UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 13, 2019

ORBITAL TRACKING CORP.
(Exact name of registrant as specified in its charter)

Nevada	00-25097	65-0783722
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

18851 N.E. 29th Ave., Suite 700, Aventura, FL 33180
(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code: (305)-560-5355

N/A
(Former name, former address and former fiscal year, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
N/A	N/A	N/A

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

[ ] Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

Item 1.01. Entry into a Material Definitive Agreement.

On May 13, 2019 (the "Issue Date"), Orbital Tracking Corp. (the "Company") entered into a Note Purchase Agreement (the "NPA") by and among the Company and the lenders set forth on the lender schedule to the NPA (the "Lenders"), as amended by that certain Amendment to Note Purchase Agreement (the "Amendment," and, together with the NPA, the "Agreement") by and among the Company and the Lenders. Pursuant to the NPA, the Company issued sold an aggregate principal amount of $650,000 of its convertible promissory notes. Pursuant to the Amendment, the Company reserved the right to issue and issued an additional 20% of the $650,000 principal amount of its convertible promissory notes or $130,000 of its convertible promissory notes. In total, pursuant to the Agreement, the Company issued an aggregate principal amount of $805,000 of its convertible promissory notes (the "Notes"). This Current Report on Form 8-K does not constitute an offer to sell or the solicitation of an offer to buy the Notes.

The Notes bear interest at a rate of 6% per annum, simple interest, and mature on the third anniversary of the Issue Date (the "Maturity Date"), to the extent that the Notes and the principal amounts and any interest accrued thereunder (the "Indebtedness") have not been converted into shares of common stock of the Company ("Common Stock"). Interest on the Notes will accrue on a simple interest, non-compounded basis and will be added to the principal amounts on the Maturity Date or such earlier date as may be due upon an Event of Default (as defined below), at which time all Indebtedness will be due and payable, unless earlier converted into Conversion Shares (as defined below). In the event that any amount due under the Notes is not paid as and when due, such amounts will accrue interest at the rate of 12% per year, simple interest, non-compounding, until paid. The Company may not pre-pay or redeem the Notes other than as required by the Agreement.

The Notes are general, unsecured obligations of the Company.

The proceeds of the Notes will be used to repay certain outstanding indebtedness of the Company and for general corporate purposes.

The holders of the Notes (the "Holders") have an optional right of conversion. A Holder may elect to convert its Note, and all of the Indebtedness outstanding as of such time, into the number of fully paid and non-assessable shares of Common Stock (the "Conversion Shares") as determined by dividing the Indebtedness by $0.10, subject to certain adjustments, but excluding adjustment for a reserve stock split of no more than 1:20 contemplated by the Company at the Issue Date. The optional right of conversion is subject to a beneficial ownership limitation of 4.99% of the number of shares of Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion.

The Agreement contains customary representations and warranties and customary affirmative and negative covenants. These covenants include, among other things, certain limitations on the ability of the Company to: (i) pay dividends on its capital stock; (ii) make distributions in respect of its capital stock; (iii) acquire shares of capital stock; and, (iv) sell, lease or dispose of assets.

Pursuant to the Agreement, the Holders are granted demand registration rights and pre-emptive rights as set forth in the Agreement.

The Agreement includes customary events of default, including, among others: (i) non-payment of amounts due thereunder, (ii) non-compliance with covenants thereunder, (iii) bankruptcy or insolvency (each, an "Event of Default"). Upon the occurrence of an Event of Default, a majority of the Holders may accelerate the maturity of the Indebtedness.

The foregoing description of the NPA and the Amendment is qualified in its entirety by reference to the full text of such agreements and all exhibits thereto, which are filed as Exhibit 10.1 and Exhibit 10.2, respectively, to this Current Report on Form 8-K and incorporated herein by reference.

On May 13, 2019, the Company entered into two consulting agreements (each, a "Consulting Agreement" and together, the "Consulting Agreements") with unrelated third parties to provide capital raising advisory services and business growth and development services, each for a term of six months. In exchange for such services, each consultant will receive (i) a Note in the amount of $44,000 issued pursuant to the Agreement, (ii) a Note in the amount of $12,500 with a maturity of three years bearing interest at a rate of 6% per annum with an optional right of conversion, (iii) payment of a retainer ranging from $10,000 to $30,000, and (iv) monthly payments ranging from $5,000 to $10,000 for six months.

The foregoing description of the Consulting Agreements is qualified in its entirety by reference to the full text of the form of Consulting Agreement, which is filed as Exhibit 10.3 to this Current Report on Form 8-K and incorporated herein by reference.

Item 3.02. Unregistered Sales of Equity Securities.

The Company's issuance of the Notes and the issuance of Company common stock in the event of any future exercise of the optional right of conversion is exempt from registration under the Securities Act of 1933, as amended (the "Securities Act") in reliance on Section 4(a)(2) of the Securities Act as a transaction by an issuer not involving a public offering. The information disclosed in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 3.02.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Note Purchase Agreement by and among the Company and the lenders set forth on the lender schedule to the Note Purchase Agreement dated May 13, 2019.
10.2	Amendment to Note Purchase Agreement by and among the Company and the lenders set forth on the lender schedule to the Note Purchase Agreement dated May 13, 2019.
10.3	Form of Consulting Agreement with the Company.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Orbital Tracking Corp.

Date: May 15, 2019

By: */s/ David Phipps*
Name: David Phipps
Title: President and Chief Executive Officer

Note Purchase Agreement

by and among

Orbital Tracking Corp.

and

The Lenders Named Herein

Note Purchase Agreement

Dated as of May 13, 2019

This Note Purchase Agreement (together with the Exhibits attached hereto, this "Agreement"), dated as of the date first set forth above (the "Effective Date"), is entered into by and among Orbital Tracking Corp., a Nevada corporation (the "Company"), and the lenders listed on the Schedule of Lenders attached hereto or hereafter added as a party hereto pursuant to the provisions of Section 2.2 (each, a "Lender," and collectively, the "Lenders"). The Company and each Lender may be referred to herein individually as a "Party" and collectively as the "Parties."

WHEREAS, the Company is in need of operating capital; and

WHEREAS, the Board of Directors of the Company (the "Board") has authorized the issuance of convertible promissory notes in the aggregate principal amount of up to $650,000.00 in this offering (the "Offering"), and the Lenders wish to purchase a portion of such notes on the terms and conditions provided for herein;

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, warranties, covenants and agreements contained herein, and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE I
DEFINED TERMS

Section 1.1 Definitions. The following terms, as used herein, have the following meanings:

(a) "Action" means any legal action, suit, claim, investigation, hearing or proceeding, including any audit, claim or assessment for taxes or otherwise.

(b) "Affiliate" means, with respect to any Person, any other Person directly or indirectly Controlling, Controlled by, or under common Control with such Person.

(c) "Business Day" means any day that is not a Saturday, Sunday or other day on which banking institutions in Nevada are authorized or required by law or executive order to close.

(d) "Control" of a Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract, or otherwise. "Controlled", "Controlling" and "under common Control with" have correlative meanings. Without limiting the foregoing a Person (the "Controlled Person") shall be deemed Controlled by (a) any other Person (the "10% Owner") (i) owning beneficially, as meant in Rule 13d-3 under the Exchange Act, securities entitling such Person to cast 10% or more of the votes for election of directors or equivalent governing authority of the Controlled Person or (ii) entitled to be allocated or receive 10% or more of the profits, losses, or distributions of the Controlled Person; (b) an officer, director, general partner, partner (other than a limited partner), manager, or member (other than a member having no management authority that is not a 10% Owner) of the Controlled Person; or (c) a spouse, parent, lineal descendant, sibling, aunt, uncle, niece, nephew, mother-in-law, father-in-law, sister-in-law, or brother-in-law of an Affiliate of the Controlled Person or a trust for the benefit of an Affiliate of the Controlled Person or of which an Affiliate of the Controlled Person is a trustee.

(e) “GAAP” mean United States generally accepted accounting principles as in effect from time to time, consistently applied.

(a) “Governmental Authority” means any federal, state, provincial, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of Law), or any arbitrator, court or tribunal of competent jurisdiction.

(b) “Law” means any domestic or foreign, federal, state, provincial, municipality or local law, statute, ordinance, code, rule, or regulation.

(c) “Majority Lenders” means Lenders holding Notes representing at least a majority of the then-outstanding principal amount under the Notes.

(d) “Ordinary Course of Business” means an action which is taken in the ordinary course of the normal day-to-day operations of the Person taking such action consistent with the past practices of such Person, is not required to be authorized by the board of directors or other governing body of such Person (or by any Person or group of Persons exercising similar authority) and is similar in nature and magnitude to actions customarily taken, without any authorization by the board of directors or other governing body (or by any Person or group of Persons exercising similar authority), in the ordinary course of the normal day-to-day operations of other Persons that are in the same line of business as such Person.

(e) “Person” means an individual, corporation, partnership (including a general partnership, limited partnership or limited liability partnership), limited liability company, association, trust or other entity or organization, including a Governmental Authority, domestic or foreign, or political subdivision thereof, or an agency or instrumentality thereof.

(f) “Representative” means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

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

(b) “Transaction Documents” means, collectively, this Agreement; the Notes and all other documents, instruments or agreements entered in connection herewith or therewith, each as amended or otherwise modified from time to time, and all modifications, renewals, replacements, extensions and rearrangements thereof and substitutions and replacements therefor.

Section 1.2 Interpretive Provisions. Unless the express context otherwise requires:

(a) the words "hereof," "herein," and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(b) terms defined in the singular shall have a comparable meaning when used in the plural, and vice versa;

(c) the terms "Dollars" and "$" mean United States Dollars;

(d) references herein to a specific Section, Subsection, Recital or Exhibit shall refer, respectively, to Sections, Subsections, Recitals or Exhibits of this Agreement;

(e) wherever the word "include," "includes," or "including" is used in this Agreement, it shall be deemed to be followed by the words "without limitation";

(f) references herein to any gender shall include each other gender;

(g) references herein to any Person shall include such Person's heirs, executors, personal Representatives, administrators, successors and assigns; provided, however, that nothing contained in this Section 1.2(g) is intended toto authorize any assignment or transfer not otherwise permitted by this Agreement;

(h) references herein to a Person in a particular capacity or capacities shall exclude such Person in any other capacity;

(i) references herein to any contract or agreement (including this Agreement) mean such contract or agreement as amended, supplemented or modified from time to time in accordance with the terms thereof;

(j) with respect to the determination of any period of time, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding";

(k) references herein to any Law or any license mean such Law or license as amended, modified, codified, reenacted, supplemented or superseded in whole or in part, and in effect from time to time; and

(l) references herein to any Law shall be deemed also to refer to all rules and regulations promulgated thereunder.

ARTICLE II
SALE OF NOTES AND WARRANTS

Section 2.1 Authorization of Offering. The Company has authorized in this Offering the issuance and sale of an aggregate principal amount of $650,000.00 of its convertible promissory notes, which shall be substantially in the form of Exhibit A attached hereto (the "Notes," with such term to include any such notes issued in substitution therefor).

Section 2.2 Additional Lenders. The Parties acknowledge and agree that the Company may issue any sell other Notes in the Offering pursuant to this Agreement by amending this Agreement to add additional Lenders, who shall then become a party hereto, up to a maximum principal amount of $650,000 of Notes, and provided that such limitation shall not prohibit the Company from issuing or selling any later securities of the Company. Any reference herein to the Notes shall mean all of the Notes as issued in this Offering, whether pursuant to this Agreement as in effect on the Effective Date or as amended as set forth herein, and each reference to a Note with respect to a particular Lender shall mean the Note(s) being acquired or held by such Lender, as applicable.

Section 2.3 Purchase and Sale. Subject to the terms and the conditions of this Agreement, at the Closings provided for in Section 3.1, the Company will issue and sell to each Lender, and each Lender severally and not jointly will purchase from the Company, the Notes in the principal amounts specified on such Lender's signature page hereof. Such signature page shall set forth the series of the Notes being acquired and the aggregate principal amount thereof.

ARTICLE III
CLOSING; DELIVERIES; CONDITIONS

Section 3.1 Closings. The closing of the issuance, sale and purchase of the Notes to the Lenders may be in one or more closings to be determined by the Company and each applicable Lender (each, a "Closing," and collectively, the "Closings"). The Closings shall take place electronically via the delivery of executed documents and payment of applicable funds, or at such other time and place as the Company and the Lenders purchasing Notes at such Closing agree in writing, and each subsequent Closing shall take place on the date agreed by the Company and each applicable Lender (such date and time of each Closing, each a "Closing Date"). If at the Closing any of the conditions specified in Section 3.5 shall not have been fulfilled or waived, each of the Lenders participating in such Closing shall, at its election, be relieved of all of its obligations under this Agreement to be performed at the Closing without thereby waiving any other rights it may have by reason of such failure or such non-fulfillment.

Section 3.2 Deliveries by the Company. At each Closing, the Company shall deliver the following to each Lender purchasing a Note on the applicable Closing Date a Note duly executed by the Company.

Section 3.3 Deliveries by Each Lender. At each Closing, each Lender purchasing Notes in such Closing shall deliver an amount equal to the principal value of the loan being made at the applicable Closing to the Company by (a) a cashier's check payable to the Company's order or (b) wire transfer of immediately available funds.

Section 3.4 Company's Closing Conditions. The obligations of the Company to issue the Notes to a Lender at each Closing is subject to the satisfaction at or before the Closing Date of the following conditions:

(a) All of the representations and warranties of such Lender contained in this Agreement shall be true and correct in all material respects, other than any representations or warranties qualified as to materiality, which shall be true and correct in all respects, in each case when made and on and as of the Closing Date (with the same effect as though such representations and warranties had been made on and as of the Closing Date), except for such representations and warranties which are made as of a specified date, which shall be true and correct in all respects or in all material respects, as applicable, as of such date.

(b) Such Lender shall have performed or complied with all covenants and conditions required by this Agreement to be performed or complied with by such Lender prior to or at the Closing.

(c) Such Lender shall have delivered to the Company the amount of the loan being made at the applicable Closing by (i) a cashier's check payable to the Company's order or (ii) wire transfer of immediately available funds.

Section 3.5 Lenders' Closing Conditions. Each Lender's obligation to purchase and pay for the Notes to be sold to such Lender at its respective Closing is subject to the satisfaction at or before the Closing Dates of the following conditions:

(a) All of the representations and warranties of the Company contained in this Agreement shall be true and correct in all material respects, other than any representations or warranties qualified as to materiality, which shall be true and correct in all respects, in each case when made and on and as of the Closing Date (with the same effect as though such representations and warranties had been made on and as of the Closing Date), except for such representations and warranties which are made as of a specified date, which shall be true and correct in all respects or in all material respects, as applicable, as of such date.

(b) The Company shall have performed or complied with all covenants and conditions required by this Agreement to be performed or complied with by the Company prior to or at the Closing.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to each Lender that:

Section 4.1 Corporate Existence. The Company is a corporation duly formed, validly existing and in good standing under the laws of the State of Nevada.

Section 4.2 Authorization. The Company has full corporate power and authority to execute and deliver this Agreement and the Notes and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by the Company of this Agreement and the Notes and the consummation by the Company of the transactions contemplated hereby and thereby have been duly authorized and no other corporate action is necessary to authorize the execution and delivery by the Company of this Agreement or the Notes or the consummation by it of the transactions contemplated hereby and thereby.

Section 4.3 Binding Agreement. This Agreement has been duly executed and delivered by the Company and, assuming due and valid authorization, execution and delivery hereof by the Lenders, this Agreement constitutes, and, upon execution and delivery thereof, each Note will constitute a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws of general application affecting enforcement of creditors' rights generally and (b) the availability of the remedy of specific performance or injunctive or other forms of equitable relief may be subject to equitable defenses and would be subject to the discretion of the court before which any proceeding therefor may be brought (the "Bankruptcy and Equity Exceptions").

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF THE LENDERS

Each Lender, severally and not jointly, and solely with respect to the Note(s) being acquired by such Lender, represents, warrants and acknowledges to, and covenants and agrees with, the Company as follows:

Section 5.1 Power and Qualification. Such Lender is an individual person or an entity and has all requisite power and authority to carry on its business as presently conducted and as proposed to be conducted.

Section 5.2 Authority. Such Lender has the right, power, authority and capacity to execute and deliver this Agreement, to consummate the transactions contemplated hereby and to perform its obligations under this Agreement. This Agreement and the other Transaction Documents constitute the legal, valid and binding obligations of such Lender, enforceable against such Lender in accordance with the terms hereof, except as may be limited by the Bankruptcy and Equity Exceptions. The execution and delivery of this Agreement and performance by Lender of the transactions contemplated herein have been duly authorized by all necessary action on the part of Lender.

Section 5.3 Accredited Investor or Non-U.S. Person. At the time such Lender was offered the Note(s), it was, and as of the date that it acquired any Note(s) it is, an "accredited investor" as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Securities Act (an "Accredited Investor") and/or is a non–"U.S. Person" (as defined in the Securities Act) who is purchasing the Notes pursuant to an offer and sale transaction consummated outside the United States. Lender has the authority and is duly and legally qualified to purchase and own the Notes. The information provided to the Company by such Lender as to the status of such Lender is true and complete in all respects.

Section 5.4 No Consent. No consent, approval, authorization or order of, or any filing or declaration with any governmental authority or any other person is required for the consummation by such Lender of any of the transactions on its part contemplated under this Agreement.

Section 5.5 No Conflict. None of the execution, delivery, or performance of this Agreement, and the consummation of the transactions contemplated hereby, conflicts or will conflict with, or (with or without notice or lapse of time, or both) result in a termination, breach or violation of (i) any instrument, (including constating documents and shareholder and director resolutions or the like applicable to such Lender), contract or agreement to which Lender is a party or by which it is bound; or (ii) any federal, state, provincial, local or foreign law, ordinance, judgment, decree, order, statute, or regulation, or that of any other governmental body or authority, applicable to Lender.

Section 5.6 Potential Loss of Investment. Lender is aware and acknowledges that (a) the Company has a limited operating history, and there is a high degree of risk that the Company will be unable to execute its business strategy successfully; (b) the Notes and the shares of Common Stock issuable on conversion of the Notes (collectively, the "Company Securities") involve a substantial degree of risk of loss of its entire investment and that there is no government or other insurance covering the Securities; (c) Lender, in purchasing the Notes, is relying solely upon the advice of such Lender's advisors (including as to legal, financial and tax matters) with respect to purchasing the Notes; and (d) because there are substantial restrictions on the transferability of the Company Securities it may not be possible for such Lender to liquidate its investment readily. Lender further acknowledges that it has been advised to consult its own legal advisors with respect to the execution, delivery and performance by it of this Agreement and the transactions contemplated by this Agreement, including trading in the Company Securities, and with respect to the hold periods imposed by applicable securities laws, and acknowledges that no representation has been made by the Company respecting the applicable hold periods imposed by applicable securities laws or other resale restrictions applicable to such securities which restrict the ability of such Lender to resell such securities, that such Lender is solely responsible to find out what these resale restrictions are, that such Lender is solely responsible (and the Company is not in any way responsible) for compliance with applicable resale restrictions.

Section 5.7 Receipt of Information. Lender has received all documents, records, books and other information pertaining to its investment that has been requested by such Lender. Lender was afforded (i) the opportunity to ask such questions as such Lender deemed necessary of, and to receive answers from, representatives of the Company concerning the merits and risks of acquiring the Notes; (ii) the right of access to information about the Company and its financial condition, results of operations, business, assets, properties, management and prospects sufficient to enable such Lender to evaluate the Notes; and (iii) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to acquiring the Notes.

Section 5.8 No Advertising. At no time was such Lender presented with or solicited by any leaflet, newspaper or magazine article, radio or television advertisement, or any other form of general advertising or solicited or invited to attend a promotional meeting otherwise than in connection and concurrently with such communicated offer. Such Lender is not purchasing the Notes as a result of any "general solicitation" or "general advertising," as such terms are defined in Regulation D under the Securities Act, which includes, but is not limited to, any advertisement, article, notice or other communication regarding the Notes published in any newspaper, magazine or similar media or on the internet or broadcast over television, radio or the internet or presented at any seminar or any other general solicitation or general advertisement.

Section 5.9 Investment Purposes. Such Lender is acquiring the Notes for its own account as principal, not as a nominee or agent, for investment purposes only, and not with a view to, or for, resale, distribution or fractionalization thereof in whole or in part and no other person has a direct or indirect beneficial interest in the Notes such Lender is acquiring herein. Further, such Lender does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person or to any third person, with respect to the Notes such Lender is acquiring.

Section 5.10 Restricted Securities; Transfer or Re-sale. Such Lender understands that (i) the sale or re-sale of the Company Securities has not been and is not being registered under the Securities Act or any applicable state securities laws, and the Company Securities may not be transferred unless (1) the Company Securities are sold pursuant to an effective registration statement under the Securities Act, (2) such Lender shall have delivered to the Company, at the cost of such Lender, an opinion of counsel that shall be in form, substance and scope customary for opinions of counsel in comparable transactions to the effect that the Company Securities to be sold or transferred may be sold or transferred pursuant to an exemption from such registration, which opinion shall be accepted by the Company, (3) the Company Securities are sold or transferred to an "affiliate" (as defined in Rule 144 promulgated under the Securities Act (or a successor rule) ("Rule 144")) of such Lender who agrees to sell or otherwise transfer the Company Securities only in accordance with this Section 5.10 and who is an Accredited Investor, (4) the Company Securities are sold pursuant to Rule 144, (5) the Company Securities are sold pursuant to Regulation S under the Securities Act (or a successor rule) ("Regulation S"), or (6) the Company Securities are sold pursuant to the exemption from registration afforded under Section 4(a)(1) or Section 4(a)(7) of the Securities Act, and such Lender shall have delivered to the Company, at the cost of such Lender, an opinion of counsel that shall be in form, substance and scope customary for opinions of counsel in corporate transactions, which opinion shall be accepted by the Company; (ii) any sale of such Company Securities made in reliance on Rule 144 may be made only in accordance with the terms of said Rule and further, if said Rule is not applicable, any re-sale of such Company Securities under circumstances in which the seller (or the person through whom the sale is made) may be deemed to be an underwriter (as that term is defined in the Securities Act) may require compliance with some other exemption under the Securities Act or the rules and regulations of the SEC thereunder; and (iii) neither the Company nor any other person is under any obligation to register such Company Securities under the Securities Act or any state securities laws or to comply with the terms and conditions of any exemption thereunder (in each case). Lender may not transfer the Note unless such Lender first physically surrenders the Note to the Company, whereupon the Company will forthwith issue and deliver upon the order of such Lender a new Note of like tenor, registered as the holder (upon payment by the holder of any applicable transfer taxes) may request. Any surrender of this Note to the Company in connection with a transfer as set forth herein shall be at the offices of the Company as set forth in Section 10.15 and, if so required by the Company, the Note shall be accompanied by written instrument or instruments of transfer, in form satisfactory to the Company, duly executed by Lender or by his, her or its attorney duly authorized in writing. Further, such Lender acknowledges that none of the Company Securities will be distributed under a prospectus filed under any applicable securities Laws on the basis that issuance thereof is exempt from such filing and as a result the Company Securities will be subject to statutory resale restrictions under applicable securities Laws, and such Lender covenants that it will not resell the Company Securities except in compliance with such Laws and such Lender acknowledges that it is solely responsible (and the Company is not in any way responsible) for such compliance.

Section 5.11 No Guarantees. It has never been represented, guaranteed or warranted to such Lender by the Company, or any of its officers, directors, employees, agents or representatives, or any other Person, expressly or by implication, that:

(a) any gain will be realized by such Lender from such Lender's investment in the Company Securities;

(b) there will be any approximate or exact length of time that such Lender will be required to remain as a holder of any of the Company Securities;

(c) the past performance or experience on the part of the Company, any of its Affiliates, its predecessors or any other Person, will in any way indicate any future results of the Company;

(d) any Person will resell or repurchase any of the Company Securities; or

(e) any Person will refund all or any part of the aggregate offer price for the Notes.

Section 5.12 No Public Market. Such Lender understands that no public market now exists for the Company Securities, and that the Company has made no assurances that a public market will ever exist for the Company Securities.

Section 5.13 Investment Experience. Such Lender, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Company Securities, and has so evaluated the merits and risks of such investment. Such Lender is able to bear the economic risk of an investment in the Notes and, at the present time, is able to afford a complete loss of such investment.

Section 5.14 No Governmental Review. Such Lender understands that no United States federal or state agency or any other Governmental Authority has passed on or made recommendations or endorsement of the Notes or the Company Securities or the suitability of the investment in the Notes or the Company Securities nor have such authorities passed upon or endorsed the merits of the transactions set forth herein.

Section 5.15 Legends. Any legend required by the securities laws of any state or province to the extent such laws are applicable to the Company Securities represented by the certificate or other evidence so legended shall be included on any certificates representing or other applicable evidence of the Company Securities. Such Lenders also understand that the Company Securities may bear the following or a substantially similar legends:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR REGISTERED OR QUALIFIED UNDER ANY STATE SECURITIES LAWS. SUCH SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, DELIVERED AFTER SALE, TRANSFERRED, PLEDGED, OR HYPOTHECATED UNLESS QUALIFIED AND REGISTERED UNDER APPLICABLE STATE AND FEDERAL SECURITIES LAWS OR UNLESS, IN THE OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY, SUCH QUALIFICATION AND REGISTRATION ARE NOT REQUIRED. ANY TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS FURTHER SUBJECT TO OTHER RESTRICTIONS, TERMS AND CONDITIONS WHICH ARE SET FORTH HEREIN.

Section 5.16 Investment Purpose. Such Lender understands and acknowledges that (a) the Company Securities have not been registered under the Securities Act or any state securities laws and is being offered and sold in reliance upon exemptions provided in the Securities Act and state securities laws for transactions not involving any public offering and, therefore, cannot be resold or transferred unless they are subsequently registered under the Securities Act and applicable state securities laws or unless an exemption from such registration is available; and (b) each Lender is purchasing the Note for investment purposes only for the account of such Lender.

Section 5.17 Access to Information. Such Lender has received, has read carefully and understands this Agreement, the form of Notes attached as Exhibit A and has consulted its own attorney, accountant and/or investment advisor with respect to the transactions contemplated hereby and thereby and its suitability for such Lender. The Company has made available to such Lenders, before the purchase of the Notes, the opportunity to ask questions of and receive answers from management of the Company concerning the terms and conditions of this Agreement and the Notes and to obtain any additional information necessary to verify information contained in the Agreement, the Notes or otherwise related to the financial data and business of the Company, to the extent that such parties possess such information or can acquire it without unreasonable effort or expense, and all such questions, if asked, have been answered satisfactorily and all such documents, if requested, have been found to be satisfactory.

Section 5.18 No Other Representations, Warranties, Covenants or Agreements of the Company. Except as set forth in this Agreement or the Note, the Company has not made any representation, warranty, covenant or agreement with respect to the matters contained herein and therein.

Section 5.19 Source of Funding; Identity. Such Lender acknowledges, understands, covenants and agrees that the source of payment for such Lender's purchase of Notes is from his, her, their or its own account and that the Company may require additional information regarding (a) the source(s) of the payment for the Notes, and (b) the identity of such Lender, in order to facilitate the Company's compliance with the U.S. Government's anti-money laundering policies and procedures as set out in the USA PATRIOT ACT and elsewhere. Such Lender acknowledges, understands, covenants and agrees that the Company may in the future be required to disclose such Lender's name and other information relating to this Agreement and such Lender's subscription hereunder, on a confidential basis, pursuant to such Laws.

Section 5.20 Personal Information. Such Lender acknowledges that this Agreement and the Exhibits attached hereto require such Lender to provide certain personal information to the Company. Such information is being collected by the Company for the purposes of completing the Offering, which includes, without limitation, determining such Lender's eligibility to purchase the Notes under applicable securities Laws and completing filings required by any applicable securities commission or other regulatory authority. Such Lender's personal information may be disclosed by the Company to: (a) securities commissions or stock exchanges, (b) taxing authorities, and (c) any of the other parties involved in the Offering, including legal counsel to the Company, and may be included in record books in connection with the Offering. By executing this Agreement, such Lender is deemed to be consenting to the foregoing collection, use and disclosure of such Lender's personal information. Such Lender also consents to the filing of copies or originals of any of such Lender's documents described herein as may be required to be filed with any securities commission or stock exchange.

Section 5.21 Reverse Split. Such Lender acknowledges that the Company has informed such Lender that the Company is currently contemplating a reverse split of the Common Stock, at a rate of no more than 1:20, which is expected to occur shortly after the closing of the Offering.

ARTICLE VI
COVENANTS AND ADDITIONAL AGREEMENTS

Section 6.1 Affirmative Covenants. Until the time that all of the Notes have been repaid in full or converted to Common Stock in accordance with their terms, the Company shall, unless agreed otherwise by the prior written approval of the Majority Lenders:

(a) Make all payments under the Notes as and when required;

(b) comply in all material respects with Laws applicable to the Company or its operations; and

(c) maintain and preserve its existence and its rights and privileges and not, by amendment of its Articles of Incorporation or Bylaws, or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of the Notes.

Section 6.2 Negative Covenants. Until the time that all of the Notes have been repaid in full or converted to Common Stock in accordance with their terms, the Company shall not, without the prior written approval of the Majority Lenders:

(a) Pay, declare or set apart for such payment, any dividend or other distribution on shares of capital stock other than dividends on shares of Common Stock solely in the form of additional shares of Common Stock, other than any such payments, dividends or distributions as required pursuant to the terms of the preferred stock of the Company in place as of the Effective Date;

(b) make any other payment or distribution in respect of its capital stock except for distributions pursuant to any shareholders' rights plan which is approved by a majority of the Company's disinterested directors, other than any such payments, dividends or distributions as required pursuant to the terms of the preferred stock of the Company in place as of the Effective Date;

(c) repurchase or otherwise acquire any shares of capital stock of the Company or any warrants, rights or options to purchase or acquire any such shares, other than as may be required pursuant to the terms of the preferred stock of the Company in place as of the Effective Date; or

(d) sell, lease or otherwise dispose of any significant portion of its assets outside the ordinary course of business.

Section 6.3 Withholding. The Parties agree that, with respect to any Non-U.S. Lender (as defined below), the Company shall be entitled to deduct and withhold from any payments made to such Non-U.S. Lender such amounts as required by applicable Laws at the time of such payment, which amounts are currently 30% (or at a lower rate if provided by an applicable tax treaty and the Non-U.S. Lender provides the documentation (generally, IRS Form W-8BEN or W-8BEN-E) required to claim benefits under such tax treaty to the Company). "Non-U.S. Lender" means any Lender who is not a (i) an individual who is a citizen or resident of the United States, (ii) a corporation created or organized under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate, the income of which is subject to U.S. federal income tax regardless of its source, or (iv) a trust (x) with respect to which a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all of its substantial decisions or (y) that has in effect a valid election under applicable U.S. Treasury Regulations to be treated as a U.S. person.

Section 6.4 Participation. In the event that the Company declares or makes any dividend or other distribution of its assets to holders of shares of Common Stock, by way of return of capital or otherwise while the Notes are outstanding, a Lender holding any Note at such time shall be entitled to participate in such distribution to the same extent that the Lender would have participated therein if the Lender had held the number of shares of Common Stock acquirable upon complete conversion of such Lender's Note(s).

ARTICLE VII
PIGGYBACK REGISTRATION RIGHTS

Section 7.1 Definitions. The shares of the Company's Common Stock issued upon conversion of the Notes will be deemed "Registrable Securities" subject to the provisions of this Article VII.

Section 7.2 Piggy-Back Registration Rights. If at any time on or after the date which a Lender has converted any of its Notes into Registrable Securities, and provided that such Lender continues to hold such Registrable Securities at such time, the Company proposes to file any registration statement under the Securities Act (a "Registration Statement") with respect to any offering of equity securities, or securities or other obligations exercisable or exchangeable for, or convertible into, equity securities, by the Company for its own account or for shareholders of the Company for their account (or by the Company and by shareholders of the Company), other than a Registration Statement (i) filed in connection with any employee stock option or other benefit plan, (ii) for a dividend reinvestment plan or (iii) in connection with a merger or acquisition, then the Company shall (x) give written notice of such proposed filing to the applicable Lender as soon as practicable but in no event less than ten (10) days before the anticipated filing date of the Registration Statement, which notice shall describe the amount and type of securities to be included in such Registration Statement, the intended method(s) of distribution, and the name of the proposed managing underwriter or underwriters, if any, of the offering, and (y) offer to applicable Lender in such notice the opportunity to register the sale of such number of Registrable Securities as such applicable Lender may request in writing within five (5) days following receipt of such notice (a "Piggy-Back Registration"). The Company shall cause such Registrable Securities to be included in such registration and shall cause the managing underwriter or underwriters of a proposed underwritten offering to permit the Registrable Securities requested to be included in a Piggy-Back Registration on the same terms and conditions as any similar securities of the Company and to permit the sale or other disposition of such Registrable Securities in accordance with the intended method(s) of distribution thereof. If such applicable Lender proposes to distribute its Registrable Securities through a Piggy-Back Registration that involves an underwriter or underwriters, then it shall enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such Piggy-Back Registration.

Section 7.3 Limitations. If a Piggyback Registration is initiated as a primary underwritten offering on behalf of the Company and the managing underwriter advises the Company and the holders of Registrable Securities (if any holders of Registrable Securities have elected to include Registrable Securities in such Piggyback Registration) in writing that in its reasonable and good faith opinion the number of shares of Common Stock proposed to be included in such registration, including all Registrable Securities and all other shares of Common Stock proposed to be included in such underwritten offering, exceeds the number of shares of Common Stock which can be sold in such offering and/or that the number of shares of Common Stock proposed to be included in any such registration or takedown would adversely affect the price per share of the Common Stock to be sold in such offering, the Company shall include in such registration (i) first, the shares of Common Stock that the Company proposes to sell; (ii) second, the shares of Common Stock requested to be included therein by the applicable Lender; and (iii) third, the shares of Common Stock requested to be included therein by holders of Common Stock other than holders of Registrable Securities, allocated among such holders in such manner as they may agree.

Section 7.4 Withdrawal. A Lender may elect to withdraw such applicable Lender's request for inclusion of Registrable Securities in any Piggy-Back Registration by giving written notice to the Company of such request to withdraw prior to the effectiveness of the Registration Statement. The Company (whether on its own determination or as the result of a withdrawal by persons making a demand pursuant to written contractual obligations) may withdraw a Registration Statement at any time prior to the effectiveness of such Registration Statement. Notwithstanding any such withdrawal, the Company shall pay all expenses incurred by each applicable Lender of Registrable Securities in connection with such Piggy-Back Registration as provided in Section 7.7.

Section 7.5 Notification. The Company shall notify each holder of Registrable Securities at any time when a prospectus relating to such applicable Lender's Registrable Securities is required to be delivered under the Securities Act, upon discovery that, or upon the happening of any event as a result of which, the prospectus included in such Registration Statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing. At the request of the applicable Lender, the Company shall also prepare, file and furnish to the applicable Lender a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the applicable Lender, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing. Each applicable Lender shall not offer or sell any Registrable Securities covered by the Registration Statement after receipt of such notification until the receipt of such supplement or amendment.

Section 7.6 Information. The Company may request that each applicable Lender furnish the Company such information with respect to such applicable Lender and such applicable Lender's proposed distribution of the Registrable Securities pursuant to the Registration Statement as the Company may from time to time reasonably request in writing or as shall be required by law or by the Securities and Exchange Commission (the "SEC") in connection therewith, and such applicable Lender shall furnish the Company with such information.

Section 7.7 Fees and Expenses. All fees and expenses incident to the performance of or compliance with this Article VII by the Company shall be borne by the Company whether or not any Registrable Securities are sold pursuant to a Registration Statement. The fees and expenses referred to in the foregoing sentence shall include, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses of the Company's counsel and independent registered public accountants) (A) with respect to filings made with the SEC, (B) with respect to filings required to be made with any trading market on which the common stock is then listed for trading, (C) in compliance with applicable state securities or Blue Sky laws reasonably agreed to by the Company in writing (including, without limitation, fees and disbursements of counsel for the Company in connection with Blue Sky qualifications or exemptions of the Registrable Securities) and (D) with respect to any filing that may be required to be made by any broker through which the applicable Lender of Registrable Securities intends to make sales of Registrable Securities with the Financial Industry Regulatory Authority, (ii) printing expenses, (iii) messenger, telephone and delivery expenses, (iv) fees and disbursements of counsel for the Company, (v) Securities Act liability insurance, if the Company so desires such insurance, and (vi) fees and expenses of all other persons or entities retained by the Company in connection with the consummation of the transactions contemplated by this Article VII. In addition, the Company shall be responsible for all of its internal expenses incurred in connection with the consummation of the transactions contemplated by this Article VII (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit and the fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange as required hereunder. In no event shall the Company be responsible for any broker or similar commissions of applicable Lender.

Section 7.8 Indemnification.

(a) Indemnification by the Company. The Company and its successors and assigns shall indemnify and hold harmless each applicable Lender, the officers, directors, members, partners, agents and employees (and any other individuals or entities with a functionally equivalent role of a person holding such titles, notwithstanding a lack of such title or any other title) of applicable Lender, each individual or entity who controls applicable Lender (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and the officers, directors, members, partners, agents and employees (and any other individuals or entities with a functionally equivalent role of a person holding such titles, notwithstanding a lack of such title or any other title) of each such controlling individual or entity (each, a "Lender Party"), to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, reasonable attorneys' fees) liabilities, obligations, contingencies, damages, and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees, costs of investigation (collectively, "Losses"), as incurred, arising out of or relating to (1) any untrue or alleged untrue statement of a material fact contained in a Registration Statement, any related prospectus or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any such prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading or (2) any violation or alleged violation by the Company of the Securities Act, the Exchange Act or any state securities law, or any rule or regulation thereunder, in connection with the performance of its obligations under this Article VII, except to the extent, but only to the extent, that (i) such untrue statements or omissions are based upon information regarding an applicable Lender furnished to the Company by such party for use therein. The Company shall notify each applicable Lender promptly of the institution, threat or assertion of any proceeding arising from or in connection with the transactions contemplated by this Article VII of which the Company is aware.

(b) Indemnification by Lender. Each applicable Lender and its successors and assigns shall indemnify and hold harmless the Company, the officers, directors, members, partners, agents and employees (and any other individuals or entities with a functionally equivalent role of a person holding such titles, notwithstanding a lack of such title or any other title) of the Company, each individual or entity who controls the company (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, members, partners, agents and employees (and any other individuals or entities with a functionally equivalent role of a person holding such titles, notwithstanding a lack of such title or any other title) of each such controlling individual or entity (each, a "Company Party", with a Lender Party and Company Party each being referred to as an "Indemnified Party"), to the fullest extent permitted by applicable law, from and against any and all Losses, as incurred, arising out of or relating to (1) any untrue or alleged untrue statement of a material fact contained in a Registration Statement, any related prospectus or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any such prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading or (2) any violation or alleged violation by the Company of the Securities Act, the Exchange Act or any state securities law, or any rule or regulation thereunder, in connection with the performance of its obligations under this Article VII, but only to the extent that such untrue statements or omissions are based upon information regarding such applicable Lender furnished to the Company by such party for use therein. Each applicable Lender shall notify the Company promptly of the institution, threat or assertion of any proceeding arising from or in connection with the transactions contemplated by this Article VII of which such applicable Lender is aware.

(c) Contribution. If the indemnification under Section 7.8(a) or Section 7.8(b), as applicable, is unavailable to an Indemnified Party or insufficient to hold an Indemnified Party harmless for any Losses, then the party responsible for indemnifying the Indemnified Party (the "Indemnifying Party") shall contribute to the amount paid or payable by such Indemnified Party, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, the Indemnifying Party or the Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission. The amount paid or payable by a party as a result of any Losses shall be deemed to include any reasonable attorneys' or other fees or expenses incurred by such party in connection with any proceeding to the extent such party would have been indemnified for such fees or expenses if the indemnification provided for in Section 3(a) was available to such party in accordance with its terms. It is agreed that it would not be just and equitable if contribution pursuant to this Section 7.8(c) were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding sentence.

(d) Indemnification Generally. The provisions of this Section 7.8 shall be read, and shall be operative, together with the provisions of Section 10.4. For the avoidance of doubt, this Section 7.8 shall only apply to a Lender who elects to participate in a Piggyback Registration pursuant to this Article VII.

ARTICLE VIII
PRE-EMPTIVE RIGHTS

Section 8.1 Rights. Subject to the terms and conditions of this Article VIII and applicable securities laws, for so long as a Lender continues to hold any of (i) the applicable Note, or (ii) any shares of Common Stock issued to such Lender upon conversion of the Note, if the Company proposes to offer or sell any New Securities (as defined below) between the Effective Date and the one year anniversary of the Effective Date (the "Rights Term"), the Company shall first offer such New Securities to the Lenders pursuant to the terms and conditions of this Article VIII. Each Lender shall thereafter have the right to acquire its Pro Rata Portion (as defined below) of the New Securities in accordance with the terms and conditions of this Article VIII.

Section 8.2 Definitions. For purposes of this Article VIII:

(a) "New Securities" means, collectively, equity securities or debt securities of the Company, whether or not currently authorized, as well as rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity securities.

(b) "Pro Rata Portion" means, with respect to each Lender, a fraction (A) the numerator of which is equal to the initial aggregate principal amount of the Note(s) acquired by such Lender (B) the denominator of which is equal to the initial aggregate principal amount of the Note(s) acquired by all Lenders.

Section 8.3 Notice.

(a) The Company shall give notice (the "Offer Notice") to the Lenders, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

(b) By notification to the Company within ten (10) days after the Offer Notice is given, each Lender may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals such Lender's Pro Rata Portion. Once a Lender elects to purchase its Pro Rata Portion of the New Securities via notice to the Company, such Lender shall thereafter be obligated to purchase such Pro Rata Portion of the New Securities and may not withdraw its election without the prior written consent of the Company in its sole discretion. The closing of any sale pursuant to this Section 8.3(b) shall occur within ninety (90) days of the date that the Offer Notice is given.

(c) If none of the New Securities referred to in the Offer Notice are elected to be purchased or acquired as provided in Section 8.3(b), the Company may, during the ninety (90) day period following the expiration of the 10 day period commencing on the delivery of the Offer Notice, offer and sell the New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If a portion of the New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 8.3(b), the Company may, during the ninety (90) day period following the expiration of the 10 day period commencing on the delivery of the Offer Notice, offer and sell such unsubscribed portion of the New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice (with, for the avoidance of doubt, the subscribed portion of the New Securities being sold to the Lender(s) who elected to acquire their Pro Rata Portion of the New Securities as set forth in Section 8.3(b)). If the Company does not enter into an agreement for the sale of the New Securities within such period(s), or if such agreement is not consummated within thirty (30) days of the execution thereof, the rights provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Lenders in accordance with this Article VIII.

Section 8.4 Exclusion. Notwithstanding the foregoing or anything herein to the contrary, the rights of the Lenders set forth in this Article VIII shall not be applicable to any New Securities issued:

(a) for compensatory or incentive purposes to officers, employees or directors of, or consultants to, the Company or any of its Affiliates including, without limitation, the grant of stock options, deferred share units, restricted share units or restricted shares, duly adopted for such purposes by a majority of the non-employee members of the board of directors of the Company or a majority of the members of the committee of nonemployee members of the board of directors established for such purpose;

(b) pursuant to a rights offering by the Company or pursuant to a stockholder rights plan of the Company that is carried out on a pro rata basis among all holders of the applicable class of securities of the Company;

(c) upon the exercise, conversion or exchange of any securities exercisable, convertible or exchangeable for or into shares of Common Stock (including, without limitation, the Notes);

(d) any exchange of shares of preferred stock of the Company which are issued and outstanding as of the Effective Date for any other equity securities or debt securities of the Company (including, without limitation, any promissory notes);

(e) pursuant to any over-allotment option granted to the underwriters in a securities offering;

(f) as a result of the consolidation or subdivision of any securities of the Company, or as a special distribution or stock dividend or similar transaction that is carried out on a pro rata basis among all holders of the applicable class of securities of the Company; or

(g) in connection with or pursuant to any merger, business combination, joint venture, exchange offer, take-over bid, arrangement, amalgamation, asset purchase transaction or acquisition of assets or shares of a third party where such transaction is approved by a majority of the disinterested directors of the Company.

Section 8.5 Requirements. Each Lender, as a condition precedent to the exercise of such Lender's right pursuant to this Article VIII, shall execute such documents and complete such actions as reasonably required by the Company in connection therewith.

Section 8.6 Termination. The rights of the Lenders pursuant to this Article VIII shall terminate and be of no further force or effect upon the expiration of the Rights Term or upon any liquidation, dissolution or winding up of the Company, either voluntarily or involuntarily, a merger or consolidation of the Company where the Company is not a surviving entity, or a sale of all or substantially all of the assets of the Company.

ARTICLE IX
EVENTS OF DEFAULT

Section 9.1 Event of Default. The Majority Lenders may elect to declare an "Event of Default" if any of the following conditions or events shall occur and be continuing:

(a) the Company fails to pay the then-outstanding principal amount and accrued interest on the Notes on any date any such amounts become due and payable, and any such failure is not cured within ten Business Days of written notice thereof by any Lender;

(b) the Company fails to comply in any material respect with any other covenant or agreement hereunder and any such failure is not cured within five Business Days of written notice thereof by any Lender;

(c) the Company shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator; (ii) make a general assignment for the benefit of the Company's creditors; or (iii) commence a voluntary case under the U.S. Bankruptcy Code as now and hereafter in effect, or any successor statute; or

(d) a proceeding or case shall be commenced, without the application or consent of the Company, in any court of competent jurisdiction, seeking (i) liquidation, reorganization or other relief with respect to it or its assets or the composition or readjustment of its debts, or (ii) the appointment of a trustee, receiver, custodian, liquidator or the like of any substantial part of its assets, and, in each case, such proceedings or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of 60 days, if in the United States, or 90 days, if outside of the United States; or an order for relief against the Company shall be entered in an involuntary case under any bankruptcy, insolvency, composition, readjustment of debt, liquidation of assets or similar law of any jurisdiction.

Section 9.2 Consequences of Events of Default. If an Event of Default has occurred and is continuing (i) the Majority Lenders may, by notice to the Company, declare all or any portion of the then outstanding principal amount of the Notes, together with all accrued and unpaid interest thereon, and the Notes shall thereupon become, immediately due and payable in cash and (ii) each of the Lenders shall have the right to pursue any other remedies that the Lenders may have under applicable Law.

ARTICLE X
MISCELLANEOUS

Section 10.1 Arbitration.

(a) The Parties shall promptly submit any dispute, claim, or controversy arising out of or relating to this Agreement (including with respect to the meaning, effect, validity, termination, interpretation, performance, or enforcement of this Agreement) or any alleged breach thereof (including any action in tort, contract, equity, or otherwise), to binding arbitration before one arbitrator (the "Arbitrator"). Binding arbitration shall be the sole means of resolving any dispute, claim, or controversy arising out of or relating to this Agreement (including with respect to the meaning, effect, validity, termination, interpretation, performance or enforcement of this Agreement) or any alleged breach thereof (including any claim in tort, contract, equity, or otherwise).

(b) If the Company and the Majority Lenders cannot agree upon the Arbitrator within ten (10) Business Days of the commencement of the efforts to so agree on an Arbitrator, the Company and the Majority Lenders shall select one arbitrator and the two arbitrators so selected shall select the Arbitrator.

(c) The laws of the State of Nevada shall apply to any arbitration hereunder. In any arbitration hereunder, this Agreement and any agreement contemplated hereby shall be governed by the laws of the State of Nevada applicable to a contract negotiated, signed, and wholly to be performed in the State of Nevada, which laws the Arbitrator shall apply in rendering his decision. The Arbitrator shall issue a written decision, setting forth findings of fact and conclusions of law, within sixty (60) days after he shall have been selected. The Arbitrator shall have no authority to award punitive or other exemplary damages.

(d) The arbitration shall be held in West Palm Beach, Florida in accordance with and under the then-current provisions of the rules of the American Arbitration Association, except as otherwise provided herein.

(e) On application to the Arbitrator, any Party shall have rights to discovery to the same extent as would be provided under the Federal Rules of Civil Procedure, and the Federal Rules of Evidence shall apply to any arbitration under this Agreement; provided, however, that the Arbitrator shall limit any discovery or evidence such that his decision shall be rendered within the period referred to in Section 10.1(c).

(f) The Arbitrator may, at his discretion and at the expense of the Party who will bear the cost of the arbitration, employ experts to assist him in his determinations.

(g) The costs of the arbitration proceeding and any proceeding in court to confirm any arbitration award or to obtain relief, as applicable (including actual attorneys' fees and costs), shall be borne by the unsuccessful Party and shall be awarded as part of the Arbitrator's decision, unless the Arbitrator shall otherwise allocate such costs in such decision. The determination of the Arbitrator shall be final and binding upon the Parties and not subject to appeal.

(h) Any judgment upon any award rendered by the Arbitrator may be entered in and enforced by any court of competent jurisdiction. The Parties expressly consent to the non-exclusive jurisdiction of the courts (Federal and state) in Palm Beach County, Florida to enforce any award of the Arbitrator or to render any provisional, temporary, or injunctive relief in connection with or in aid of the Arbitration. The Parties expressly consent to the personal and subject matter jurisdiction of the Arbitrator to arbitrate any and all matters to be submitted to arbitration hereunder. None of the Parties hereto shall challenge any arbitration hereunder on the grounds that any party necessary to such arbitration (including the Parties) shall have been absent from such arbitration for any reason, including that such Party shall have been the subject of any bankruptcy, reorganization, or insolvency proceeding.

Section 10.2 Governing Law; Consent to Jurisdiction. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Nevada, without application of the conflicts of laws provisions thereof. Each Party agrees that all legal proceedings concerning the interpretation, enforcement and defense of the transactions contemplated by this Agreement (whether brought against a Party hereto or its respective Affiliates, directors, officers, shareholders, employees or agents) shall be commenced in the state and federal courts sitting in Palm Beach County, Florida (the "Selected Courts"). Each Party hereto hereby irrevocably submits to the exclusive jurisdiction of the Selected Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of such Selected Courts, or such Selected Courts are improper or inconvenient venue for such proceeding. Each Party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such Party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof.

Section 10.3 Waiver of Jury Trial; Exemplary Damages.

(a) EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREIN (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS Section 10.3(a).

(b) Each of the Parties acknowledge that each has been represented in connection with the signing of the waiver set forth in Section 10.3(a) by independent legal counsel selected by the respective Party and that such Party has discussed the legal consequences and import of such waiver with legal counsel. Each of the Parties further acknowledge that each has read and understands the meaning of such waiver and grants such waiver knowingly, voluntarily, without duress and only after consideration of the consequences of this waiver with legal counsel.

(c) IN NO EVENT WILL ANY PARTY BE LIABLE TO ANY OTHER PARTY UNDER OR IN CONNECTION WITH THIS AGREEMENT OR IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED HEREIN FOR SPECIAL, GENERAL, INDIRECT, CONSEQUENTIAL, OR PUNITIVE OR EXEMPLARY DAMAGES, INCLUDING DAMAGES FOR LOST PROFITS OR LOST OPPORTUNITY, EVEN IF THE PARTY SOUGHT TO BE HELD LIABLE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

Section 10.4 Indemnification.

(a) By the Company. The Company will indemnify and hold each Lender Party harmless from any and all Losses that any such Lender Party may suffer or incur as a result of any breach of any of the representations, warranties, covenants or agreements made by the Company in this Agreement. If any action shall be brought against any Lender Party in respect of which indemnity may be sought pursuant to this Agreement, such Lender Party shall promptly notify the Company in writing, and the Company shall have the right to assume the defense thereof with counsel of its own choosing reasonably acceptable to the Lender Party. Any Lender Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Lender Party except to the extent that (i) the employment thereof has been specifically authorized by the Company in writing, (ii) the Company has failed after a reasonable period of time to assume such defense and to employ counsel or (iii) in such action there is, in the reasonable opinion of counsel, a material conflict on any material issue between the position of the Company and the position of such Lender Party, in which case the Company shall be responsible for the reasonable fees and expenses of no more than one such separate counsel. The Company shall not settle or compromise any claim for which a Lender Party seeks indemnification hereunder without the prior written consent of such Lender Party and such consent not to be unreasonably withheld, conditioned or delayed, unless such settlement involves a full and complete release of the applicable Lender Party. The indemnification required by this Section 10.4(a) shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or are incurred, provided, however, that the recipient thereof shall execute a customary undertaking to repay any such amounts in the event that such recipient is ultimately determined not to be entitled to indemnification hereunder.

(b) By Each Lender. Each Lender, severally and not jointly, agrees to indemnify and hold each Company Party harmless from any and all Losses that any such Company Party may suffer or incur as a result of any breach of any of the representations, warranties, covenants or agreements made by such Lender in this Agreement. If any action shall be brought against any Company Party in respect of which indemnity may be sought pursuant to this Agreement, such Company Party shall promptly notify the applicable Lender in writing, and such Lender shall have the right to assume the defense thereof with counsel of its own choosing reasonably acceptable to the Company Party. Any Company Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Company Party except to the extent that (i) the employment thereof has been specifically authorized by the applicable Lender in writing, (ii) the applicable Lender has failed after a reasonable period of time to assume such defense and to employ counsel or (iii) in such action there is, in the reasonable opinion of counsel, a material conflict on any material issue between the position of the Company Party and the position of such applicable Lender, in which case the applicable Lender shall be responsible for the reasonable fees and expenses of no more than one such separate counsel. The Lender shall not settle or compromise any claim for which a Company Party seeks indemnification hereunder without the prior written consent of such Company Party and such consent not to be unreasonably withheld, conditioned or delayed, unless such settlement involves a full and complete release of the applicable Company Party. The indemnification required by this Section 10.4(b) shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or are incurred, provided, however, that the recipient thereof shall execute a customary undertaking to repay any such amounts in the event that such recipient is ultimately determined not to be entitled to indemnification hereunder.

Section 10.5 Specific Performance. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed by them in accordance with the terms hereof or were otherwise breached and that each Party hereto shall be entitled to an injunction or injunctions, specific performance and other equitable relief to prevent breaches of the provisions hereof and to enforce specifically the terms and provisions hereof, without the proof of actual damages, in addition to any other remedy to which they are entitled at law or in equity. Each Party agrees to waive any requirement for the security or posting of any bond in connection with any such equitable remedy, and agrees that it will not oppose the granting of an injunction, specific performance or other equitable relief on the basis that (a) the other Party has an adequate remedy at law, or (b) an award of specific performance is not an appropriate remedy for any reason at law or equity.

Section 10.6 Attorneys' Fees. In the event that any Party institutes any action or suit to enforce this Agreement or to secure relief from any default hereunder or breach hereof, the prevailing Party shall be reimbursed by the losing Party for all costs, including reasonable attorney's fees, incurred in connection therewith and in enforcing or collecting any judgment rendered therein.

Section 10.7 Brokers. The Parties agree that there were no finders or brokers involved in bringing the Parties together or who were instrumental in the negotiation, execution or consummation of this Agreement. Each Party agrees to indemnify each other Party against any claim by any Person for any commission, brokerage, or finder's fee arising from the transactions contemplated hereby based on any alleged agreement or understanding between the indemnifying Party and such Person, whether express or implied from the actions of the indemnifying Party.

Section 10.8 Severability. Any term or provision of this Agreement or the Notes that is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or thereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction or other authority declares that any term or provision hereof or thereof is invalid, void or unenforceable, each of the Company and the Lenders agrees that the court making such determination shall have the power to reduce the scope, duration, area or applicability of the term or provision; to delete specific words or phrases; or to replace any invalid, void or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid, void or unenforceable term or provision.

Section 10.9 Entire Agreement. This Agreement and the Notes constitute the entire agreement between the Parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings and negotiations, whether written or oral, of the Parties.

Section 10.10 Arm's Length Bargaining; No Presumption Against Drafter. This Agreement has been negotiated at arm's-length by parties of equal bargaining strength, each represented by counsel or having had but declined the opportunity to be represented by counsel and having participated in the drafting of this Agreement. This Agreement creates no fiduciary or other special relationship between the Parties, and no such relationship otherwise exists. No presumption in favor of or against any Party in the construction or interpretation of this Agreement or any provision hereof shall be made based upon which Person might have drafted this Agreement or such provision.

Section 10.11 Further Assurances. From time to time, whether at or following a Closing, each Party shall make reasonable commercial efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary, proper or advisable, including as required by applicable laws, to consummate and make effective as promptly as practicable the transactions contemplated by this Agreement. Each Party's representations and warranties hereunder shall survive the Closings.

Section 10.12 Amendment; Waiver. Other than as set forth in Section 2.2, this Agreement may be amended, and the observance of any term hereof may be waived (either retroactively or prospectively), only upon the written consent of the Company and the Majority Lenders. Any Note may be amended, and the observance of any term thereof may be waived (either retroactively or prospectively), only upon the written consent of the Company and Lender holding such applicable Note. Notwithstanding any other terms of this Agreement, this Agreement and the number and identity of the Lenders may be amended after the initial Closing to add Lenders participating in subsequent Closings without the consent of any Party hereto other than the Company.

Section 10.13 Transferability. Neither this Agreement nor the Notes may be assigned or transferred, directly or indirectly, by any Lender to any Person without the prior written consent of the Company. Any purported transfer of this Agreement or the Notes in violation of this Section 10.13 shall be null and void.

Section 10.14 Transaction Expenses. Other than as specifically set forth herein, each Party shall pay its own costs and expenses (including attorneys' fees) in connection with the preparation and closing of the transactions contemplated by this Agreement and the Notes.

Section 10.15 Notices.

(a) Any notice or other communications required or permitted hereunder shall be in writing and shall be sufficiently given if personally delivered to it or sent by email, overnight courier or registered mail or certified mail, postage prepaid, addressed as follows:

If to the Company, to:

Orbital Tracking Corp.
Attn: David Phipps
18851 NE 29th Avenue, Suite 700
Aventura, FL 33180
Email: tcarlise@orbitaltracking.com / dphipps@orbitaltracking.com

With a copy to (which shall not constitute notice):

Anthony L.G., PLLC
Attn: John Cacomanolis
625 N. Flagler Drive, Suite 600
West Palm Beach, FL 33401
Email: JCacomanolis@anthonypllc.com

If to a Lender, to its mailing address and email address set forth on their signature page as attached hereto.

(b) Any Party may change its address for notices hereunder upon notice to each other Party in the manner for giving notices hereunder.

(c) Any notice hereunder shall be deemed to have been given (i) upon receipt, if personally delivered, (ii) on the day after dispatch, if sent by overnight courier, (iii) upon dispatch, if transmitted by email with return receipt requested and received and (iv) three (3) days after mailing, if sent by registered or certified mail.

Section 10.16 Descriptive Headings. The descriptive headings herein are inserted for convenience of reference only and shall in no way be construed to define, limit, describe, explain, modify, amplify, or add to the interpretation, construction or meaning of any provision of, or scope or intent of, this Agreement nor in any way affect this Agreement.

Section 10.17 Confidentiality. Each Party agrees that, unless and until the transactions contemplated by this Agreement have been consummated, it and its Representatives will hold in strict confidence all data and information obtained with respect to another Party or any subsidiary thereof from any Representative, officer, director or employee, or from any books or records or from personal inspection, of such other Party, and shall not use such data or information or disclose the same to others, except (i) to the extent such data or information is published, is a matter of public knowledge, or is required by Law to be published; (ii) to the extent that such data or information must be used or disclosed in order to consummate the transactions contemplated by this Agreement or (iii) to the extent that such use or disclosure is otherwise permitted by this Agreement. In the event of the termination of this Agreement, each Party shall return to the applicable other Party all documents and other materials obtained by it or on its behalf and shall destroy all copies, digests, work papers, abstracts or other materials relating thereto, and each Party will continue to comply with the confidentiality provisions set forth herein.

Section 10.18 Public Announcements and Filings. Unless required by applicable Law or regulatory authority, none of the Parties will issue any report, statement or press release to the general public, to the trade, to the general trade or trade press, or to any third party (other than its advisors and Representatives in connection with the transactions contemplated hereby) or file any document, relating to this Agreement and the Offering, except as may be mutually agreed by the Parties. Copies of any such filings, public announcements or disclosures, including any announcements or disclosures mandated by Law or regulatory authorities, shall be delivered to each Party at least one (1) business day prior to the release thereof, provided, however, that the Company shall not be required to deliver any post-closing filing related to the transactions contemplated herein that will be filed with the SEC pursuant to the requirements of the Exchange Act.

Section 10.19 Third Party Beneficiaries. This contract is strictly between the Parties and, except as specifically provided, no other Person and no director, officer, stockholder, employee, agent, independent contractor or any other Person shall be deemed to be a third-party beneficiary of this Agreement.

Section 10.20 Successors and Assigns. All covenants and other agreements contained in this Agreement by or on behalf of any of the Parties bind and inure to the benefit of their respective successors and assigns (including, without limitation, any subsequent holder of a Note) whether so expressed or not, but only to the extent that Section 10.13 hereof has been complied with.

Section 10.21 Confidentiality. Except as required by law, each Lender agrees that it shall keep confidential and shall not disclose or divulge any confidential, proprietary or secret information that such Lender may obtain from the Company pursuant to its operating agreement, financial statements, reports and other materials submitted by the Company to such Lender pursuant to this Agreement or otherwise, or pursuant to visitation or inspection rights granted under this Agreement, unless such information is known, or until such information becomes known, to the public; provided that a Lender may disclose such information (a) to its attorneys, accountants, consultants and other professionals to the extent necessary to obtain their services in connection with its investment in the Company, or (b) to any affiliate of such Lender or to a partner, member or stockholder of such Lender.

Section 10.22 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall be but a single instrument. The execution and delivery of a facsimile or other electronic transmission of a signature to this Agreement shall constitute delivery of an executed original and shall be binding upon the person whose signature appears on the transmitted copy.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, the undersigned has caused this Agreement to be duly signed as of the Effective Date.

Orbital Tracking Corp.

By: _____
Name: David Phipps
Title: Chief Executive Officer

IN WITNESS WHEREOF, the undersigned has caused this Agreement to be duly signed as of the Effective Date.

Lender Name: _____

By: _____
Name: _____
Title: _____

Initial Principal Amount of Note to be acquired: $_____

Address for Notices:

_____
_____
_____
_____
_____

Counterpart Signature Page For Lenders Joining this Agreement After the Effective Date:

The Lender as identified below hereby joins this Agreement effective as of the date set forth below, and agrees to become a party to this Agreement and be bound by all of the terms and conditions herein effective as of such date.

Lender Name:_____

By: _____
Name: _____
Title: _____

Initial Principal Amount of Note to be acquired: $_____

Address for Notices:

By: _____
Name: _____
Title: _____
Date: _____

Agreed and accepted:

Orbital Tracking Corp.

By: _____
Name: David Phipps
Title: Chief Executive Officer
Date: _____, 2019

Exhibit A

Form of Note

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR REGISTERED OR QUALIFIED UNDER ANY STATE SECURITIES LAWS. SUCH SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, DELIVERED AFTER SALE, TRANSFERRED, PLEDGED, OR HYPOTHECATED UNLESS QUALIFIED AND REGISTERED UNDER APPLICABLE STATE AND FEDERAL SECURITIES LAWS OR UNLESS, IN THE OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY, SUCH QUALIFICATION AND REGISTRATION ARE NOT REQUIRED. ANY TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS FURTHER SUBJECT TO OTHER RESTRICTIONS, TERMS AND CONDITIONS WHICH ARE SET FORTH HEREIN.

Principal Amount: $_____ **Issue Date: _____, 2019**

Orbital Tracking Corp.

6% CONVERTIBLE PROMISSORY NOTE

FOR VALUE RECEIVED, pursuant to the terms and conditions of this Convertible Promissory Note (this "Note"), Orbital Tracking Corp., a Nevada corporation (the "Company"), hereby promises to pay to the order of _____, or registered assigns (the "Holder"), on the third anniversary of the Issue Date as set forth above or earlier as required pursuant to the Agreement, as defined below (as applicable, the "Maturity Date"), $_____ (the "Principal Amount"), and to pay interest on the outstanding Principal Amount at the rate of six percent (6%) per annum, simple interest, in each case to the extent that this Note and the Principal Amount and any accrued interest hereunder (the "Indebtedness") has not been converted into Shares (as defined below) prior to the Maturity Date. Interest shall commence accruing on the date hereof (the "Issue Date"), computed on the basis of a 365-day year and the actual number of days elapsed, and shall be payable as set forth herein.

This Note is entered into pursuant to a Note Purchase Agreement by and between the Company and the Holder (the "Agreement") and is subject to the terms and conditions thereof. This Note will rank senior in right of payment to the Company's capital stock. This Note is not a certificate of deposit or similar obligation of, and is not guaranteed or insured by, any depository institution, the Federal Deposit Insurance Corporation, the Securities Investor Protection Corporation or any other governmental or private fund or entity.

The following terms shall apply to this Note:

Section 1. Definitions. Defined terms used herein without definition have the meanings given them in the Agreement. In addition, for the purposes hereof, "Shares" means shares of Common Stock of the Company.

Section 2. Interest; Late Fees; Prepayment; Default.

(a) Interest on this Note shall accrue on a simple interest, non-compounded basis, and shall be added to the Principal Amount on the Maturity Date or such earlier date as the Indebtedness may be due hereunder pursuant to Section 2(b), at which time all Indebtedness shall be due and payable, unless earlier converted into Conversion Shares (as defined below). In the event that any amount due hereunder is not paid as and when due, such amounts shall accrue interest at the rate of 12% per year, simple interest, non-compounding, until paid. The Company may not pre-pay or redeem this Note other than as required herein or by the Agreement.

(b) Upon the declaration by the Majority Lenders of an Event of Default pursuant to the Agreement, and notice by the Majority Lenders to the Company as required by the Agreement, the Indebtedness shall be immediately due and payable in full.

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

Section 3. Conversion.

(a) Optional Conversion. Subject to the terms and conditions herein, at any time following the Issue Date, the Holder may elect to convert this Note and all, but only all, of the Indebtedness outstanding as of such time into such number of fully paid and non-assessable Shares (the "Conversion Shares") as is determined by dividing the Indebtedness by $0.10 (the "Conversion Price").

(b) Adjustments. The Conversion Price shall be subject to proportional and equitable adjustments following the Issue Date for splits, combinations or dividends relating to the Shares, or combinations, recapitalization, reclassifications, extraordinary distributions and similar events that occur on or after the Issue Date, provided, however, that there shall be no adjustment with respect to, or as a result of, the currently contemplated reverse split of the Common Stock as set forth in the Agreement, provided that such reverse split is consummated within 12 months of the date of the sale of the first of the Notes sold pursuant to the Agreement and is consummated at a ratio of no more than 1:20 (wherein each 20 shares of Common Stock are converted into one share of Common Stock) (the "First Split"). By way of example and not limitation, in the event of forward split of the Common Stock following the Issue Date in which each share of Common Stock is converted into two shares of Common Stock, the Exercise Price shall be reduced to $0.05, and in the event of a reverse split (other than the First Split) of the Common Stock following the Issue Date in which each two shares of Common Stock are converted into one share of Common Stock, the Exercise Price shall be increased to $0.20. Any fractional Shares resulting from any conversion hereunder may be issued as such fractional Shares, may be paid in cash or may be rounded up to the next nearest Share, in each case at the election of the Company. In the event that, prior to any conversion hereunder, the Shares are converted into another class of securities of the Company or any successor entity to the Company, whether by way of merger, reorganization, re-incorporation or otherwise (the "Replacement Securities"), any reference herein to the Shares (whether standing alone or as part of another defined term herein) shall be deemed a reference to such Replacement Securities. In the event that, prior to any conversion hereunder, the Company completes a share exchange with another entity (a "Share Exchange") wherein all of the issued and outstanding Shares are exchanged for equity interests in the other entity (the "Exchanged Securities"), any reference herein to the Shares (whether standing alone or as part of another defined term herein) shall be deemed a reference to such Exchanged Securities.

(c) Mechanics of Conversion. Holder shall effect conversions pursuant to Section 3(a) by submitting to the Company a Notice of Conversion in the form as attached hereto as Exhibit A and surrendering this Note as required herein. The conversion shall be effected as of the date set forth in the Notice of Conversion (the "Conversion Date"). Not later than three Business Days after each Conversion Date (the "Delivery Date"), the Company as soon as permitted under applicable law shall immediately issue (including by way of a share certificate or a direct registration system statement) to the Holder the number of Conversion Shares issuable to Holder hereunder in connection with such conversion. Notwithstanding anything herein to the contrary, if the Shares are listed or quoted for public trading as of a Delivery Date, the Company may deliver the Conversion Shares electronically through the Depository Trust Company or another established clearing corporation performing similar functions. In order to effect a conversion of this Note, and as a condition precedent thereto, the Holder shall be required to, and hereby agrees to, execute and join any stockholders' agreement or similar agreement relating to the Company and its shareholders, or to any successor entity to the Company and its members or shareholders, as requested by the Company.

(d) Surrender of Note Upon Conversion. Notwithstanding anything to the contrary set forth herein, upon conversion of this Note in accordance with the terms hereof, the Holder shall be required to physically surrender this Note to the Company. The Company shall maintain records showing the amount of Indebtedness converted and the Conversion Date. In the event of any dispute or discrepancy, such records of the Company shall, prima facie, be controlling and determinative in the absence of manifest error. Any surrender of this Note to the Company shall be at the offices of the Company at the address as set forth in the Agreement and, if so required by the Company, this Note shall be accompanied by written instrument or instruments of transfer, in form satisfactory to the Company, duly executed by Holder or by his, her or its attorney duly authorized in writing.

(e) Transfer Taxes and Expenses. Subject to the provisions of the Agreement relating to withholding of taxes in respect of non-United States persons, the issuance of Conversion Shares on conversion of this Note shall be made without charge to any Holder for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such Conversion Shares, provided that the Company shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such Conversion Shares upon conversion in a name other than that of the Holder and the Company shall not be required to issue or deliver such Conversion Shares unless or until the Person or Persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid.

(f) Status as Shareholder. Upon submission of a Notice of Conversion by a Holder (i) this Note shall be deemed converted into Shares and (ii) the Holder's rights as a Holder of this Note shall cease and terminate, excepting only the right to receive certificates or other evidence for such Shares as set out herein and to any remedies provided herein or otherwise available at law or in equity to such Holder because of a failure by the Company to comply with the terms of this Note.

Section 4. Conversion Limitations. The Company shall not effect any conversion of this Note this Note, and a Holder shall not have the right to convert any portion of this Note, to the extent that after giving effect to the conversion set forth on the applicable Notice of Conversion, the Holder (together with the Holder's Affiliates, and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates (such Persons, "Attribution Parties")) would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates and Attribution Parties shall include the number of shares of Common Stock issuable upon conversion of this Note with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which are issuable upon (i) conversion of the remaining, unconverted principal amount of this Note beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company subject to a limitation on conversion or exercise analogous to the limitation contained herein (including, without limitation, any other Notes or the Warrants) beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 4, beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. To the extent that the limitation contained in this Section 4 applies, the determination of whether this Note is convertible (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which principal amount of this Note is convertible shall be in the sole discretion of the Holder, and the submission of a Notice of Conversion shall be deemed to be the Holder's determination of whether this Note may be converted (in relation to other securities owned by the Holder together with any Affiliates or Attribution Parties) and which principal amount of this Note is convertible, in each case subject to the Beneficial Ownership Limitation. To ensure compliance with this restriction, the Holder will be deemed to represent to the Company each time it delivers a Notice of Conversion that such Notice of Conversion has not violated the restrictions set forth in this Section 4 and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 4, in determining the number of outstanding shares of Common Stock, the Holder may rely on the number of outstanding shares of Common Stock as stated in the most recent of the following: (i) the Company's most recent periodic or annual report filed with the SEC, as the case may be, (ii) a more recent public announcement by the Company, or (iii) a more recent written notice by the Company or the Company's transfer agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within one Business Day confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Note, by the Holder or its Affiliates since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.99% of the number of shares of Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion of this Note by the Holder. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 4(d), provided that any increase in the Beneficial Ownership Limitation will not be effective until the 120^{th} day after such notice is delivered to the Company. The Beneficial Ownership Limitation provisions of this Section 4 shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 4 to correct this Section 4 (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation contained herein or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this Section 4 shall apply to a successor holder of this Note.

Section 5. Transfers to Comply with the Agreement. This Note and any Shares issuable upon conversion of this Note may not be sold or transferred other than in compliance with the Agreement.

Section 6. Unsecured Obligations. This Note and the amounts payable hereunder, including principal and accrued interest are general unsecured obligations of the Company.

Section 7. Miscellaneous.

(a) Notices. Any and all notices or other communications or deliveries to be provided hereunder shall be given in accordance with the provisions of the Agreement.

(b) Absolute Obligation. Except as expressly provided herein, no provision of this Note shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay principal, damages and accrued interest, as applicable, on this Note at the time, place, and rate, and in the coin or currency, herein prescribed.

(c) Lost or Mutilated Note. If this Note shall be mutilated, lost, stolen or destroyed, the Company shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated Note, or in lieu of or in substitution for a lost, stolen or destroyed Note, a new Note so mutilated, lost, stolen or destroyed, but only upon receipt of evidence of such loss, theft or destruction of this Note, and of the ownership hereof reasonably satisfactory to the Company.

(d) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Note shall be governed by and construed and enforced in accordance with the internal laws of the State of Nevada without regard to the principles of conflict of laws thereof.

(e) Incorporation of Provisions. The provisions of Article X of the Agreement (Miscellaneous) shall apply to this Note as though fully set forth herein, provided that each reference thereto to the "Agreement" shall be deemed a reference to this Note, each reference to a "Lender" shall be deemed a reference to the Holder, and each reference to the "Parties" or a "Party" shall be deemed a reference to the Company and the Holder.

(f) Entire Agreement. This Note (including any recitals hereto) and the Agreement set forth the entire understanding of the parties with respect to the subject matter hereof, and shall not be modified or affected by any offer, proposal, statement or representation, oral or written, made by or for any party in connection with the negotiation of the terms hereof, and may be modified only by instruments signed by all of the parties hereto.

(g) Currency. All dollar amounts are in U.S. dollars.

(h) **THE SECURITIES EVIDENCED BY THIS NOTE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS, AND NO INTEREST MAY BE SOLD, DISTRIBUTED, ASSIGNED, OFFERED, PLEDGED OR OTHERWISE TRANSFERRED UNLESS (A) THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS COVERING ANY SUCH TRANSACTION INVOLVING SAID SECURITIES, (B) THIS COMPANY RECEIVES AN OPINION OF LEGAL COUNSEL FOR THE HOLDER OF THESE SECURITIES SATISFACTORY TO THIS COMPANY STATING THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION, OR (C) THIS COMPANY OTHERWISE SATISFIES ITSELF THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION.**

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned has executed this Note as of the Issue Date.

Orbital Tracking Corp.

By: */s/ David Phipps*
Name: David Phipps
Title: Chief Executive Officer & Chairman

EXHIBIT A - NOTICE OF CONVERSION

The undersigned hereby elects to convert the full amount of principal and interest pursuant to the convertible promissory note (the "Note") of Orbital Tracking Corp., a Nevada corporation (together with any successor entity thereto, the "Company") into that number of Shares (as defined in the Note) to be issued pursuant to the conversion of the Note and according to the conditions of the Note, as of the date written below.

The undersigned hereby requests that the Company issue a certificate or certificates, or other permissible evidence of Shares as set forth in the Note, for the number of Shares set forth below (which numbers are based on the Holder's calculation attached hereto and which shall be confirmed by, and subject to acceptance by, the Company) in the name(s) specified immediately below or, if additional space is necessary, on an attachment hereto:

Name: _____

Address: _____
_____
_____
_____

Date of Conversion: _____, 20___
Applicable Conversion Price: $_____
Number of Shares to be Issued: _____ Shares

Holder Name: _____

By: _____
Name: _____
Title: _____
Date: _____

AMENDMENT TO NOTE PURCHASE AGREEMENT
BY AND AMONG ORBITAL TRACKING CORP. AND
THE LENDERS NAMED HEREIN

Amendment to Note Purchase Agreement ("**Amendment**") entered into as of the date last written below (the "**Effective Date**") by and among ORBITAL TRACKING CORP., a Nevada corporation (the "**Company**"), and those persons listed on the Schedule of Lenders attached hereto and to the NPA (defined herein), or hereafter added as a party hereto and thereto pursuant to Section 2.2 of the NPA (each a "**Lender**" and, collectively, the "**Lenders**"). Capitalized words or phrases not independently defined in this Amendment shall have the meanings ascribed to them under the NPA.

WITNESSETH:

WHEREAS, the Company has heretofore executed and circulated for entry by certain persons as Lenders as of or about May 3, 2019, that certain *Note Purchase Agreement By and Among Orbital Tracking Corp. and the Lenders Named Herein* (the "**NPA**");

WHEREAS, the Company has determined to amend the NPA by: (i) providing for the reservation by the Company of the right to issue up to 20% over the $650,000 maximum expressed in the NPA (i.e. up to an additional $130,000); and (ii) by revising the entire Article VII thereof, "*Piggyback Registration Rights*", to instead provide for the demand registration of the Company's Common Stock upon the initiative of persons formerly Lenders under the Notes prior to the conversion thereof into Common Stock, the principal balance of whose Notes aggregated at a minimum the majority of principal balance of Notes outstanding prior to their conversion into Common Stock; and (ii)

NOW, THEREFORE, in consideration of the beneficial revision to the NPA effectuated by the terms of this Amendment, and for other good and valuable consideration the receipt and sufficiency of which are hereby duly acknowledged by the parties, the Company and the Lenders hereby agree as follows:

AMENDMENT

1. The caption of Article II of the NPA, "SALE OF NOTES AND WARRANTS" is hereby amended to read, "SALE OF NOTES".

2. Section 2.2 of the NPA is hereby amended to append the following sentence to the end of the existing paragraph thereof:

> Notwithstanding the limit of the maximum principal amount of Notes that the Company may issue expressed under this Section 2.2 of this Agreement, the Company reserves the right to issue up to an additional 20% percent of the aforesaid maximum principal amount of Notes (i.e. up to an additional $130,000 thereof) referenced above as an overallotment.

3. Article VII, *Piggyback Registration Rights*, of the NPA is hereby amended by its deletion entirely and in substitution thereof, the insertion of the following replacement Article VII:

ARTICLE VII
DEMAND REGISTRATION RIGHTS

Section 7.1 Definitions. The shares of the Company's Common Stock issued upon conversion of the Notes will be deemed "Registrable Securities" subject to the provisions of this Article VII.

Section 7.2 Demand Registration Rights. If on a one-time basis after conversion of the aggregate principal balance of Notes exceeding the lesser of (i) one-half of the aggregate principal amounts of all Notes sold by the Company as of the termination of the offering of Notes hereunder, or (ii) $325,000, in either case, into shares of Registrable Securities, and provided that such persons hold such Registrable Securities, holders of at least such applicable representative number of shares of Registrable Securities request the registration of shares of Registrable Securities ("**Demand Registration**"), the Company shall promptly thereafter use commercially reasonable efforts to effect the registration under the Securities Act , within three (3) months of filing an appropriate registration statement (the "**Registration Statement**"), of all such shares of Registrable Securities which such holders request in writing to be so registered, and in a manner as nearly as commercially possible corresponding to the methods of distribution described in such holders' request. The Company shall keep effective and maintain any such registration or qualification described in this Section 7.2 for a period of at least one (1) year after the effective date thereof; provided that it may withdraw such Registration Statement before the expiration of one (1) year period if all of the shares of the Common Stock subject to the Registration Statement have been resold.

Section 7.3 Notification. The Company shall notify each holder of Registrable Securities at any time when a prospectus relating to such applicable holder's Registrable Securities is required to be delivered under the Securities Act, upon discovery that, or upon the happening of any event as a result of which, the prospectus included in such Registration Statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing. At the request of the applicable holder of Common Stock, the Company shall also prepare, file and furnish to the applicable said Common Stock holder a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the applicable party, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing. No applicable holder of Common Stock shall offer or sell any Registrable Securities covered by the Registration Statement after receipt of the notifications referenced herein respective to an event as a result of which the prospectus relating to such applicable Common Stock holder until the receipt of such supplement or amendment.

Section 7.4 Information. The Company may request that each applicable holder of Common Stock to furnish the Company such information with respect to such applicable party and such applicable party's proposed distribution of the Registrable Securities pursuant to the Registration Statement as the Company may from time to time reasonably request in writing or as shall be required by law or by the Securities and Exchange Commission (the "SEC") in connection therewith, and such applicable holder of Common Stock shall furnish the Company with such information.

Section 7.5 Fees and Expenses. All fees and expenses incident to the performance of or compliance with this Article VII by the Company shall be borne by the Company whether or not any Registrable Securities are sold pursuant to a Registration Statement. The fees and expenses referred to in the foregoing sentence shall include, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses of the Company's counsel and independent registered public accountants) (A) with respect to filings made with the SEC, (B) with respect to filings required to be made with any trading market on which the common stock is then listed for trading, (C) in compliance with applicable state securities or Blue Sky laws reasonably agreed to by the Company in writing (including, without limitation, fees and disbursements of counsel for the Company in connection with Blue Sky qualifications or exemptions of the Registrable Securities) and (D) with respect to any filing that may be required to be made by any broker through which the applicable holder of Registrable Securities intends to make sales of Registrable Securities with the Financial Industry Regulatory Authority, (ii) printing expenses, (iii) messenger, telephone and delivery expenses, (iv) fees and disbursements of counsel for the Company, (v) Securities Act liability insurance, if the Company so desires such insurance, and (vi) fees and expenses of all other persons or entities retained by the Company in connection with the consummation of the transactions contemplated by this Article VII. In addition, the Company shall be responsible for all of its internal expenses incurred in connection with the consummation of the transactions contemplated by this Article VII (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit and the fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange as required hereunder. In no event shall the Company be responsible for any broker or similar commissions of any applicable holder of Common Stock.

Section 7.6 Indemnification.

(a) Indemnification by the Company. The Company and its successors and assigns shall indemnify and hold harmless each applicable holder of Common Stock, the officers, directors, members, partners, agents and employees (and any other individuals or entities with a functionally equivalent role of a person holding such titles, notwithstanding a lack of such title or any other title) of each such applicable holder of Common Stock, each individual or entity who controls any such applicable party (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and the officers, directors, members, partners, agents and employees (and any other individuals or entities with a functionally equivalent role of a person holding such titles, notwithstanding a lack of such title or any other title) of each such controlling individual or entity (each, a "Demand Registration Party"), to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, reasonable attorneys' fees) liabilities, obligations, contingencies, damages, and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees, costs of investigation (collectively, "Losses"), as incurred, arising out of or relating to (1) any untrue or alleged untrue statement of a material fact contained in a Registration Statement, any related prospectus or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any such prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading or (2) any violation or alleged violation by the Company of the Securities Act, the Exchange Act or any state securities law, or any rule or regulation thereunder, in connection with the performance of its obligations under this Article VII, except to the extent, but only to the extent, that (i) such untrue statements or omissions are based upon information regarding an applicable Lender furnished to the Company by such party for use therein. The Company shall notify each applicable Lender promptly of the institution, threat or assertion of any proceeding arising from or in connection with the transactions contemplated by this Article VII of which the Company is aware.

(b) Indemnification by Holder of Common Stock. Each applicable holder of Common Stock and its successors and assigns shall indemnify and hold harmless the Company, the officers, directors, members, partners, agents and employees (and any other individuals or entities with a functionally equivalent role of a person holding such titles, notwithstanding a lack of such title or any other title) of the Company, each individual or entity who controls the company (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, members, partners, agents and employees (and any other individuals or entities with a functionally equivalent role of a person holding such titles, notwithstanding a lack of such title or any other title) of each such controlling individual or entity (each, a "Company Party", with a Demand Registration Party and Company Party each being referred to as an "Indemnified Party"), to the fullest extent permitted by applicable law, from and against any and all Losses, as incurred, arising out of or relating to (1) any untrue or alleged untrue statement of a material fact contained in a Registration Statement, any related prospectus or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any such prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading or (2) any violation or alleged violation by the Company of the Securities Act, the Exchange Act or any state securities law, or any rule or regulation thereunder, in connection with the performance of its obligations under this Article VII, but only to the extent that such untrue statements or omissions are based upon information regarding such applicable holder of Common Stock furnished to the Company by such party for use therein. Each applicable holder of Common Stock shall notify the Company promptly of the institution, threat or assertion of any proceeding arising from or in connection with the transactions contemplated by this Article VII of which such applicable holder of Common Stock is aware.

(c) Contribution. If the indemnification under Section 7.6(a) or Section 7.6(b), as applicable, is unavailable to an Indemnified Party or insufficient to hold an Indemnified Party harmless for any Losses, then the party responsible for indemnifying the Indemnified Party (the "Indemnifying Party") shall contribute to the amount paid or payable by such Indemnified Party, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, the Indemnifying Party or the Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission. The amount paid or payable by a party as a result of any Losses shall be deemed to include any reasonable attorneys' or other fees or expenses incurred by such party in connection with any proceeding to the extent such party would have been indemnified for such fees or expenses if the indemnification provided for in Section 3(a) was available to such party in accordance with its terms. It is agreed that it would not be just and equitable if contribution pursuant to this Section 7.6(c) were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding sentence.

(d) Indemnification Generally. The provisions of this Section 7.6 shall be read, and shall be operative, together with the provisions of Section 10.4. For the avoidance of doubt, this Section 7.6 shall only apply only to a person formerly a Lender prior to such person's conversion of Notes into Common Stock, which then holder of Common Stock elects to participate in a Demand Registration pursuant to this Article VII.

4. Ratification and Affirmation. Except as provided for in items 1 through 3 above in this Amendment, all other provisions of the NPA remain unchanged and in full force and effect, and the parties hereto hereby ratify and affirm their intention to be bound to and governed by the NPA as amended hereby via this Amendment.

IN WITNESS WHEREOF, the parties hereto sign this Amendment as of the date associated with their signatures below, effective as of the Effective Date.

THE COMPANY:
Orbital Tracking Corp.

By: */s/ David Phipps*
Name: David Phipps
Title: Chief Executive Officer
Date: May 13, 2019

LENDER:

Identity: _____

By: _____
Name: _____
Title: _____
Date: _____

Initial Principal Amount of Note to be acquired: $ _____

FORM OF CONSULTING AGREEMENT

Dated as of May 13, 2019

This Consulting Agreement ("Agreement") is made and entered into as of the date first set forth above (the "Effective Date"), by and between ORBITAL TRACKING CORP, a Nevada corporation (the "Company") and _____, a _____ company ("Consultant"). Each of the Company and Consultant may be referred to herein individually as a "Party" and collectively as the "Parties."

W I T N E S S E T H:

WHEREAS, the Company provides a variety of satellite communication and asset tracking solutions, including ground station construction, specialized engineering services and product design along with the manufacture of dual-mode tracking devices (the "Business");

WHEREAS, Consultant is in the business of, among other things, providing services to Companies such as the Company; and

WHEREAS, the Company desires to engage Consultant, and Consultant desires to be engaged by the Company, on a non-exclusive basis, to render the Services (as hereinafter defined) in connection with the Business to and on behalf of the Company and its subsidiaries and affiliated entities, upon the terms and subject to the conditions and limitations set forth herein.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.

2. Engagement. In exchange for the compensation as set forth herein and subject to the other terms and conditions hereinafter set forth, the Company hereby engages Consultant during the Term (as defined below), on a non-exclusive basis, to render the Services set forth in Section 3 as an independent contractor of the Company, and Consultant hereby accepts such engagement.

3. Services.

   (a) Subject to the terms and conditions and for the Term, Consultant shall provide the Company with the consulting and other services as set forth on **Exhibit A** attached hereto, together with such additional services as agreed to by the Company and Consultant in writing following the Effective Date (collectively, the "Services"):

   (b) Consultant will use its commercially reasonable efforts to provide the Services using the best of its professional skills and in a manner consistent with generally accepted standards for the performance of such work.

4. Compensation and Expenses. As compensation for its performances called for hereunder this Agreement, Consultant shall be entitled to the following:

(a) the right to participate in the Company's private offering closed as of even date hereof of certain convertible 6% promissory notes in an aggregate amount of up to a maximum of $44,000 (the "Offered Notes") the form of which is as attached hereto as **Exhibit B** (the "Offering Notes");

(b) the issuance upon its execution of this Agreement of a separate 6% convertible promissory note in the fixed amount of $12,500, which the parties acknowledge was negotiated at length amongst them, and which the Consultant further acknowledges having full knowledge and understanding of, as well as the risks relating thereunto by reason of its intention to participate in the private offering of the Offered Notes referenced in Section 4(a) above, which note takes substantially the same form as that of the Offering Notes (the "Privately Negotiated Notes"; along with the Offering Notes, referred to herein collectively as the "Notes"). The Notes will be convertible into shares of common stock, par value $0.0001 per share, of the Company (the "Common Stock") at a conversion price of $0.10, subject to a beneficial ownership limitation of 4.99% of the Common Stock, which may be waived by the Investor upon 120 days' prior written notice to the Company;

(c) payment of retainer of $_____, payable upon execution of this agreement; and

(d) monthly payment in the amount of $_____for a period of six months for each month of consultancy completed, payable on such frequency commencing within 30 days after execution of this agreement, which shall constitute full payment to Consultant hereunder.

Consultant agrees that it will pay its own costs and expenses in connection with the provision of the Services. Furthermore, Consultant agrees that any equipment provided by the Company to Consultant in connection with or furtherance of Consultant' provision of the Services under this Agreement, including, but not limited to, computers, laptops, and personal management tools, shall, immediately upon the termination of this Agreement, be returned to the Company.

5. No Employee Status, No Securities Sales. The Parties also acknowledge and agree that Consultant is an independent contractor and is not an employee or agent of Company in its position as a consultant and advisor. As such, Company shall not be liable for any employment tax, withholding tax, social security tax, worker's compensation or any other tax, insurance, expense or liability with respect to any or all compensation, reimbursements and remuneration Consultant may receive hereunder, all of which shall be the sole responsibility of Consultant. Consultant is solely responsible for the reporting and payment of, all pertinent federal, state, or local self-employment or income taxes, licensing fees, or any other taxes or assessments levied by governmental authorities, as well as for all other liabilities or payments related to those services. The Parties also acknowledge and agree that Consultant is not a licensed securities broker or salesperson, and that Consultant will not be participating in, nor compensated for, any unlicensed securities sales activities other than those permitted under any of the SEC exemptions.

6. Term; Termination.

(a) The term of this Agreement shall commence on the Effective Date and shall continue for a period of six months thereafter ("Term"), unless sooner terminated in accordance with the terms herein. The Term may be renewed upon the mutual written agreement of the Parties via an amendment of this Agreement.

(b) Upon the termination or expiration of the Term, the Parties shall have no further obligations hereunder other than those which arose prior to such termination or are explicitly set forth herein as surviving any such termination or expiration.

7. Relationship of the Parties.

(a) Consultant is retained by the Company only for the purposes of and to the extent set forth in this Agreement, and Consultant' relation to the Company during the period of its engagement hereunder shall be that of an independent contractor. Consultant shall not, nor, as applicable, shall any of its agents, have employee status with the Company or be entitled to participate in any plans, arrangements or distributions by the Company pertaining to or in connection with any pension, stock, bonus, profit-sharing or similar benefits as may be available to the Company's employees. Consultant shall be responsible for the reporting and payment of all income and self-employment taxes for all compensation paid to Consultant hereunder.

(b) This Agreement does not create a relationship of principal and agent, joint venture, partnership or employment between the Company and Consultant. Consultant' engagement hereunder is not a franchise or business opportunity. Neither Party shall be liable for any obligations incurred by the other except as expressly provided herein.

(c) Consultant shall not have authority to enter into contracts binding the Company or to create any obligations or incur liabilities on behalf of the Company. Consultant shall not act or represent himself, directly or by implication, as an agent of the Company with any authority other than as set forth expressly in this Agreement.

(d) Any person hired by Consultant shall be the employee of Consultant and not of the Company, and all compensation, payroll taxes, facilities and related expenses for any such employee shall be the sole responsibility of Consultant.

8. Representations and Warranties.

(a) Representations and Warranties of the Company. Company represents and warrants hereunder that this Agreement and the transactions contemplated hereunder have been duly and validly authorized by all requisite corporate action; that Company has the full right, power and capacity to execute, deliver and perform its obligations hereunder; and that this Agreement, upon execution and delivery of the same by Company, will represent the valid and binding obligation of Company enforceable in accordance with its terms, subject to the application of bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and general principles of equity, regardless of whether enforceability is considered in a proceeding at law or in equity (the "Enforceability Exceptions"). The representations and warranties set forth herein shall survive the termination or expiration of this Agreement.

(b) Representations and Warranties of Consultant. Consultant represents and warrants hereunder that this Agreement and the transactions contemplated hereunder have been duly and validly authorized by all requisite action; that Consultant has the full right, power and capacity to execute, deliver and perform its obligations hereunder; and that this Agreement, upon execution and delivery of the same by Consultant, will represent the valid and binding obligation of Consultant enforceable in accordance with its terms, subject to the Enforceability Exceptions. The representations and warranties set forth herein shall survive the termination or expiration of this Agreement.

9. Indemnification. In the event either Party is subject to any action, claim or proceeding resulting from the other's gross negligence or intentional breach of this Agreement, the Party at fault agrees to indemnify and hold harmless the other from any such action, claim or proceeding. Indemnification shall include all fees, costs and reasonable attorneys' fees that the indemnified Party may incur. In claiming indemnification hereunder, the indemnified Party shall promptly provide the indemnifying Party written notice of any claim that the indemnified Party reasonably believes falls within the scope of this Agreement. The indemnified Party may, at its expense, assist in the defense if it so chooses, provided that the indemnifying Party shall control such defense, and all negotiations relative to the settlement of any such claim. Any settlement intended to bind the indemnified Party shall not be final without the indemnified Party's written consent. Any liability of a Party and its officers, directors, controlling persons, employees or agents shall not exceed the amount of fees actually paid to Consultant by Company pursuant this Agreement.

10. Non-Solicit.

(a) As a material inducement to the Company to enter into this Agreement, Consultant agrees that unless the Company and its successors and assigns shall cease to engage in business, during the Term and for a period of five (5) years thereafter, Consultant shall not directly or indirectly solicit or hire or encourage the solicitation or hiring of any person who was an employee of the Company at any time on or after the date of the expiration or termination of this Agreement, unless more than six months shall have elapsed between the last day of such person's employment by the Company and the first date of such solicitation or hiring.

(b) Consultant agrees to indemnify and hold the Company, its members, and manager, harmless from any damages, loss, cost or liability (including legal fees and the cost of enforcing this indemnity) arising out of or resulting from any breach of this Section 10 of this Agreement if Consultant is found in a final determination by a court of competent jurisdiction to be responsible for any breach of this Section 10. In addition, because an award of money damages (whether pursuant to the foregoing sentence or otherwise) would be inadequate for any breach of this Agreement by Consultant, and any such breach would cause the Company irreparable harm, Consultant also agrees that, in the event of any breach or threatened breach of this Agreement, the Company will also be entitled, without the requirement of posting a bond or other security, to equitable relief, including injunctive relief and specific performance, if Consultant is found in a final determination by a court of competent jurisdiction to be responsible for such action. Such remedies will not be the exclusive remedies for any breach of this Agreement but will be in addition to all other remedies available at law or equity to the Company. Consultant agrees that the covenants set forth in this Section 10 do not unreasonably impair the ability of Consultant to conduct any unrelated business or to find gainful work in its field.

(c) Consultant has carefully read and considered the provisions of this Section 10 and, having done so, agrees that the restrictions set forth in such Section 10 are fair and reasonable and are reasonably required for the protection of the legitimate business interests of the Company. In the event that a court of competent jurisdiction shall determine that any of the foregoing restrictions are unenforceable, the Parties hereto agree that it is their desire that such court substitute an enforceable restriction in place of any restriction deemed unenforceable, and that the substitute restriction be deemed incorporated herein and enforceable against Consultant. It is the intent of the Parties hereto that the court, in so determining any such enforceable substitute restriction, recognize that it is their intent that the foregoing restrictions be imposed and maintained to the greatest extent possible. The foregoing shall not be interpreted to limit any Party's rights to appeal.

(d) This Section 10 shall survive the termination of this Agreement for any reason whatsoever and Consultant's engagement in connection herewith.

11. Trade Names and Trademarks. Consultant agrees that it will use only such trade names, trademarks or other designations of the Company or any simulations thereof as may be authorized in writing by the Company. All such use shall be in accordance with the Company's instructions and any such authorization may be withdrawn or modified at any time. Consultant will, in the event this Agreement is terminated, cease all use of any of the Company's trade names, trademarks or other designations or other simulations thereof. Consultant will not register or attempt to register or assert any right of ownership in any of the Company's trade names, trademarks or other designations or any simulations thereof. Consultant shall immediately notify the Company in writing upon learning of any potential or actual infringement of any trademark, patent, copyright or other proprietary right owned by or licensed to the Company, or of any actual or potential infringement by the Company of the rights of any third party.

12. Confidential Information.

(a) For purposes of this Agreement, and except as provided below, "Confidential Information" of the Company shall mean any confidential, proprietary or trade secret information, data or know-how which relates to the business, research, services, products, customers, suppliers, employees, or financial information of the Company or any of its subsidiaries or parent entities, including, but not limited to, product or service specifications, designs, drawings, prototypes, computer programs, models, business plans, marketing plans, financial data, financial statements, financial forecasts and statistical information, in each case that is marked as confidential, proprietary or secret, or with an alternate legend or marking indicating the confidentiality thereof or which, from the nature thereof should reasonably be expected to be confidential or proprietary, and any other Material Non-Public Information (as defined below), in each case which is disclosed by the Company or on its behalf, before or after the date hereof, to Consultant either in writing, orally, by inspection or in any other form or medium. Any technical or business information of a third person furnished or disclosed shall be deemed "Confidential Information" of the Company unless otherwise specifically indicated in writing to the contrary.

(b) For purposes of this Agreement, and except as provided below, "Material Non-Public Information" shall mean any information obtained by Consultant hereunder, whether otherwise constituting Confidential Information or not, with respect to which there is a substantial likelihood that a reasonable investor would consider such information important or valuable in making any of his, her or its investment decisions or recommendations to others with respect to the Company or any of its equity securities or debt, or any derivatives thereof, or information that is reasonably certain to have a substantial effect on the price of the Company's securities or debt, or any derivatives thereof, whether positive or negative.

(c) For a period of five (5) years from the date of its receipt, Consultant agrees to use the Confidential Information only for the purpose of performing the Services (the "Purpose") and shall use reasonable care not to disclose Confidential Information to any non-affiliated third party, such care to be at least equal to the care exercised by Consultant as to its own Confidential Information, which standard of care shall not be less than the current industry standard in effect as of the date of such receipt. Consultant agrees that it shall make disclosure of any such Confidential Information only to employees (including temporary and leased employees subject to a confidentiality obligation), officers, directors, attorneys and wholly owned subsidiaries (collectively, "Representatives"), to whom disclosure is reasonably necessary for the Purpose. Consultant shall appropriately notify such Representatives that the disclosure is made in confidence and shall be kept in confidence in accordance with this Agreement. Consultant shall be responsible for the failure of its Representatives to comply with the terms of this Agreement.

(d) In addition, Consultant agrees that, for as long as any information, including Confidential Information, continues to meet the definition of Confidential Information as set forth herein, Consultant shall not (1) buy or sell any securities or derivative securities of or related to the Company or any of its subsidiaries or parent entities, or any interest therein or (2) undertake any actions or activities that would reasonably be expected to result in a violation of the Securities Act of 1933, as amended, or the rules and regulations thereunder, or of the Securities Exchange Act of 1934, as amended, including, without limitation, Section 10(b) thereunder, or the rules and regulations thereunder, including, without limitation, Rule 10b-5 promulgated thereunder.

(e) Without the prior consent of the Company, Consultant shall not remove any proprietary, copyright, trade secret or other protective legend from the Confidential Information.

(f) Consultant acknowledges that the Confidential Information disclosed hereunder may constitute "Technical Data" and may be subject to the export laws and regulations of the United States. Consultant agrees it will not knowingly export, directly or indirectly, any Confidential Information or any direct product incorporating any Confidential Information, whether or not otherwise permitted under this Agreement, to any countries, agencies, groups or companies prohibited by the United States Government unless proper authorization is obtained.

(g) Nothing herein shall be construed as granting to Consultant or its affiliates any right or license to use or practice any of the information defined herein as Confidential Information and which is subject to this Agreement as well as any trade secrets, know-how, copyrights, inventions, patents or other intellectual property rights now or hereafter owned or controlled by the of the Company. Except as allowed by applicable law, Consultant shall not use any tradename, service mark or trademark of the of the Company or refer to the of the Company in any promotional or sales activity or materials without first obtaining the prior written consent of the Company.

(h) The obligations imposed in this Agreement shall not apply to any information that:

(i) was already in the possession of Consultant at the time of disclosure without restrictions on its use or is independently developed by Consultant after the effective date of this Agreement, provided that the person or persons developing same have not used any information received from the Company in such development, or is rightfully obtained from a source other than from the Company;

(ii) is in the public domain at the time of disclosure or subsequently becomes available to the general public through no fault of Consultant;

(iii) is obtained by Consultant from a third person who is under no obligation of confidence to the Company; or

(iv) is disclosed without restriction by the Company.

(i) Consultant may disclose such Confidential Information as required to be disclosed pursuant to the order of a court or administrative body of competent jurisdiction or a government agency, provided that Consultant shall notify the Company prior to such disclosure and shall cooperate with the Company in the event the Company elects to legally contest, request confidential treatment, or otherwise avoid such disclosure and shall thereafter only disclose such portion of the Confidential Information as legally required to disclose.

(j) Upon termination of this Agreement for any reason or upon request by the Company made at any time, all Confidential Information, together with any copies of same as may be authorized herein, shall be returned to the Company, or destroyed and certified as such by an officer of Consultant. Consultant may retain one copy of all written Confidential Information for its files for reference in the event of a dispute hereunder.

(k) As between the Company and Consultant, the Confidential Information and any Derivative thereof (as defined below), whether created by the Company or Consultant, will remain the property of the Company. For purposes of this Agreement, "Derivative" shall mean: (i) for copyrightable or copyrighted material, any translation, abridgement, revision or other form in which an existing work may be recast, transformed or adapted, and which constitutes a derivative work under the Copyright laws of the United States; (ii) for patentable or patented material, any improvement thereon; and (iii) for material which is protected by trade secret, any new material derived from such existing trade secret material, including new material which may be protected by copyright, patent and/or trade secret.

13. Representations and Warranties.

(a) Consultant is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D promulgated pursuant to the Securities Act.

(b) Consultant hereby represent that the Restricted Stock awarded pursuant to this Agreement is being acquired for Consultant's own account and not for sale or with a view to distribution thereof. Consultant acknowledges and agrees that any sale or distribution of shares of Restricted Stock which have vested may be made only pursuant to either (a) a registration statement on an appropriate form under the Securities Act of 1933, as amended (the "Securities Act"), which registration statement has become effective and is current with regard to the shares being sold, or (b) a specific exemption from the registration requirements of the Securities Act that is confirmed in a favorable written opinion of counsel, in form and substance satisfactory to counsel for the Company, prior to any such sale or distribution. Consultant hereby consent to such action as the Board or the Company deems necessary or appropriate from time to time to prevent a violation of, or to perfect an exemption from, the registration requirements of the Securities Act or to implement the provisions of this Agreement, including but not limited to placing restrictive legends on certificates evidencing shares of Restricted Stock (whether or not the Restrictions applicable thereto have lapsed) and delivering stop transfer instructions to the Company's stock transfer agent.

(c) Consultant understands that the Restricted Stock is being offered and sold to Consultant in reliance upon specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying upon the truth and accuracy of, and Consultant's compliance with, the representations, warranties, agreements, acknowledgments and understandings of the Consultant set forth herein in order to determine the availability of such exemptions and the eligibility of the Consultant to acquire the Restricted Stock.

(d) Consultant has been furnished with all documents and materials relating to the business, finances and operations of the Company and information that Consultant requested and deemed material to making an informed investment decision regarding its acquisition of the Restricted Stock. Consultant has been afforded the opportunity to review such documents and materials and the information contained therein. Consultant has been afforded the opportunity to ask questions of the Company and its management. Consultant understands that such discussions, as well as any written information provided by the Company, were intended to describe the aspects of the Company's business and prospects which the Company believes to be material, but were not necessarily a thorough or exhaustive description and the Company makes no representation or warranty with respect to the completeness of such information and makes no representation or warranty of any kind with respect to any information provided by any entity other than the Company. Some of such information may include projections as to the future performance of the Company, which projections may not be realized, may be based on assumptions which may not be correct and may be subject to numerous factors beyond the Company's control. Additionally, Consultant understands and represents that Consultant is acquiring the Restricted Stock notwithstanding the fact that the Company may disclose in the future certain material information that the Consultant has not received. Consultant has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision with respect to its investment in the Restricted Stock. Consultant has full power and authority to make the representations referred to herein, to acquire the Restricted Stock and to execute and deliver this Agreement. Consultant, either personally, or together with Consultant's advisors has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Restricted Stock, is able to bear the risks of an investment in the Restricted Stock and understands the risks of, and other considerations relating to, a purchase of the Restricted Stock. The Consultant and its advisors have had a reasonable opportunity to ask questions of and receive answers from the Company concerning the Restricted Stock. Consultant's financial condition is such that Consultant is able to bear the risk of holding the Restricted Stock that Consultant may acquire pursuant to this Agreement for an indefinite period of time, and the risk of loss of Consultant's entire investment in the Company. Consultant has investigated the acquisition of the Restricted Stock to the extent Consultant deemed necessary or desirable and the Company has provided Consultant with any reasonable assistance Consultant has requested in connection therewith. No representations or warranties have been made to Consultant by the Company, or any representative of the Company, or any securities broker/dealer, other than as set forth in this Agreement.

(e) Consultant also acknowledges and agrees that an investment in the Restricted Stock is highly speculative and involves a high degree of risk of loss of the entire investment in the Company and there is no assurance that a public market for the Restricted Stock will ever develop and that, as a result, Consultant may not be able to liquidate Consultant's investment in the Restricted Stock should a need arise to do so. Consultant is not dependent for liquidity on any of the amounts Consultant is investing in the Restricted Stock. Consultant has full power and authority to make the representations referred to herein, to acquire the Restricted Stock and to execute and deliver this Agreement. Consultant understands that the representations and warranties herein are to be relied upon by the Company as a basis for the exemptions from registration and qualification of the issuance and sale of the Restricted Stock under the federal and state securities laws and for other purposes.

(f) Consultant understands that no United States federal or state agency or any other government or governmental agency has passed upon or made any recommendation or endorsement of the Restricted Stock.

(g) Consultant understands that until such time as the Restricted Stock has been registered under the Securities Act or may be sold pursuant to Rule 144, Rule 144A under the Securities Act or Regulation S without any restriction as to the number of securities as of a particular date that can then be immediately sold, the Restricted Stock may bear a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of the certificates for such Restricted Stock):

"NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THESE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144, RULE 144A OR REGULATION S UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES."

(h) This Agreement has been duly and validly authorized by Consultant. This Agreement has been duly executed and delivered on behalf of Consultant, and this Agreement constitutes a valid and binding agreement of Consultant enforceable in accordance with its terms.

(i) [Consultant is an LLC whose individual member is a resident of the State of Florida.]

14. Miscellaneous.

(a) Notices. All notices under this Agreement shall be in writing. Notices may be served by certified or registered mail, postage paid with return receipt requested; by private courier, prepaid; by other reliable form of electronic communication; or personally. Mailed notices shall be deemed delivered five (5) days after mailing, properly addressed. Couriered notices shall be deemed delivered on the date that the courier warrants that delivery will occur. Electronic communication notices shall be deemed delivered when receipt is either confirmed by confirming transmission equipment or acknowledged by the addressee or its office. Personal delivery shall be effective when accomplished. Any Party may change its address by giving notice, in writing, stating its new address, to the other Party. Subject to the forgoing, notices shall be sent as follows:

If to the Company:

Orbital Tracking Corp.
Attn: David Phipps
18851 N.E. 29th Ave., Ste. 700
Aventura, FL 33180
Email: dphipps@gtc.co.uk

With a copy, which shall not constitute notice, to:

Anthony L.G., PLLC
Attn: John Cacomanolis
625 N. Flagler Drive, Suite 600
West Palm Beach, FL 33401
Email: JCacomanolis@anthonypllc.com

If to Consultant, to the address set forth below Consultant's signature on the signature page hereof.

(b) Accuracy of Statements. No representation or warranty contained in this Agreement, and no statement delivered or information supplied to any Party pursuant hereto, contains an untrue statement of material fact or omits to state a material fact necessary in order to make the statements or information contained herein or therein not misleading. The representations and warranties made in this Agreement will be continued and will remain true and complete in all material respects and will survive the execution of the transactions contemplated hereby.

(c) Entire Agreement. This Agreement sets forth all the promises, covenants, agreements, conditions and understandings between the Parties, and supersedes all prior and contemporaneous agreements, understandings, inducements or conditions, expressed or implied, oral or written, except as herein or therein contained.

(d) Binding Effect; Assignment. This Agreement shall be binding upon the Parties, their heirs, administrators, successors and assigns. The Company reserves the right in its sole discretion to assign this Agreement to another entity. Notwithstanding the immediately foregoing sentence to the contrary, except as otherwise provided in this Agreement, neither Party may otherwise assign or transfer its interests herein, or delegate its duties hereunder, without the written consent of the other Party. Any assignment or delegation of duties in violation of this provision shall be null and void.

(e) Amendment. The Parties hereby irrevocably agree that no attempted amendment, modification, termination, discharge or change (collectively, "Amendment") of this Agreement shall be valid and effective, unless the Parties shall unanimously agree in writing to such Amendment.

(f) No Waiver. No waiver of any provision of this Agreement shall be effective unless it is in writing and signed by the Party against whom it is asserted, and any such written waiver shall only be applicable to the specific instance to which it relates and shall not be deemed to be a continuing or future waiver.

(g) Gender and Use of Singular and Plural. All pronouns shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the Party or Parties, or their personal representatives, successors and assigns may require.

(h) Headings. The article and section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of the Agreement.

(i) Governing Law. This Agreement, and any dispute arising out of, relating to, or in connection with this Agreement, shall be governed by and construed in accordance with the laws of the State of Florida, without giving effect to any choice or conflict of law provision or rule (whether of the State of Florida or of any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Florida.

(j) Severability; Expenses; Further Assurances. If any term, condition or other provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other terms, conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated by this Agreement is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the fullest extent possible. Except as otherwise specifically provided in this Agreement, each Party shall be responsible for the expenses it may incur in connection with the negotiation, preparation, execution, delivery, performance and enforcement of this Agreement. The Parties shall from time to time do and perform any additional acts and execute and deliver any additional documents and instruments that may be required by Law or reasonably requested by any Party to establish, maintain or protect its rights and remedies under, or to effect the intents and purposes of, this Agreement.

(k) Enforcement of the Agreement; Jurisdiction; No Jury Trial.

(i) Subject to Section 14(l), each of the Parties irrevocably agrees that any legal action or proceeding with respect to this Agreement and the rights and obligations arising under this Agreement, or for recognition and enforcement of any judgment or arbitral award or resolution in respect of this Agreement, shall be brought and determined exclusively in the courts of the State of Florida located in Broward County, Florida or in the event (but only in the event) that such courts do not have subject matter jurisdiction over such action or proceeding, in the United States District Court sitting in Broward County, Florida (the "Selected Courts"). Each of the Parties hereby irrevocably submits with regard to any such action or proceeding for itself and in respect of its property, generally and unconditionally, to the personal jurisdiction of the Selected Courts and agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than the Selected Courts. Each of the Parties hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any action or proceeding with respect to this Agreement, (a) any claim that it is not personally subject to the jurisdiction of the Selected Courts for any reason other than the failure to serve in accordance with this Section 14(k); (b) any claim that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise); and (c) to the fullest extent permitted by law, any claim that (i) the suit, action or proceeding in such court is brought in an inconvenient forum; (ii) the venue of such suit, action or proceeding is improper; or (iii) this Agreement, or the subject matter of this Agreement, may not be enforced in or by the Selected Courts.

(ii) EACH PARTY TO THIS AGREEMENT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION OR OTHER PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER, RELATING TO OR IN CONNECTION WITH THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

(iii) The Consultant hereby expressly acknowledges that the agreements and restrictions contained herein are reasonable and necessary to protect the Company's legitimate interests, that the Company would not have entered into this Agreement in the absence of such agreements and restrictions, and that any violation of such restrictions will result in irreparable harm to the Company. The Consultant agrees that the Company shall be entitled to preliminary and permanent injunctive relief, without the necessity of proving actual damages, and specific performance of, as well as an equitable accounting of all earnings, profits and other benefits arising from any violation of, the agreements and restrictions contained herein, which rights shall be cumulative and in addition to any other rights or remedies to which the Company may be entitled. The Consultant irrevocably and unconditionally (i) agrees that any legal proceeding arising out of this Section 14(k)(iii) may be brought in the Selected Courts, (ii) consents to the non-exclusive jurisdiction of the Selected Courts in any such proceeding, and (iii) waives any objection to the laying of venue of any such proceeding in any Selected Court.

(l) Arbitration. Other than as set forth in Section 14(k)(iii), any controversy, claim or dispute arising out of or relating to this Agreement shall be resolved by arbitration in West Palm Beach, Florida pursuant to then-prevailing rules of the American Arbitration Association. The arbitration shall be conducted by three arbitrators, with one arbitrator selected by each Party and the third arbitrator selected by the two arbitrators so selected by the Parties. The arbitrators shall be bound to follow the applicable Agreement provisions in adjudicating the dispute. It is agreed by both Parties that the arbitrators' decision is final, and that no Party may take any action, judicial or administrative, to overturn such decision. The judgment rendered by the arbitrators may be entered in the Selected Courts. Each Party will pay its own expenses of arbitration and the expenses of the arbitrators will be equally shared provided that, if in the opinion of the arbitrators any claim, defense, or argument raised in the arbitration was unreasonable, the arbitrators may assess all or part of the expenses of the other Party (including reasonable attorneys' fees) and of the arbitrators as the arbitrators deem appropriate. The arbitrators may not award either Party punitive or consequential damages.

(m) Attorneys' Fees. If any Party hereto is required to engage in litigation against any other Party, either as plaintiff or as defendant, in order to enforce or defend any rights under this Agreement, and such litigation results in a final judgment in favor of such Party ("Prevailing Party"), then the party or parties against whom said final judgment is obtained shall reimburse the Prevailing Party for all direct, indirect or incidental expenses incurred, including, but not limited to, all attorneys' fees, court costs and other expenses incurred throughout all negotiations, trials or appeals undertaken in order to enforce the Prevailing Party's rights hereunder.

(n) Parties in Interest. This Agreement shall be binding upon and inure solely to the benefit of each Party, and nothing in this Agreement, express or implied, is intended to confer upon any other person or entity any rights or remedies of any nature whatsoever under or by reason of this Agreement.

(o) Execution in Counterparts, Electronic Transmission. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. The signature of any Party which is transmitted by any reliable electronic means such as, but not limited to, a photocopy, electronically scanned or facsimile machine, for purposes hereof, is to be considered as an original signature, and the document transmitted is to be considered to have the same binding effect as an original signature or an original document.

[Signatures appear on following page]

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

Orbital Tracking Corp., a Nevada corporation

By: _____
Name: David Phipps
Title: Chief Executive Officer

By: _____
Name:

Address for Notices:
_____
_____
Email: _____

Exhibit A
Services

The “Services” are comprised of the following:

- Provide advisory services in connection with the Company’s raising capital in its firt round of financing and to otherwise provide general consultancy in connection with the growth and development of the Company’s business model at the further instruction and discretion of the Company.