fees.

3. General Release of Claims. In accordance with the occurrence of the conditions set forth herein, the Parties shall release and discharge one another, as follows:

3.1. *Release by JSmith*. JSmith, itself and on behalf of its representatives, agents, attorneys, predecessors, successors, heirs, executors, assigns, and any and all persons, firms, corporations and/or entities associated with, in privity with, or who may purport to claim by or through JSmith (collectively the " JSmith Releasors"), do hereby completely and generally release, remise, acquit, and forever discharge Synergi as well as its affiliates, present and former directors, officers, shareholders. partners, limited partners, joint venturers, managers, employees, representatives, agents, attorneys, predecessors, successors, parent, subsidiary and sibling entities, assigns, attorneys and any and all persons, firms, corporations and/or entities associated with, in privity with, or who may purport to claim by or through any of them (collectively, the "Synergi Releasees") of and from any and all past, present and future claims, demands, obligations, actions, causes of action, rights, damages, expenses, and requests for compensation or payment of any nature whatsoever, whether based on tort, contract, or any other theory of recovery, and whether for consequential, compensatory or punitive damages or other relief or remedy, whether known or unknown, whether suspected or unsuspected, whether liquidated or unliquidated. whether matured or unmatured, whether direct or indirect or third party or derivative, whether fixed or contingent, whether secured or unsecured, and specifically including claims asserted against Synergi in the Complaint, declaratory relief, avoidance and recovery of unauthorized post-petition transfers, which any of the JSmith Releasors ever jointly or individually had, or now has against the Synergi Releasees, or any of them, for, upon, or by reason, directly or indirectly, of any matter, cause, or thing whatsoever, occurring or existing at this time, to the fullest extent allowed by law.

3.2. *Release by Synergi*. Synergi, itself and on behalf of its representatives, agents, attorneys, predecessors, successors, heirs, executors, assigns, and any and all persons, firms, corporations and/or entities associated with, in privity with, or who may purport to claim by or through it (collectively the "Synergi Releasors"), do hereby completely and generally release, remise, acquit, and forever discharge the JSmith, as well as its affiliates, present and former directors, officers, shareholders, managers, members, partners, limited partners, joint venturers, employees, representatives, agents, attorneys, predecessors, successors, parent, subsidiary and sibling entities, assigns, attorneys and any and all persons, firms, corporations and/or entities associated with, in privity with, or who may purport to claim by or through any of them (collectively, the "JSmith Releasees") of and from any and all past, present and future claims. demands, obligations, actions, causes of action, rights, damages, expenses, and requests for compensation or payment of any nature whatsoever, whether based on tort, contract, or any other theory of recovery, and whether for consequential, compensatory or punitive damages or other relief or remedy,

whether known or unknown, whether suspected or unsuspected, whether liquidated or unliquidated, whether matured or unmatured, whether direct or indirect or third party or derivative, whether fixed or contingent, whether secured or unsecured, whether described in this Settlement Agreement or not, and whether or not described in the Complaint, and the Adversary Proceeding, including but not limited to any amounts allegedly owed by JSmith to Synergi as of the Petition Date, the indebtedness scheduled as disputed by JSmith on Schedule E/F in the Bankruptcy Case, as well as any actual. compensatory, or any other damage or claim of any kind or character whatsoever sustained by or accruing to it, which any of the Synergi Releasors ever jointly or individually had, or now has against the JSmith Releasees, or any of them, for, upon, or by reason, directly or indirectly, of any matter, cause, or thing whatsoever, occurring or existing at this time, to the fullest extent allowed by law.

3.3. Effective Date for Releases. The releases provided for in Section 3.1 and 3.2 shall become effective and binding on the JSmith Releasors and the Synergi Releasors, upon the last occurrence of the following events, without the necessity of any further action by the Parties: (1) Entry of the Settlement Order; and (2) Entry of a Final Judgment in the IRS Adversary Proceeding. Nothing in these Releases shall prevent any Party from pursing a claim for breach of this Settlement Agreement.

4. No Admission of Liability. Each of the Parties acknowledge this Settlement Agreement is a compromise of a disputed claim and that the Settlement Funds made hereunder is not intended to be construed as an admission of any liability by any Party.

5. Entire Agreement. This Settlement Agreement constitutes the complete understanding between the Parties and it cannot be altered, amended, or modified in any respect, except by a writing duly executed by all Parties.

6. No Tax Advice. No tax advice has been offered or given by any Party in the course of these negotiations, and each Party is relying upon the advice of his or her or its tax consultant with regard to any tax consequences that may arise as a result of the execution of this Settlement Agreement.

7. Attorney Fees. Each Party shall bear its own attorneys' fees and costs incurred in the Adversary Proceeding and through the execution of the Settlement Agreement.

8. No Assignment. Each Party hereby represents and warrants to the other Parties that it has made no assignment, and hereafter will make no assignment of any claim, cause of action, right of action, or any other right released pursuant to this Settlement Agreement.

9. Non-Admissibility. Pursuant to the Federal Rules of Evidence 408, this Settlement Agreement and any related documents filed or created in connection with it shall be inadmissible as evidence in any proceeding, except as necessary to approve, interpret, or enforce this Settlement Agreement.

10. Governing Law. This Settlement Agreement shall be governed by the laws of the State of North Carolina without regard for its conflict of laws principles and federal law where applicable.

11. Execution in Counterparts. It is understood and agreed that this Settlement Agreement may be executed in identical counterparts and may be transmitted by email or facsimile, each of which shall be deemed an original for all purposes.

12. Headings. The headings set forth in this Settlement Agreement are for purposes of convenience only and shall not be construed as affecting the meaning or interpretation of the text of this Settlement Agreement.

13. Authority. Each Party represents and warrants that he/she has the right and authority to execute this Settlement Agreement.

14. No Construction Against Drafter. This Settlement Agreement shall be deemed to have been drafted jointly by the Parties and, in construing and interpreting this Settlement Agreement, no provision of this Settlement Agreement shall be construed or interpreted against any Party because such provision, or this Settlement as a whole, was purportedly prepared or requested by such Party.

15. Severability. Should any provision of this Settlement Agreement be declared or determined by any court of competent jurisdiction to be wholly or partially illegal, invalid, or unenforceable, the legality, validity, and enforceability of the remaining parts, terms, or provisions shall not be affected thereby, and the illegal, invalid, or unenforceable part, term, or provision shall be deemed not to be a part of this Settlement Agreement.

16. Binding Effect: This Settlement Agreement shall be binding upon and inure to the benefit of the Parties and their respective parents, subsidiaries, members, affiliates, related entities, partners, successors, and assigns.

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[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have caused this *Settlement Agreement and Release of Claims* to be executed as of the dates indicated below.

JSMITH CIVIL, LLC,	**SYNERGI PARTNERS, INC.**
By: _____	**By:** _____
Name: _____	**Name:** _____
Its: _____	**Its:** _____
Date: _____	**Date:** _____