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): August 2, 2018 (July 31, 2018)

Victory Oilfield Tech, Inc.
(Exact name of registrant as specified in its charter)

Nevada	**002-76219-NY**	**87-0564472**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

3355 Bee Caves Road, Suite 608, Austin, Texas	**78746**
(Address of principal executive offices)	(Zip Code)

(512) 347-7300
(Registrant's telephone number, including area code)

Victory Energy Corporation
(Former name or former address, 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:

☐ 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))

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

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.

Pro-Tech Acquisition

Stock Purchase Agreement

On July 31, 2018, Victory Oilfield Tech, Inc. ("Victory") entered into a stock purchase agreement (the "Purchase Agreement") with Pro-Tech Hardbanding Services, Inc., an Oklahoma corporation ("Pro-Tech"), and Stewart Matheson (the "Seller"), pursuant to which Victory purchased from the Seller 100% of Pro-Tech's issued and outstanding common stock (the "Acquired Shares," and such sale and purchase of the Acquired Shares, the "Acquisition"). The closing of the Acquisition (the "Closing") also occurred on July 31, 2018 (the "Closing Date").

The aggregate purchase price for the Acquired Shares was $1,600,000 paid as follows: (i) $150,000 that was previously deposited into an escrow account was released to the Seller (the "Deposit"); (ii) $350,000 in cash (the "Cash Portion"); (iii) the modification of the named beneficiary of two life insurance policies for which the Seller is the named insured (the "Policies"), the aggregate value of which is approximately $118,000 as of the Closing Date, from Pro-Tech to a beneficiary other than Pro-Tech to be determined by the Seller; (iv) 11,000 shares of Victory's common stock, par value $0.001 per share ("Victory's Common Stock"); (v) on the 60 th day following the Closing Date, $300,000 in cash, to the extent that such amount of accounts receivable exist as of the Closing Date (the "Closing Receivables Payment"); and (vi) $700,000 in cash paid by Victory to the Seller over a period of two years following the Closing in equal quarterly installments of $87,500 each, with the first such installment payable on October 31, 2018 and the last such installment payable on July 31, 2020 (the "Deferred Portion"), provided that upon a change of control of Victory, the Deferred Portion shall become immediately due and payable.

Pursuant to the terms of the Purchase Agreement, the Cash Portion of the purchase price was decreased by the amount of any outstanding indebtedness for borrowed money of Pro-Tech existing as of the Closing Date, if any, and the deducted amount was to pay off such outstanding indebtedness for borrowed money at the Closing.

The Purchase Agreement contains customary representations, warranties and covenants, and includes a covenant that the Seller will not compete with the business of Pro-Tech for a period of five (5) years following the Closing. The Purchase Agreement also contains mutual indemnification for breaches of representations or warranties and failure to perform covenants or obligations contained in the Purchase Agreement. The Seller's indemnification obligations are limited to the sum of (i) the cash value of the Policies and (ii) to the extent actually paid to the Seller, the Deposit, the Cash Portion, the Closing Receivables Payment and the Deferred Portion.

The foregoing summary of the terms and conditions of the Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of that agreement filed as an exhibit to this report.

Pledge and Security Agreement

Pursuant to the terms of the Purchase Agreement, on July 31, 2018 Victory entered into a pledge and security agreement with Pro-Tech and the Seller (the "Security Agreement"), which grants to the Seller a first priority security interest in the assets of Pro-Tech (the "Collateral") and the Acquired Shares, to secure Victory's obligation to pay to the Seller the Closing Receivables Payment and the Deferred Portion. The Security Agreement contains customary representations, warranties and covenants. Any uncured default in the payment of the Closing Receivables Payment and the Deferred Portion in accordance with the terms of the Security Agreement constitutes an event of default under the Security Agreement, the occurrence and continuation of which provides the Seller with certain rights and remedies, including the right to: (i) make such payments and do such acts as the Seller reasonably considers necessary to protect his security interest in the Collateral; (ii) ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale and sell the Collateral; and (iii) sell the Acquired Shares or the Collateral.

The foregoing summary of the terms and conditions of the Security Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of that agreement filed as an exhibit to this report.

Kodak Loan

Loan Agreement and Note

On July 31, 2018, Victory entered into a loan agreement (the "Loan Agreement") with Kodak Brothers Real Estate Cash Flow Fund, LLC, a Texas limited liability company ("Kodak"), pursuant to which Victory borrowed from Kodak $375,000 (the "Loan") to fund payment for the Acquisition. The Loan is evidenced by a secured convertible promissory note, dated July 31, 2018 (the "Note"), in the principal amount of $375,000, which shall accrue interest at an annual rate of 10% (the "Interest Rate") and has a maturity date of March 31, 2019 (the "Maturity Date"). Provided that Victory is not in default under the Note or the Loan Agreement, it may extend the Maturity Date to June 30, 2019 so long as Victory pays to Kodak a $9,375 extension fee. Under the Loan Agreement, Victory issued to Kodak a five-year warrant to purchase 375,000 shares of Victory's Common Stock with an exercise price of $0.75 per share, which includes a cashless exercise provision (the "Warrant").

The terms of the Note provide that Victory will pre-pay (i), upon the Closing, the interest due for the period from the Closing Date through December 31, 2018 in the amount of $15,625; (ii) on or before January 10, 2019, the interest due for the period from January 1, 2019 through March 31, 2019 in the amount of $9,375; and (iii) in the event Victory extends the Maturity Date, on or before April 10, 2019, the interest due for the period from April 1, 2019 through June 30, 2019 in the amount of $9,375.

Pursuant to the terms of the Note, at any time from and after the Maturity Date and prior to payment in full of the principal amount, Kodak may convert all or any portion of the outstanding principal amount plus all accrued but unpaid interest, into shares of Victory's Common Stock at a conversion price of $0.75 per share or such lower price as shares of Victory's Common Stock are sold to investors in the current, ongoing $5 million private placement, subject to certain adjustments. If Kodak elects to convert the Note into shares of Victory's Common Stock, Victory will issue to Kodak a five-year warrant to purchase the number of shares of Victory's Common Stock issuable upon conversion of the Note, at an exercise of $0.75 per share, including a cashless exercise provision, and upon such other terms as are mutually agreeable to the parties.

The Note contains customary events of default, the occurrence of which will cause the Interest Rate on the unpaid principal to increase to the lesser of: (i) 12% per annum; or (ii) the maximum interest rate permitted under applicable law.

The foregoing summary of the terms and conditions of the Loan Agreement, the Note and the Warrant does not purport to be complete and is qualified in its entirety by reference to the full text of the Loan Agreement, the Note and the Warrant, each filed as an exhibit to this report.

Guaranty and Security Agreement

On July 31, 2018 and in connection with the Loan Agreement, Pro-Tech and Kodak entered into a guaranty and security agreement (the "Guaranty Agreement"), pursuant to which the Note is guaranteed by Pro-Tech and is secured by (i) a first priority interest in all of the assets of Victory, excluding the Acquired Shares and the Collateral, such first priority interest being pari passu with a prior security interest granted by Victory to Visionary Private Equity Group I, LP, a Missouri limited partnership ("VPEG"); and (ii) a second priority interest in the Acquired Shares and the Collateral, such security interest being subordinated to the first priority lien on the Acquired Shares and the Collateral granted to the Seller under the Security Agreement.

The foregoing summary of the terms and conditions of the Guaranty Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of that agreement filed as an exhibit to this report.

Intercreditor Agreement

On July 31, 2018 and in connection with the Loan, Victory entered in an intercreditor agreement with Pro-Tech, Kodak, VPEG and the Seller (the "Intercreditor Agreement"), pursuant to which (i) VPEG agreed that, notwithstanding its automatic security interest in all the assets of Victory, including after-acquired assets, granted under the loan agreement, dated April 10, 2018, between Victory and VPEG and the related secured convertible promissory note (together, the "VPEG Loan Documents"), it will relinquish any claim it may have to a security interest in the Acquired Shares and the Collateral; (ii) VPEG agreed that Kodak's security interest in the assets of Victory, excluding the Acquired Shares and the Collateral, is pari passu with VPEG's security interest in such assets of Victory; and (iii) Kodak's security interest in the Acquired Shares and the Collateral is subordinated to the Seller's security interest in the Acquired Shares and the Collateral.

The foregoing summary of the terms and conditions of the Intercreditor Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of that agreement filed as an exhibit to this report.

Item 2.01 Completion of Acquisition or Disposition of Assets.

The information set forth under Item 1.01 regarding the Acquisition is incorporated by reference into this Item 2.01.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth under Item 1.01 regarding the Note is incorporated by reference into this Item 2.03.

Item 3.02 Unregistered Sale of Equity Securities

The information set forth under Item 1.01 regarding the Warrant is incorporated by reference into this Item 3.02. The issuance of the Warrant is being made in reliance upon an exemption from registration provided under Section 4(a)(2) of the Securities Act of 1933, as amended.

Item 8.01 Other Events.

On August 2, 2018, Victory issued a press release regarding the Acquisition, a copy of which is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are filed herewith:

Exhibit No.	Description
4.1	Common Stock Purchase Warrant, dated July 31, 2018, issued by Victory Oilfield Tech, Inc. to Kodak Brothers All America Fund, LP
10.1	Stock Purchase Agreement, dated as of July 31, 2018, among Victory Oilfield Tech, Inc., Pro-Tech Hardbanding Services, Inc., and Stewart Matheson
10.2	Pledge and Security Agreement, dated July 31, 2018, by and among Victory Oilfield Tech, Inc., Pro-Tech Hardbanding Services, Inc., and Stewart Matheson
10.3	Loan Agreement dated as of July 31 2018, by and between Kodak Brothers Real Estate Cash Flow Fund, LLC and Victory Oilfield Tech, Inc.
10.4	Secured Convertible Promissory Note, issued by Victory Oilfield Tech, Inc. to Kodak Brothers Real Estate Cash Flow Fund, LLC on July 31, 2018
10.5	Guaranty and Security Agreement, dated July 31, 2018, by and between Pro-Tech Hardbanding Services, Inc. and Kodak Brothers Real Estate Cash Flow Fund, LLC
10.6	Intercreditor Agreement, dated as of July 31, 2018, by and among Victory Oilfield Tech, Inc., Pro-Tech Hardbanding Services, Inc., Kodak Brothers Real Estate Cash Flow Fund, LLC, Stewart Matheson, and Visionary Private Equity Group I, LP
99.1	Press Release, dated August 2, 2018

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.

Date: August 2, 2018

VICTORY OILFIELD TECH, INC.

/s/ Kenneth Hill

Name: Kenneth Hill
Title: Chief Executive Officer

Exhibit 4.1

NEITHER THIS WARRANT NOR THE SECURITIES INTO WHICH THIS WARRANT IS EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES HAVE BEEN ACQUIRED FOR INVESTMENT AND MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS, OR AN OPINION OF COUNSEL, IN A FORM ACCEPTABLE TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR APPLICABLE STATE SECURITIES LAWS OR UNLESS SOLD PURSUANT TO RULE 144 UNDER SAID ACT.

VICTORY OILFIELD TECH, INC.

COMMON STOCK PURCHASE WARRANT

Initial Holder:
Kodak Brothers All America Fund, LP
3355 Bee Cave Rd., Suite 608
Austin, TX 78746.

Original Issue Date: July 31, 2018
No. of Shares Subject to Warrant: 375,000
Initial Exercise Price Per Share: $0.75 (subject to the adjustment pursuant to Section 9)
Expiration Time: 5:00 p.m., Central time, on July 31, 2023

VICTORY OILFIELD TECH, INC., a Nevada corporation (the "**Company**"), hereby certifies that, for value received, the Initial Holder shown above, or its permitted registered assigns (the "**Holder**"), is entitled to purchase from the Company up to the number of shares of its Common Stock, par value $0.001 per share (the "**Common Stock**"), shown above (each such share, a "**Warrant Share**" and all such shares, the "**Warrant Shares**") at the exercise price shown above (as may be adjusted from time to time as provided herein, the "**Exercise Price**"), at any time and from time to time on or after the original issue date indicated above (the "**Original Issue Date**") and through and including the expiration time shown above (the "**Expiration Time**"), and subject to the following terms and conditions:

This Warrant is being issued pursuant to that certain Loan Agreement, dated July 31, 2018, 2018 (the "**Loan Agreement**"), by and between the Company and the Initial Holder.

1. Definitions. In addition to the terms defined elsewhere in this Warrant, capitalized terms that are not otherwise defined herein have the meanings given to such terms in the Loan Agreement.

2. List of Warrant Holders. The Company shall register this Warrant, upon records to be maintained by the Company for that purpose (the "**Warrant Register**"), in the name of the record Holder (which shall include the Initial Holder or, as the case may be, any registered assignee to which this Warrant is permissibly assigned hereunder from time to time). The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

3. List of Transfers; Restrictions on Transfer. The Company shall register any transfer of all or any portion of this Warrant in the Warrant Register, upon surrender of this Warrant, with the Form of Assignment attached hereto duly completed and signed, to the Company at its address specified herein. Upon any such registration or transfer, a new Warrant to purchase Common Stock, in substantially the form of this Warrant (any such new Warrant, a "**New Warrant**"), evidencing the portion of this Warrant so transferred shall be issued to the transferee and a New Warrant evidencing the remaining portion of this Warrant not so transferred, if any, shall be issued to the transferring Holder. The acceptance of the New Warrant by the transferee thereof shall be deemed the acceptance by such transferee of all of the rights and obligations in respect of the New Warrant that the Holder has in respect of this Warrant.

4. Exercise and Duration of Warrant; Forced Exercise of Warrant.

(a) All or any part of this Warrant shall be exercisable by the registered Holder in any manner permitted by this Section 4 at any time and from time to time on or after the Original Issue Date and through and including the Expiration Time. At the Expiration Time, the portion of this Warrant not exercised prior thereto shall be and become void and of no value and this Warrant shall be terminated and shall no longer be outstanding.

(b) The Holder may exercise this Warrant by delivering to the Company: (i) an exercise notice, in the form attached hereto (the "**Exercise Notice**"), completed and duly signed, and (ii) if such Holder is not utilizing the cashless exercise provisions set forth in this Warrant, payment by wire transfer of immediately available funds to an account designated by the Company of the Exercise Price for the number of Warrant Shares as to which this Warrant is being exercised. The Holder shall be required to deliver the original Warrant in order to effect an exercise hereunder. The date such items are delivered to the Company (as determined in accordance with the notice provisions hereof) is an "**Exercise Date**." Execution and delivery of the Exercise Notice shall have the same effect as cancellation of the original Warrant and issuance of a New Warrant evidencing the right to purchase the remaining number of Warrant Shares.

(c) Notwithstanding anything contained herein to the contrary, so long as the Warrant Shares are not freely transferable, the Holder may, in its sole discretion, exercise this Warrant in whole or in part and, in lieu of making the cash payment otherwise contemplated to be made to the Company upon such exercise in payment of the Exercise Price, elect instead to receive upon such exercise the "Net Number" of shares of Common Stock determined according to the following formula (a "**Cashless Exercise**"):

$$\text{Net Number} = \frac{(A \times B) - (A \times C)}{B}$$

For purposes of the foregoing formula:

A = the total number of shares with respect to which this Warrant is then being exercised.

B = the Per Share Price (as defined below) of one (1) share of Common Stock at the time the net issuance election under this Section 4(c) is made.

C = the Exercise Price then in effect for the applicable Warrant Shares at the time of such exercise.

For purposes of Section 4(c), "Per Share Price" means: (A) if Company's Common Stock is traded on a securities exchange, the Per Share Price shall be deemed to be the closing price of Company's Common Stock as quoted on any exchange, as published in the Western Edition of The Wall Street Journal for the trading day immediately prior to the date of Holder's election hereunder, or (B) if Company's Common Stock is actively traded over-the-counter, the Per Share Price shall be deemed to be the closing bid or sales price, whichever is applicable, of Company's Common Stock for the trading day immediately prior to the date of Holder's election; or (C) if neither (A) nor (B) is applicable, the Per Share Price shall be determined in good faith by the Board of Directors of Company based on relevant facts and circumstances at the time of the net exercise under Section 4(c), including in the case of a change of control of the Company the consideration receivable by the holders of the Common Stock in such change of control.

For purposes of Rule 144(d) promulgated under the Securities Act, as in effect on the date hereof, assuming the Holder is not an affiliate of the Company, it is intended that the Warrant Shares issued in a Cashless Exercise shall be deemed to have been acquired by the Holder, and the holding period for the Warrant Shares shall be deemed to have commenced, on the closing date of the Offering pursuant to which the Company was obligated to issue this Warrant.

(d) The Holder understands and covenants that if (i) the Company is listed on a national securities exchange or the over-the-counter market, (ii) Warrant Shares are registered or the Holder otherwise has the ability to trade the Warrant Shares without restriction, (iii) the 30-day volume-weighted daily average price of the Company's Common Stock exceeds 150% of the Exercise Price, as adjusted and (iv) the average daily trading volume is at least 300,000 shares of Common Stock during such 30-day period, the Holder shall be required to fully exercise the Warrant within thirty (30) business days of receiving written notice from the Company following the aforementioned 30th trading day and if the Holder does not so exercise the Warrant, then it shall automatically expire. The Holder shall furnish the Company with a completed and fully executed Notice to Exercise attached to this Warrant and, if exercised for cash, remit the funds pursuant to the Notice to Exercise.

(e) The Company will not close its stockholder books or records in any manner which prevents the timely exercise of this Warrant pursuant to the terms hereof.

5. Delivery of Warrant Shares.

(a) Upon exercise of this Warrant, the Company shall promptly (but in no event later than ten (10) business days after the Exercise Date) issue or cause to be issued and cause to be delivered to or upon the written order of the Holder and in such name or names as the Holder may designate, a certificate for the Warrant Shares issuable upon such exercise, free of restrictive legends. The Holder, or any Person permissibly so designated by the Holder to receive Warrant Shares, shall be deemed to have become the holder of record of such Warrant Shares as of the Exercise Date. The Company shall, upon the written request of the Holder, use its best efforts to deliver, or cause to be delivered, Warrant Shares hereunder electronically through the Depository Trust and Clearing Corporation or another established clearing corporation performing similar functions, if available; *provided, that,* the Company may, but will not be required to, change its transfer agent if its current transfer agent cannot deliver Warrant Shares electronically through the Depository Trust and Clearing Corporation. If as of the time of exercise the Warrant Shares constitute restricted or control securities, the Holder, by exercising, agrees not to resell them except in compliance with all applicable securities laws.

(b) To the extent permitted by law, the Company's obligations to issue and deliver Warrant Shares in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by the Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder or any other Person of any obligation to the Company or any violation or alleged violation of law by the Holder or any other Person, and irrespective of any other circumstance that might otherwise limit such obligation of the Company to the Holder in connection with the issuance of Warrant Shares. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver certificates representing shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

(c) If the Company fails to cause its transfer agent to transmit to the Holder a certificate or the certificates (either physical or electronic) representing the Warrant Shares pursuant to the terms hereof by applicable delivery date, then, the Holder will have the right to rescind such exercise.

6. Charges, Taxes and Expenses. Issuance and delivery of certificates for shares of Common Stock upon exercise of this Warrant shall be made without charge to the Holder for any issue or transfer tax, withholding tax, transfer agent fee or other incidental tax or expense in respect of the issuance of such certificates, all of which taxes and expenses shall be paid by the Company; *provided, however,* that the Company shall not be required to pay any tax that may be payable in respect of any transfer involved in the registration of any certificates for Warrant Shares or the Warrants in a name other than that of the Holder. The Holder shall be responsible for all other tax liability that may arise as a result of holding or transferring this Warrant or receiving Warrant Shares upon exercise hereof.

7. Replacement of Warrant. If this Warrant is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a New Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction and customary and reasonable indemnity, if requested. Applicants for a New Warrant under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Company may prescribe. If a New Warrant is requested as a result of a mutilation of this Warrant, then the Holder shall deliver such mutilated Warrant to the Company as a condition precedent to the Company's obligation to issue the New Warrant.

8. Reservation of Warrant Shares. The Company covenants that it will at all times reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved Common Stock, solely for the purpose of enabling it to issue Warrant Shares upon exercise of this Warrant as herein provided, the number of Warrant Shares that are then issuable and deliverable upon the exercise of this entire Warrant, free from preemptive rights or any other contingent purchase rights of persons other than the Holder (taking into account the adjustments and restrictions of Section 9). The Company covenants that all Warrant Shares so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and nonassessable.

9. Certain Adjustments to Exercise Price. The Exercise Price and number of Warrant Shares issuable upon exercise of this Warrant are subject to adjustment from time to time as set forth in this Section 9.

(a) Adjustments for Stock Splits and Combinations and Stock Dividends. If the Company shall at any time or from time to time after the date hereof, effect a stock split or combination of the outstanding Common Stock or pay a stock dividend in shares of Common Stock, then the Exercise Price shall be proportionately adjusted. Any adjustments under this Section 9(a) shall be effective at the close of business on the date the stock split or combination becomes effective or the date of payment of the stock dividend, as applicable.

(b) Merger Sale, Reclassification, etc. In case of any: (i) consolidation or merger (including a merger in which the Company is the surviving entity), (ii) sale or other disposition of all or substantially all of the Company's assets or distribution of property to shareholders (other than distributions payable out of earnings or retained earnings), or reclassification, change or conversion of the outstanding securities of the Company or of any reorganization of the Company (or any other corporation the stock or securities of which are at the time receivable upon the exercise of this Warrant) or any similar corporate reorganization on or after the date hereof, then and in each such case the Holder of this Warrant, upon the exercise hereof at any time thereafter shall be entitled to receive, in lieu of the stock or other securities and property receivable upon the exercise hereof prior to such consolidation, merger, sale or other disposition, reclassification, change, conversion or reorganization, the stock or other securities or property to which such Holder would have been entitled upon such consummation if such Holder had exercised this Warrant immediately prior thereto.

(c) Adjustment for Proposed Private Placement. In the event that the Company completes its proposed $5 million private placement of its common stock (the "**Proposed Private Placement")** at a price per share that is less than the anticipated price per share of $0.75, with 50% warrant coverage at an exercise price of less than the anticipated $0.75 per share, the Exercise Price will be reduced to the exercise price per share paid by investors in the Proposed Private Placement.

10. No Fractional Shares. No fractional Warrant Shares will be issued in connection with any exercise of this Warrant. In lieu of any fractional shares that would otherwise be issuable, the Company shall pay cash equal to the product of such fraction multiplied by the closing price of one Warrant Share as reported by the applicable trading market on the Exercise Date, or if there is no trading market for the Common Stock, the product of such fraction multiplied by the then fair market value of one Warrant Share as reasonably determined by the Board of Directors of the Company.

11. Notices. Any and all notices or other communications or deliveries hereunder (including, without limitation, any Exercise Notice) shall be delivered in accordance with the procedures set forth in the Loan Agreement.

12. Warrant Agent. The Company shall serve as warrant agent under this Warrant. Upon thirty (30) days' notice to the Holder, the Company may appoint a new warrant agent. Any corporation into which the Company or any new warrant agent may be merged or any corporation resulting from any consolidation to which the Company or any new warrant agent shall be a party or any corporation to which the Company or any new warrant agent transfers substantially all of its corporate trust or shareholders services business shall be a successor warrant agent under this Warrant without any further act. Any such successor warrant agent shall promptly cause notice of its succession as warrant agent to be mailed (by first class mail, postage prepaid) to the Holder at the Holder's last address as shown on the Warrant Register.

13. No Net Cash Settlement. Notwithstanding anything herein to the contrary, in no event will the Holder hereof be entitled to receive a net-cash settlement as liquidated damages in lieu of physical settlement in shares of Common Stock, regardless of whether the Common Stock underlying this Warrant is registered pursuant to an effective registration statement; provided, however, that the foregoing will not preclude the Holder from seeking other remedies at law or equity for breaches by the Company of its registration obligations hereunder.

14. Miscellaneous.

(a) This Warrant shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns. Subject to the preceding sentence, nothing in this Warrant shall be construed to give to any Person other than the Company and the Holder any legal or equitable right, remedy or cause of action under this Warrant. This Warrant may be amended only in writing signed by the Company and the Holder, or their successors and assigns.

(b) All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware, without regard to the principles of conflicts of law thereof.

(c) The headings herein are for convenience only, do not constitute a part of this Warrant and shall not be deemed to limit or affect any of the provisions hereof.

(d) In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefore, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

(e) Prior to exercise of this Warrant, the Holder hereof shall not, by reason of by being a Holder, be entitled to any rights of a stockholder with respect to the Warrant Shares.

(f) No provision hereof, in the absence of any affirmative action by Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of Holder, shall give rise to any liability of Holder for the purchase price of any Common Stock or as a stockholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by its authorized officer as of the date first indicated above.

VICTORY OILFIELD TECH, INC.

By: /s/ Kenneth Hill
Name: Kenneth Hill
Title: Chief Executive Officer

VICTORY OILFIELD TECH, INC.

EXERCISE NOTICE

Ladies and Gentlemen:

(1) The undersigned hereby elects to exercise the above-referenced Warrant with respect to _____ shares of Common Stock. Capitalized terms used herein and not otherwise defined herein have the respective meanings set forth in the Warrant.

(2) The Holder intends that payment of the Exercise Price shall be made as (check one):

☐ Cash Exercise under Section 4(b)
☐ Cashless Exercise under Section 4(c) (assuming conditions precedent are met)

(3) If the Holder has elected a Cash Exercise, the holder shall pay the sum of $ _____ to the Company in accordance with the terms of the Warrant.

(4) Pursuant to this Exercise Notice, the Company shall deliver to the Holder _____ Warrant Shares determined in accordance with the terms of the Warrant.

Dated: _____

HOLDER:

_____
Print name

By: _____

Title: _____

VICTORY OILFIELD TECH, INC.

FORM OF ASSIGNMENT

To be completed and signed only upon transfer of Warrant

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the right represented by the within Warrant to purchase _____ shares of Common Stock to which the within Warrant relates and appoints _____ attorney to transfer said right on the books of the Company with full power of substitution in the premises.

Dated: _____

TRANSFEROR:

_____
Print name

By: _____

Title: _____

TRANSFEREE:

_____
Print name

By: _____

Title: _____

Address of Transferee:

_____

_____

Exhibit 10.1

STOCK PURCHASE AGREEMENT

dated as of July 31, 2018

among

VICTORY OILFIELD TECH, INC.

PRO-TECH HARDBANDING SERVICES, INC.

AND

STEWART MATHESON

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STOCK PURCHASE AGREEMENT

STOCK PURCHASE AGREEMENT, dated as of July 31, 2018 (the "**Agreement**"), among Victory Oilfield Tech, Inc., a Nevada corporation (the "**Buyer**"), Pro-Tech Hardbanding Services, Inc., an Oklahoma corporation (the "**Company**"), and Stewart Matheson (the "**Seller**").

BACKGROUND

The Seller is the record and beneficial owner of 517 shares (the "**Shares**") of the Common Stock, $1.00 par value per share (the "**Common Stock**"), of the Company constituting 100% of the issued and outstanding shares of Common Stock of the Company. The Seller desires to sell all of the Shares to the Buyer, and the Buyer desires to purchase all of the Shares from the Seller, upon the terms and subject to the conditions set forth in this Agreement (such sale and purchase of the Shares, the "**Acquisition**").

On June 21, 2018, the Buyer and the Seller entered into an escrow agreement (the "**Escrow Agreement**") with UMB Bank, N.A., as escrow agent (the "**Escrow Agent**"), pursuant to which the Buyer deposited $150,000 (the "**Deposit**") into an escrow account, which shall be applied towards the Purchase Price (as defined below) as described below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and the respective representations and warranties, covenants and agreements contained herein, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

1.1 Certain Definitions.

(a) When used in this Agreement, the following terms will have the meanings assigned to them in this Section 1.1(a):

"**Accounting Principles**" means the accounting methods, principles or calculations historically used by the Company and its Subsidiaries and as set forth in Section 4.5 of the Disclosure Schedule, consistently applied.

"**Action**" means any claim, action, suit, inquiry, hearing, proceeding or other investigation.

"**Affiliate**" means, with respect to a Person, any other Person that, directly or indirectly, through one or more intermediaries, Controls, is Controlled by or is under common Control with, such Person. For purposes of this definition, "**Control**" (including the terms "**Controlled by**" and "**under common Control with**") means possession of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of stock, as trustee or executor, by Contract or otherwise.

"**Benefit Plan**" means any "employee benefit plan" as defined in ERISA Section 3(3), including any (i) nonqualified deferred compensation or retirement plan or arrangement which is an Employee Pension Benefit Plan (as defined in ERISA Section 3(2)), (ii) qualified defined contribution retirement plan or arrangement which is an Employee Pension Benefit Plan, (iii) qualified defined benefit retirement plan or arrangement which is an Employee Pension Benefit Plan (including any Multiemployer Plan (as defined in ERISA Section 3(37)), (iv) Employee Welfare Benefit Plan (as defined in ERISA Section 3(1)) or material fringe benefit plan or program, or (v) stock purchase, stock option, severance pay, employment, change-in-control, vacation pay, company award, salary continuation, sick leave, excess benefit, bonus or other incentive compensation, life insurance, or other employee benefit plan, contract, program, policy or other arrangement, whether or not subject to ERISA, under which any present or former employee of the Company has any present or future right to benefits sponsored or maintained by the Company or any ERISA Affiliate.

"**Business Day**" means a day other than a Saturday, Sunday or other day on which banks located in New York, NY are authorized or required by Law to close.

"**Change in Control**" means an event or series of events by which (a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an "**option right**")), directly or indirectly, of more than 50% of the equity securities of the Company, as applicable, entitled to vote for members of the board of directors or equivalent governing body of the Company, as applicable, on a fully-diluted basis (and taking into account all such securities that such "person" or "group" has the right to acquire pursuant to any option right) or (b) during any period of 24 consecutive months, a majority of the members of the board of directors or other equivalent governing body of the Company, as applicable, cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body. For the avoidance of doubt, the transactions contemplated by this Agreement shall not constitute a Change of Control.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Contract**" means any written agreement, contract, commitment, arrangement or understanding.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended.

"**ERISA Affiliate**" means any Person who is, or at any time was, a member of a "controlled group of corporations" within the meaning of Section 414(b) or (c) of the Code and, for the purpose of Section 302 of ERISA and/or Section 412, 4971, 4977, 4980D, 4980E and/or each "applicable section" under Section 414(f)(2) of the Code, within the meaning of Section 412(n)(6) of the Code that includes, or at any time included, the Company or any Affiliate thereof, or any predecessor of any of the foregoing.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**GAAP**" means United States generally accepted accounting principles of Company in effect as of the date of Closing.

"**Governmental Entity**" means any entity or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to United States federal, state or local government or foreign, international, multinational or other government, including any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority thereof.

"**Intellectual Property**" means (i) trade secrets, inventions, confidential and proprietary information, know-how, formulae and processes, (ii) patents (including all provisionals, reissues, divisions, continuations and extensions thereof) and patent applications, (iii) trademarks, trade names, trade dress, brand names, domain names, trademark registrations, trademark applications, service marks, service mark registrations and service mark applications (whether registered, unregistered or existing at common law, including all goodwill attaching thereto), (iv) copyrights, including copyright registrations, copyright applications and unregistered common law copyrights; (v) and all licenses for the Intellectual Property listed in items (i) – (iv) above.

"**IRS**" means the Internal Revenue Service.

"**Knowledge of the Seller**" or any similar phrase means the actual knowledge of the Seller, without obligation of inquiry.

"**Law**" means any statute, law, ordinance, rule, regulation of any Governmental Entity.

"**Liability**" means all indebtedness, obligations and other liabilities and contingencies of a Person, whether absolute, accrued, contingent, fixed or otherwise, or whether due or to become due.

"**Lien**" means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest, hypothecation or other encumbrance in respect of such property or asset.

"**Material Adverse Effect**" means any material adverse effect on the assets, properties, condition (financial or otherwise), operations of the Company and any of its Subsidiaries, taken as a whole, provided, however, that a Material Adverse Effect shall not include: (i) changes in the national or world economy or financial markets as a whole or changes in general economic conditions that affect the industries in which the Company and its Subsidiaries conduct their business, so long as such changes or conditions do not adversely affect the Company and its Subsidiaries, taken as a whole, in a materially disproportionate manner relative to other similarly situated participants in the industries or markets in which they operate; (ii) acts of war, sabotage or terrorism, military actions, or the escalation thereof; (iii) Acts of God, force majeure, or natural disasters; (iv) any change in applicable Law or GAAP or interpretation thereof after the date hereof, so long as such changes do not adversely affect the Company and its Subsidiaries, taken as a whole, in a materially disproportionate manner relative to other similarly situated participants in the industries or markets in which they operate; (v) the transactions contemplated by this Agreement becoming public; or (vi) compliance with the terms of, and taking any action required by, this Agreement, or the taking or not taking any actions at the request of, or with the consent of, the Buyer.

"**Order**" means any award, injunction, judgment, decree, order, ruling, subpoena or verdict or other decision issued, promulgated or entered by or with any Governmental Entity of competent jurisdiction.

"**Permit**" means any authorization, approval, consent, certificate, license, permit or franchise of or from any Governmental Entity of competent jurisdiction or pursuant to any Law.

"**Person**" means an individual, a corporation, a partnership, a limited liability company, a trust, an unincorporated association, a Governmental Entity or any agency, instrumentality or political subdivision of a Governmental Entity, or any other entity or body.

"**Representatives**" means, with respect to any Person, the respective directors, officers, employees, counsel, accountants and other representatives of such Person.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Subsidiary**" means, with respect to any Person, any corporation, partnership, joint venture or other legal entity of which such Person (either alone or through or together with any other Subsidiary), owns, directly or indirectly, more than 50% of the stock or other equity interests, the holders of which are generally entitled to vote for the election of the board of directors or other governing body of a non-corporate Person.

"**Taxes**" means all federal, state, local and foreign income, profits, franchise, gross receipts, environmental, customs duty, capital stock, severance, stamp, payroll, sales, transfer, employment, unemployment, disability, use, property, withholding, excise, production, value added, occupancy and other taxes, duties or assessments of any nature whatsoever.

"**Taxing Authority** " means any Governmental Entity having or purporting to exercise jurisdiction with respect to any Tax.

"**Tax Returns**" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"**Transaction Proposal**" means any unsolicited written bona fide proposal made by a third party relating to (i) any direct or indirect acquisition or purchase of all or substantially all assets of the Company, (ii) any direct or indirect acquisition or purchase of a majority of the combined voting power of the Shares, (iii) any merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving the Company in which the other party thereto or its stockholders will own 51% or more of the combined voting power of the parent entity resulting from any such transaction, or (iv) any other transaction that is inconsistent with the intent and purpose of this Agreement.

"**$**" means United States dollars.

(b) For purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires: (i) the meaning assigned to each term defined herein will be equally applicable to both the singular and the plural forms of such term and vice versa, and words denoting any gender will include all genders as the context requires; (ii) where a word or phrase is defined herein, each of its other grammatical forms will have a corresponding meaning; (iii) the terms "hereof", "herein", "hereunder", "hereby" and "herewith" and words of similar import will, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement; (iv) when a reference is made in this Agreement to an Article, Section, paragraph, Exhibit or Schedule without reference to a document, such reference is to an Article, Section, paragraph, Exhibit or Schedule to this Agreement; (v) a reference to a subsection without further reference to a Section is a reference to such subsection as contained in the same Section in which the reference appears, and this rule will also apply to paragraphs and other subdivisions; (vi) the word "include", "includes" or "including" when used in this Agreement will be deemed to include the words "without limitation", unless otherwise specified; (vii) a reference to any party to this Agreement or any other agreement or document will include such party's predecessors, successors and permitted assigns; (viii) a reference to any Law means such Law as amended, modified, codified, replaced or reenacted as of the date hereof, and all rules and regulations promulgated thereunder as of the date hereof; and (ix) all accounting terms used and not defined herein have the respective meanings given to them under GAAP.

ARTICLE II
PURCHASE AND SALE OF THE SHARES

2.1 Purchase and Sale of the Shares. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing the Seller will sell, transfer and deliver, and the Buyer will purchase from the Seller, all of the Shares for an aggregate purchase price of $1,600,000 (the "**Purchase Price**") payable as described below.

(a) At the Closing, the Deposit shall be released to the Seller.

(b) In addition to the release of the Deposit to the Seller, $350,000 (the "**Cash Portion**") shall be paid by the Buyer to the Seller at the Closing through the delivery to the Seller of cash in immediately available funds.

(c) The life insurance policies described in Section 2.1 of the Disclosure Schedule (the "**Seller Policies**"), which are owned by the Seller, for which the Seller is the named insured, and the named beneficiary of which has heretofore been the Company, shall be modified such that the Seller shall name a beneficiary of his choosing, which shall not be the Company.

(d) At the Closing, the Buyer shall issue to the Seller 11,000 shares (the "**New Shares**") of the common stock, par value $0.001 per share, of the Buyer (the "**Buyer Common Stock**"), which shares shall be duly authorized and validly issued, fully paid and nonassessable, and free of preemptive rights (the "**Share Issuance**").

(e) On the 60th day following the Closing Date, the Buyer shall pay to the Seller an amount of cash in immediately available funds equal to $300,000 (the "**Closing Receivables Payment**"), to the extent that such amount of accounts receivable exist as of the Closing Date, without regard to whether the Buyer collects such accounts receivable at any time. For the avoidance of doubt, the Closing Receivables Payment shall be made by the Buyer to the Seller regardless of whether the Company is able to collect at least $300,000 of the accounts receivable during such 60-day period following the Closing Date.

(f) The remaining $700,000 of the Purchase Price (the "**Deferred Portion**") shall be paid by the Buyer to the Seller over a period of two (2) years following the Closing in equal quarterly installments of $87,500 each, with the first such payment being made on October 31, 2018, and the last such payment being made on July 31, 2020; provided, however, that, upon a Change in Control of the Company after the Closing (and not as a result of the Closing), the Deferred Portion shall become immediately due and payable.

(g) The Buyer's obligations to pay the Seller the Closing Receivables Payment and to pay to the Seller the Deferred Portion shall be secured by a first lien on the Shares and all of the assets of the Company pursuant to the pledge and security agreement described in Section 7.2(j).

2.2 Adjustment for Outstanding Indebtedness. The Cash Portion shall be decreased by the amount of any outstanding indebtedness for borrowed money of the Company existing as of the Closing Date and the deducted amount shall be utilized to pay off such outstanding indebtedness for borrowed money at the Closing. For the avoidance of doubt, indebtedness for borrowed money specifically includes the approximately $60,000 in liabilities that are guaranteed by the Seller and described in Section 6.4 of the Disclosure Schedule and specifically excludes accounts payable of the Company incurred in the ordinary course of business.

2.3 Closing. The consummation of the Acquisition (the "**Closing**") will take place by the reciprocal delivery of closing documents by electronic mail, regular mail, fax or any other means mutually agreed upon by the parties hereto on a date that is no later than two (2) Business Days immediately following the day on which the last of the conditions to closing contained in Article VII (other than any conditions that by their nature are to be satisfied at the Closing) is satisfied or waived in accordance with this Agreement or at such other location or on such other date as the Buyer and the Company may mutually determine (the date on which the Closing actually occurs is referred to as the "**Closing Date**").

2.4 Transactions to be Effected at the Closing.

(a) At the Closing, the Buyer will (i) pay to the Seller the Cash Portion of the Purchase Price, adjusted in accordance with Section 2.2, by paying such sum to the Seller by transfer of immediately available funds in accordance with instructions provided by the Seller and (ii) deliver to the Seller all other documents, instruments or certificates required to be delivered by the Buyer at or prior to the Closing pursuant to this Agreement.

(b) At the Closing, the Seller will deliver to the Buyer (i) a certificate or certificates representing his Shares duly endorsed or accompanied by stock powers duly endorsed in blank and (ii) all other documents, instruments or certificates required to be delivered by the Seller at or prior to the Closing pursuant to this Agreement.

(c) Immediately prior to or at Closing, the Company will transfer title to the 2013 Ford F-150 FWD Super Crew Limited bearing vehicle identification number 1FTFW1ET1DFD55313 to Seller, free and clear of all Liens and will transfer to Seller ownership of the cellular phones currently used by the Seller and his spouse and the phone numbers associated therewith, which are (405) 615-8874 and (405) 627-1545.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE SELLER

The Seller represents and warrants to the Buyer that each statement contained in this Article III is true and correct as of the date hereof.

3.1 Authority and Enforceability. The Seller has the requisite legal capacity to execute and deliver this Agreement, to perform his obligations hereunder and to consummate the Acquisition and the other transactions contemplated hereby. This Agreement has been duly executed and delivered by the Seller and, assuming the due authorization, execution and delivery by each other party hereto, constitutes a legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, except as limited by (a) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar Laws relating to creditors' rights generally and (b) general principles of equity, whether such enforceability is considered in a proceeding in equity or at Law.

3.2 Noncontravention.

(a) Neither the execution and the delivery of this Agreement nor the consummation of the Acquisition or the other transactions contemplated by this Agreement will, with or without the giving of notice or the lapse of time or both, (i) to the actual knowledge of the Seller and assuming compliance with the filing and notice requirements set forth in Section 3.2(b)(i), violate any Law applicable to the Seller or (ii) violate any Contract to which the Seller is a party, except to the extent that any such violation would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the assets, properties, or condition (financial or otherwise) of the Seller.

(b) The execution and delivery of this Agreement by the Seller does not, and the performance of this Agreement by the Seller will not, require any consent, approval, authorization or Permit of, or filing with or notification to, any Governmental Entity, except where the failure to take such action would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the assets, properties, or condition (financial or otherwise), of the Seller.

3.3 The Shares. The Seller holds of record and owns beneficially all of the Shares free and clear of all Liens. The Seller is not party to any Contract obligating the Seller to vote or dispose of any shares of the capital stock of, or other equity or voting interests in, the Company. The Seller has the full right to sell, convey, transfer, assign and deliver the Shares, without the need to obtain the consent or approval of any third party. At and as of the Closing, the Seller will convey the Shares to the Buyer by instruments of assignment and transfer effective to vest in the Buyer, and the Buyer will have, good and valid record and marketable title to the Shares, free and clear of all Liens.

3.4 Brokers' Fees. The Seller does not have any Liability to pay any fees or commissions to any broker, finder or agent with respect to this Agreement, the Acquisition or the transactions contemplated by this Agreement.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES CONCERNING THE COMPANY

The Seller represents and warrants to the Buyer that each statement contained in this Article IV is true and correct as of the date hereof, except as set forth in the schedule accompanying this Agreement (the "**Disclosure Schedule**"). The Disclosure Schedule has been arranged for purposes of convenience only, in sections corresponding to the Sections of this Article IV. Each section of the Disclosure Schedule will be deemed to incorporate by reference all information disclosed in any other section of the Disclosure Schedule. Any representation or warranty concerning the Company shall be deemed to be a representation concerning the Company and its Subsidiaries as a whole unless the context specifically requires otherwise.

4.1 Organization, Qualification and Corporate Power; Authority and Enforceability.

(a) The Company and each of its Subsidiaries is a corporation, limited liability company or other legal entity duly organized, validly existing and in good standing (with respect to jurisdictions that recognize the concept of good standing) under the Laws of its jurisdiction of organization, and has the requisite corporate, limited liability company or other organizational, as applicable, power and authority to own, lease and operate its assets and to carry on its business as now conducted. Each of the Company and its Subsidiaries is duly qualified or licensed to do business as a foreign corporation, limited liability company or other legal entity and is in good standing (with respect to jurisdictions that recognize the concept of good standing) in each jurisdiction where the character of the assets and properties owned, leased or operated by it or the nature of its business makes such qualification or license necessary, except where the failure to be so qualified or licensed or to be in good standing, would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) The Company has the requisite power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance by the Company of this Agreement and the consummation by the Company of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Company, and no other action is necessary on the part of the Company to authorize this Agreement or to consummate the Acquisition or the other transactions contemplated hereby. This Agreement has been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery by each other party hereto, constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by (i) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar Laws relating to creditors' rights generally and (ii) general principles of equity, whether such enforceability is considered in a proceeding in equity or at Law.

4.2 Subsidiaries. Section 4.2 of the Disclosure Schedule sets forth for each Subsidiary of the Company (i) its name and jurisdiction of incorporation, (ii) the number of shares of authorized capital stock of each class of its capital stock, (iii) the number of issued and outstanding shares of each class of its capital stock, the names of the holders thereof, and the number of shares held by each such holder, and (iv) the number of shares of its capital stock held in treasury. All of the issued and outstanding shares of capital stock of each Subsidiary of the Company have been duly authorized and are validly issued, fully paid, and nonassessable. One of the Company and its Subsidiaries holds of record and owns beneficially all of the outstanding shares of each Subsidiary of the Company, free and clear of any restrictions on transfer (other than restrictions under the federal and state securities laws), Taxes, Liens, options, warrants, purchase rights, contracts, commitments, equities, claims, and demands. There are no outstanding or authorized options, warrants, preemptive rights, purchase rights, subscription rights, conversion rights, exchange rights, or other contracts or commitments that could require any of the Company and its Subsidiaries to sell, transfer, or otherwise dispose of any capital stock of any of its Subsidiaries or that could require any Subsidiary of the Company to issue, sell, or otherwise cause to become outstanding any of its own capital stock. There are no outstanding stock appreciation, phantom stock, profit participation, or similar rights with respect to any Subsidiary of the Company. There are no voting trusts, proxies, or other agreements or understandings with respect to the voting of any capital stock of any Subsidiary of the Company. Except as set forth in Section 4.2 of the Disclosure Schedule, none of the Company and its Subsidiaries controls directly or indirectly or has any direct or indirect equity participation in any corporation, partnership, trust, or other business association which is not a Subsidiary of the Company.

4.3 Capitalization.

(a) The authorized capital stock of the Company consists of 50,000 shares of Common Stock, par value $1.00 per share, of which 517 shares are issued and outstanding. No other capital stock of the Company is authorized, issued or outstanding.

(b) Except as set forth in Section 4.3 of the Disclosure Schedule, there are no outstanding options, warrants or other securities or subscription, preemptive or other rights convertible into or exchangeable or exercisable for any shares of capital stock or other equity or voting interests of the Company and there are no "phantom stock" rights, stock appreciation rights or other similar rights with respect to the Company. There are no Contracts of any kind to which the Company is a party or by which the Company is bound, obligating the Company to issue, deliver, grant or sell, or cause to be issued, delivered, granted or sold, additional shares of capital stock of, or other equity or voting interests in, or options, warrants or other securities or subscription, preemptive or other rights convertible into, or exchangeable or exercisable for, shares of capital stock of, or other equity or voting interests in, the Company, or any "phantom stock" right, stock appreciation right or other similar right with respect to the Company, or obligating the Company to enter into any such Contract.

(c) There are no securities or other instruments or obligations of the Company, the value of which is in any way based upon or derived from any capital or voting stock of the Company or having the right to vote (or convertible into, or exchangeable or exercisable for, securities having the right to vote) on any matters on which the Company's stockholders may vote.

(d) There are no Contracts, contingent or otherwise, obligating the Company to repurchase, redeem or otherwise acquire any shares of capital stock of, or other equity or voting interests in, the Company. There are no voting trusts, registration rights agreements or stockholder agreements to which the Company is a party with respect to the voting of the capital stock of the Company or with respect to the granting of registration rights for any of the capital stock of the Company. There are no rights plans affecting the Company.

(e) Except as set forth in Section 4.3 of the Disclosure Schedule, there are no bonds, debentures, notes or other indebtedness of the Company.

4.4 Noncontravention.

(a) Neither the execution and delivery of this Agreement nor the consummation of the Acquisition and the other transactions contemplated by this Agreement will, with or without the giving of notice or the lapse of time or both, (i) violate any provision of the articles of incorporation or bylaws (or comparable organization documents, as applicable) of the Company, (ii) to the Knowledge of the Seller and assuming compliance with the filing and notice requirements set forth in Section 4.4(b)(i), violate any Law applicable to the Company on the date hereof or (iii) except as set forth in Section 4.4(a) of the Disclosure Schedule, violate any Contract to which the Company is a party, except in the case of clauses (ii) and (iii) to the extent that any such violation would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) To the Knowledge of the Seller, the execution and delivery of this Agreement by the Company does not, and the performance of this Agreement by the Company will not, require any consent, approval, authorization or Permit of, or filing with or notification to, any Governmental Entity, except for (i) the filings set forth in Section 4.4(b) of the Disclosure Schedule or (ii) where the failure to take such action would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.5 Financial Statements. Section 4.5 of the Disclosure Schedule contains true and complete copies of (i) the unaudited consolidated balance sheet of the Company and its Subsidiaries as of December 31, 2017 and the related unaudited consolidated statements of income and cash flows for the two years ended December 31, 2017 and December 31, 2016 (the "**Annual Financial Statements**") and (ii) the unaudited consolidated balance sheet of the Company and its Subsidiaries as of March 31, 2018 and the related statements of income and cash flows for the three-month period ended March 31, 2018 (the "**Interim Financial Statements**" and, together with the Annual Financial Statements, the "**Financial Statements**"). Except as set forth in Section 4.5 of the Disclosure Schedule, the Financial Statements have been prepared in accordance with the Accounting Principles applied on a consistent basis throughout the periods involved (except as may be indicated in the notes thereto) and, on that basis, fairly present, in all material respects, the financial condition and results of operations of the Companies and their Subsidiaries as of the indicated dates and for the indicated periods (subject to normal year-end adjustments and the absence of notes). Section 4.5 of the Disclosure Schedule indicates the material differences between Accounting Principles and GAAP.

4.6 Taxes. Except as set forth in Section 4.6 of the Disclosure Schedule:

(a) All material Tax Returns required to have been filed by the Company have been filed, and each such Tax Return reflects the liability for Taxes in all material respects. All Taxes shown on such Tax Returns as due have been paid or accrued.

(b) To the Knowledge of the Seller, there is no audit pending against the Company in respect of any Taxes. There are no Liens on any of the assets of the Company that arose in connection with any failure (or alleged failure) to pay any Tax, other than Liens for Taxes not yet due and payable.

(c) The Company has withheld and paid or accrued for all material Taxes required to have been withheld and paid or accrued for in connection with amounts paid or owing to any third party.

(d) The Company has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency.

(e) The Company is not a party to any Tax allocation or sharing agreement.

4.7 Compliance with Laws and Orders; Permits. To the Knowledge of the Seller:

(a) The Company is in compliance with all Laws and Orders to which the business of the Company is subject, except where such failure to comply would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) The Company owns, holds, possesses or lawfully uses in the operation of its business all Permits that are necessary for it to conduct its business as now conducted, except where such failure to own, hold, possess or lawfully use such Permit would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.8 No Undisclosed Liabilities. Except as set forth in Section 4.8 of the Disclosure Schedule, the Company does not have any Liability, except for (a) Liabilities set forth on the Interim Financial Statements (rather than in any notes thereto) and (b) Liabilities which have arisen since the date of the Interim Financial Statements in the ordinary course of business (none of which results from, arises out of, relates to, is in the nature of, or was caused by any breach of contract, breach of warranty, tort, infringement, or violation of Law).

4.9 Tangible Personal Assets.

(a) The Company has good title to, or a valid interest in, all of its tangible personal assets, free and clear of all Liens, other than (i) Liens for current real or personal property Taxes that are not yet due and payable or that may hereafter be paid without material penalty or that are being contested in good faith, (ii) statutory Liens of landlords and workers', carriers' and mechanics' or other like Liens incurred in the ordinary course of business or that are being contested in good faith, (iii) Liens and encroachments which do not materially interfere with the present or proposed use of the properties or assets they affect, (iv) Liens that will be released prior to or as of the Closing, (v) Liens arising under this Agreement, (vi) Liens created by or through the Buyer, (vii) Liens set forth on Section 4.9 of the Disclosure Schedule or (viii) Liens that, individually or in the aggregate, do not materially interfere with the ability of the Company thereof to conduct its business as currently conducted and do not adversely affect the value of, or the ability to sell, such personal properties and assets (the "**Permitted Liens**").

(b) The Company's tangible personal assets are in operating condition and working order and repair, when taken as a whole, subject to ordinary wear and tear and repairs from time to time in the ordinary course of business and are suitable for the purposes for which they are currently being used.

4.10 Real Property.

(a) Owned Real Property.

The Company does not own any real property.

(b) Leased Real Property.

Section 4.10(b) of the Disclosure Schedule contains a list of all leases and subleases (collectively, the "**Real Property Leases**") under which the Company is either lessor or lessee. The Seller has heretofore made available to the Buyer true and complete copies of each Real Property Lease. To the Knowledge of the Seller, (i) all Real Property Leases are valid and binding Contracts of the Company and are in full force and effect (except for those that have terminated or will terminate by their own terms), and (ii) neither the Company or any other party thereto, is in violation or breach of or default (or with notice or lapse of time, or both, would be in violation or breach of or default) under the terms of any such Contract, in each case, except where such default would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.11 Intellectual Property.

(a) Section 4.11 of the Disclosure Schedule sets forth a list that includes all material Intellectual Property owned by the Company (the "**Company-Owned Intellectual Property**") that is registered or subject to an application for registration (including the jurisdictions where such Company-Owned Intellectual Property is registered or where applications have been filed, and all registration or application numbers, as appropriate).

(b) As of the date hereof, all necessary registration, maintenance and renewal fees have been paid and all necessary documents have been filed with the United States Patent and Trademark Office or foreign patent and trademark office in the relevant foreign jurisdiction for the purposes of maintaining the registered Company-Owned Intellectual Property.

(c) Except as set forth on Section 4.11 of the Disclosure Schedule, (i) the Company is the exclusive owner of the Company-Owned Intellectual Property free and clear of all Liens (other than Permitted Liens); (ii) to the Knowledge of the Seller no proceedings have been instituted, are pending or are threatened that challenge the rights of the Company in or the validity or enforceability of the Company-Owned Intellectual Property; (iii) to the Knowledge of the Seller, neither the use of the Company-Owned Intellectual Property as currently used by the Company in the conduct of the Company's business, nor the conduct of the business as presently conducted by the Company infringes, dilutes, misappropriates or otherwise violates in any material respect the Intellectual Property rights of any Person; and (iv) as of the date of this Agreement, the Company has made no claim of a violation, infringement, misuse or misappropriation by any Person, of their rights to, or in connection with, the Company-Owned Intellectual Property.

(d) Except as set forth in Section 4.11 of the Disclosure Schedule, the Company has not permitted or licensed any Person to use any Company-Owned Intellectual Property.

(e) Section 4.11 of the Disclosure Schedule sets forth a complete and accurate list of all licenses, other than "off the shelf" commercially available software programs, pursuant to which the Company licenses from a Person Intellectual Property that is material to and used in the conduct of the business by the Company.

(f) To the Knowledge of the Seller, the Company is not in default in the performance, observance or fulfillment of any obligation, covenant or condition contained in any Contract pursuant to which any third party is authorized to use any Company-Owned Intellectual Property or pursuant to which the Company is licensed to use Intellectual Property owned by a third party, except where such default would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.12 Absence of Certain Changes or Events.

Except as set forth in Section 4.12 of the Disclosure Schedule, since the date of the Interim Financial Statements, no event has occurred that has had, individually or in the aggregate, a Material Adverse Effect. Without limiting the generality of the foregoing, except as set forth in Section 4.12 of the Disclosure Schedule, since that date:

(a) the Company has not sold, leased, transferred, or assigned any of its assets, tangible or intangible, other than for a fair consideration in the ordinary course of business;

(b) the Company has not entered into any agreement, contract, lease, or license (or series of related agreements, contracts, leases, and licenses) either involving more than $50,000 or outside the ordinary course of business;

(c) no party (including the Company) has accelerated, terminated, modified, or cancelled any agreement, contract, lease, or license (or series of related agreements, contracts, leases, and licenses) involving more than $50,000 to which the Company is a party or by which any of them is bound;

(d) the Company has not imposed any Liens upon any of its assets, tangible or intangible;

(e) the Company has not made any capital expenditure (or series of related capital expenditures) either involving more than $50,000 or outside the ordinary course of business;

(f) the Company has not made any capital investment in, any loan to, or any acquisition of the securities or assets of, any other Person (or series of related capital investments, loans, and acquisitions) either involving more than $50,000 or outside the ordinary course of business;

(g) the Company has not transferred, assigned, or granted any license or sublicense of any rights under or with respect to any Intellectual Property;

(h) there has been no change made or authorized in the certificate of incorporation or bylaws of the Company;

(i) the Company has not issued, sold, or otherwise disposed of any of its capital stock, or granted any options, warrants, or other rights to purchase or obtain (including upon conversion, exchange, or exercise) any of its capital stock;

(j) the Company has not made any loan to, or entered into any other transaction with, any of its directors, officers, and employees outside the ordinary course of business;

(k) the Company has not entered into any employment contract or modified the terms of any existing such contract or agreement;

(l) the Company has not granted any increase in the base compensation of any of its directors, officers, and employees outside the ordinary course of business; and

(m) the Company has not committed to any of the foregoing.

4.13 Contracts.

(a) Except as set forth in Section 4.13 of the Disclosure Schedule, as of the date hereof, the Company is not a party to or bound by any: (i) Contract not contemplated by this Agreement that materially limits the ability of the Company to engage or compete in any manner of the business presently conducted by the Company; (ii) Contract that creates a partnership or joint venture or similar arrangement with respect to any material business of the Company; (iii) indenture, credit agreement, loan agreement, security agreement, guarantee, note, mortgage or other evidence of indebtedness or agreement providing for indebtedness in excess of $50,000; (iv) Contract that relates to the acquisition or disposition of any material business (whether by merger, sale of stock, sale of assets or otherwise) other than this Agreement; and (v) Contract that involves performance of services or delivery of goods or materials by or to the Company in an amount or with a value in excess of $50,000 in any 12-month period (which period may extend past the Closing).

(b) The Seller has heretofore made available to the Buyer true and complete copies of each of the Contracts set forth in Section 4.13 of the Disclosure Schedule. To the Knowledge of the Seller, (i) all such Contracts are valid and binding, subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or other law affecting or relating to creditors' rights generally and general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), (ii) all such Contracts are in full force and effect (except for those that have terminated or will terminate by their own terms), and (iii) neither the Company nor any other party thereto, is in violation or breach of or default under (or with notice or lapse of time, or both, would be in violation or breach of or default under) the terms of any such Contract, in each case, except where such default would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.14 Litigation. Except as set forth in Section 4.14 of the Disclosure Schedule, there is no Action pending or, to the Knowledge of the Seller, threatened against the Company that (a) challenges or seeks to enjoin, alter or materially delay the Acquisition or (b) would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.15 Employee Benefits.

(a) Section 4.15 of the Disclosure Schedule includes a list of all Benefit Plans maintained or contributed to by the Company or any of its Subsidiaries (the "**Company Benefit Plans**"). The Seller has delivered or made available to the Buyer copies of (i) each Company Benefit Plan, (ii) the most recent summary plan description for each Company Benefit Plan for which such a summary plan description is required and (iii) the most recent favorable determination letters from the IRS with respect to each Company Benefit Plan intended to qualify under Section 401(a) of the Code.

(b) Except as set forth in Section 4.15 of the Disclosure Schedule, (i) none of the Company Benefit Plans is subject to Title IV of ERISA; (ii) each Company Benefit Plan that is intended to be qualified under Section 401(a) of the Code is subject to a favorable determination letter from the IRS and, to the Knowledge of the Seller, no event has occurred and no condition exists that is reasonably likely to result in the revocation of any such determination; and (iii) each Company Benefit Plan is in compliance with all applicable provisions of ERISA and the Code, except for instances of noncompliance that would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(c) Neither the execution or delivery of this Agreement nor the consummation of the transactions contemplated by this Agreement could reasonably be expected to, either alone or in conjunction with any other event (whether contingent or otherwise), (i) result in any payment or benefit becoming due or payable, or required to be provided, to any current or former director, employee or independent contractor of the Company, (ii) increase the amount or value of any benefit or compensation otherwise payable or required to be provided to any such current or former director, employee or independent contractor, or result in the acceleration of the time of payment, vesting or funding of any such benefit or compensation, or (iii) result in any amount failing to be deductible by reason of Section 280G of the Code.

4.16 Labor and Employment Matters. Section 4.16 of the Disclosure Schedule sets forth a list of all written employment agreements that obligate the Company to pay an annual salary of $50,000 or more and to which the Company is a party. To the Knowledge of the Seller, there are no pending labor disputes, work stoppages, requests for representation, pickets, work slow-downs due to labor disagreements or any actions or arbitrations that involve the labor or employment relations of the Company. The Company is not party to any collective bargaining agreement. The Company is in compliance with all foreign, federal and state laws respecting employment and employment practices, terms and conditions of employment, wages and hours and nondiscrimination in employment, and are not engaged in any unfair labor practice. There is no charge pending or, to the Knowledge of the Seller, threatened against the Company alleging unlawful discrimination in employment practices before any court or agency and there is no charge of or proceeding with regard to any unfair labor practice against the Company pending before the National Labor Relations Board or any similar entity. The Company (i) has properly classified and treated all of its workers as independent contractors or employees and (ii) has, to the extent permitted by Law, properly classified and treated all of its employees as "exempt" or "nonexempt" from overtime requirements under applicable Law.

4.17 Environmental. Except (a) as set forth in Section 4.17 of the Disclosure Schedule or (b) for any matter that would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, to the Knowledge of the Seller (i) the Company is in compliance with all applicable Laws relating to protection of the environment ("**Environmental Laws**"), (ii) the Company possesses and is in compliance with all Permits required under any Environmental Law for the conduct of its operations and (iii) there are no Actions pending against the Company alleging a violation of any Environmental Law.

4.18 Insurance. Section 4.18 of the Disclosure Schedule sets forth a list of each insurance policy that covers the Company or its businesses, properties, assets, directors, officers or employees (the "**Policies**"). Such Policies are in full force and effect in all material respects and the Company is not in violation or breach of or default under any of its obligations under any such Policy, except where such default would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.19 Brokers' Fees. Except as set forth in Section 4.19 of the Disclosure Schedule, which such fees shall be paid prior to or at Closing with the Company's cash, the Company has no Liability to pay any fees or commissions to any broker, finder or agent with respect to this Agreement, the Acquisition or the transactions contemplated by this Agreement.

4.20 Equipment. Section 4.20 of the Disclosure Schedule sets forth a complete and accurate list of all plants, fixtures, machinery, installations, equipment, furniture, tools, spare parts, supplies, materials and other personal property (but excluding inventories, including raw materials, parts, work in process, packaging and finished goods) (collectively, the "**Equipment**"), owned by the Company other than items having a net book or market value individually of less than five thousand dollars ($5,000) or expensed for tax purposes, as of the date of the Interim Financial Statements. The Company has not acquired an item of Equipment for in excess of such amount since such date. The Equipment, and all personal property held by the Company, are utilized by the Company in the ordinary course of business.

4.21 Inventories. All of the Company's inventories, including raw materials, parts, work in process, packaging and finished goods, consist solely of, and will consist solely of, material and goods of a quality and quantity which are usable or saleable in the normal course of the business carried on by the Company. Such inventories are adequate for present needs of the business of the Company, and shall be fairly reflected on the books of account of the Company in accordance with best practices and consistent with the Company's previous accounting methods.

4.22 Vendors. Section 4.22 of the Disclosure Schedule lists the five (5) largest vendors of the Company based on the dollar amount of purchases and sales for the fiscal year ended December 31, 2017. The relationships of the Company with such vendors are good commercial working relationships, and no vendor of material importance to the Company has (a) cancelled or otherwise terminated, or threatened to cancel or otherwise to terminate, its relationship with the Company, or (b) during the last twelve (12) months decreased materially, or threatened to decrease or limit materially, its services, supplies or materials for use in the business of the Company.

4.23 Potential Conflicts of Interest. Except as set forth in Section 4.23 of the Disclosure Schedule, no officer, director, stockholder (or Affiliate thereof) or, to the Knowledge of the Seller, employee of the Company (a) owns, directly or indirectly, any interest in (excepting not more than 1% stock or other equity securities for investment purposes in securities of publicly held and traded companies) or is an officer, director, manager, employee or consultant of any Person which is a competitor, lessor, lessee, customer or supplier of any of the Company; (b) owns, directly or indirectly, in whole or in part, any tangible or intangible property which the Company is using or the use of which is necessary for their business; (c) has any cause of action or other claim whatsoever against, or owes any amount to, the Company, except for claims in the ordinary course of business, such as for accrued vacation pay, accrued benefits under any Company Benefit Plan and similar matters and agreements; or (d) is party to any agreement, contract or commitment with the Company or has received any loan, advance or investment from the Company that has not been repaid in full prior to the date hereof.

4.24 Product Warranty; Product Liability. The Company does not manufacture any products. To the Knowledge of the Seller, (a) each product sold, leased, or delivered by the Company has been in conformity with all applicable contractual commitments and all express and implied warranties, and (b) the Company has no liabilities (whether accrued, absolute, contingent, unliquidated or otherwise, whether due or to become due and regardless of when or by whom asserted) for replacement or repair thereof or other damages in connection therewith, in excess of the reserve for product warranty claims (if any) that are set forth in the Interim Financial Statements. No product sold or delivered by the Company is subject to any guaranty, warranty, or other indemnity by the Company beyond the applicable standard terms and conditions of sale. The Company has no liability arising out of any injury to individuals or property as a result of the ownership, possession, or use of any product sold or delivered by the Company, except liabilities for which appropriate reserves have been established in accordance with best practices and consistent with the Company's previous accounting methods.

4.25 Officers and Directors; Bank Accounts, Signing Authority, Powers of Attorney . Section 4.25 of the Disclosure Schedule lists all officers and directors of the Company. Except as set forth in Section 4.25 of the Disclosure Schedule, the Company does not have an account or safe deposit box in any bank and no Person has any power, whether singly or jointly, to sign any checks on behalf of the Company, to withdraw any money or other property from any bank, brokerage or other account of the Company or to act under any power of attorney granted by the Company at any time for any such purpose. Section 4.25 of the Disclosure Schedule also sets forth the names of all Persons authorized to borrow money or sign notes on behalf of the Company.

4.26 Accounts Receivable. All accounts and notes receivable of the business of the Company arose in the ordinary and usual course of the business, represent valid obligations due, and except for instalment loan contracts and customer side notes either have been collected in full or, to the Knowledge of the Seller, are collectable in full not later than 60 days after the invoice or due date of such receivables.

4.27 Disclosure. The representations and warranties contained in this Article IV do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements and information contained in this Article IV not misleading.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer represents and warrants to the Seller that each statement contained in this Article V is true and correct as of the date hereof.

5.1 Organization. The Buyer is a corporation, duly organized, validly existing and in good standing under the laws of the State of Nevada.

5.2 Authorization. The Buyer has the requisite power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance by the Buyer of this Agreement, and the consummation of the transactions contemplated hereby, have been duly authorized by all necessary action, and no other action on the part of the Buyer or the shareholders of the Buyer is necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Buyer and, assuming the due authorization, execution and delivery by each of the other parties hereto, constitutes a legal, valid and binding obligation of the Buyer enforceable against the Buyer in accordance with its terms, except as limited by (a) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar Laws relating to creditors' rights generally and (b) general principles of equity, whether such enforceability is considered in a proceeding in equity or at Law.

5.3 Noncontravention.

(a) Neither the execution and the delivery of this Agreement, nor the consummation of the Acquisition and the other transactions contemplated by this Agreement, will, with or without the giving of notice or the lapse of time or both, (i) violate any provision of the articles of incorporation or bylaws of the Buyer, (ii) violate any Law applicable to the Buyer on the date hereof or (iii) violate any Contract to which the Buyer is a party, including, without limitation, the Buyer's lending arrangements, except in the case of clauses (ii) and (iii) to the extent that any such violation would not reasonably be expected to prevent or materially delay the consummation of the Acquisition and the other transactions contemplated by this Agreement.

(b) The execution and delivery of this Agreement by the Buyer does not, and the performance of this Agreement by the Buyer will not, require any consent, approval, authorization or Permit of, or filing with or notification to, any Governmental Entity, except for (i) the filings set forth in Section 4.4(b)(i), (ii) post-closing securities filings or notifications required to be made under federal securities laws, or (ii) where the failure to take such action would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the assets, properties, condition (financial or otherwise), operations of the Buyer and any of its Subsidiaries, taken as a whole.

5.4 Brokers' Fees. The Buyer has no Liability to pay any fees or commissions to any broker, finder or agent with respect to this Agreement, the Acquisition or the transactions contemplated by this Agreement that could result in any Liability being imposed on the Seller or the Company.

5.5 Sufficiency of Funds. The Buyer has sufficient cash on hand or other sources of immediately available funds to enable it to make the payment of the Cash Portion and the Closing Receivables and consummate the transactions contemplated by this Agreement.

5.6 Litigation. There is no Action pending or threatened against the Buyer that challenges or seeks to enjoin, alter or materially delay the Acquisition or the other transactions contemplated by this Agreement. To the Buyer's Knowledge, no event has occurred or circumstances exist that may give rise or serve as a basis for any such Action.

5.7 Capitalization. As of the date of this Agreement, the authorized capital stock of the Buyer consists of (i) 300,000,000 shares of the Buyer Common Stock, 28,026,713 of which are issued and outstanding, and (ii) 20,000 shares of Series D Preferred Stock, par value $0.001 per share (the "**Series D Preferred Shares**"), 6,666.67 of which are issued and outstanding. As of the date of this Agreement, (i) no shares of the Buyer Common Stock are held in the treasury of Buyer, (ii) 83,405 shares of the Buyer Common Stock are reserved for issuance upon the conversion of the outstanding Series D Preferred Shares, (iii) 221,713 shares of Buyer Common Stock are reserved for issuance upon exercise of outstanding options, (iv) 2,361,713 shares of Buyer Common Stock are reserved for issuance upon exercise of outstanding warrants, and (v) 15,000,000 shares of the Buyer Common Stock are reserved for issuance under employee benefit plans of the Buyer. The issued and outstanding shares of the Buyer Common Stock and the Series D Preferred Stock have been, and the New Shares to be issued hereunder will be, duly authorized and validly issued, fully paid and nonassessable, and free of preemptive rights. The Buyer has not, subsequent to March 31, 2018, declared or paid any dividend, or declared or made any distribution on, or authorized the creation or issuance of, or issued, or authorized or effected any split-up or any other recapitalization of, any of its capital stock, or directly or indirectly redeemed, purchased or otherwise acquired any of its outstanding capital stock. Except for the Series D Preferred Shares, the Buyer has not heretofore agreed to take any such action, and there are no outstanding contractual obligations of the Buyer of any kind to redeem purchase or otherwise acquire any outstanding shares of capital stock of the Buyer. There are no outstanding bonds, debentures, notes or other indebtedness or securities of the Buyer having the right to vote on any matters on which stockholders of the Buyer may vote. Except as set forth above in this Section 5.8, no shares of capital stock or other voting securities of the Buyer are issued, reserved for issuance or outstanding, and there are no outstanding securities, options, warrants, calls, rights, commitments, agreements, arrangements or undertakings of any kind to which the Buyer is a party or by which any of them is bound obligating the Buyer to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of capital stock or other voting securities of the Buyer or obligating the Buyer to issue, grant, extend or enter into any such security, option, warrant, call, right, commitment, agreement, arrangement or undertaking.

5.8 SEC Reports and Financial Statements. The Buyer has filed with the Securities and Exchange Commission (the "**SEC**") all forms, reports, schedules, registration statements, definitive proxy statements and other documents (collectively, including all exhibits thereto, the "**Buyer SEC Reports**") required to be filed by the Buyer with the SEC. As of their respective dates, and giving effect to any amendments or supplements thereto filed prior to the date of this Agreement, the Buyer SEC Reports complied in all material respects with the requirements of the Exchange Act, as amended, and the respective rules and regulations of the SEC promulgated thereunder applicable to such Buyer SEC Reports, and none of the Buyer SEC Reports contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. There are no outstanding comments from the Staff of the SEC with respect to any of the Buyer SEC Reports.

ARTICLE VI
COVENANTS

6.1 Consents. The Company will use its commercially reasonable efforts to obtain any required third-party consents to the Acquisition and the other transactions contemplated by this Agreement in writing from each Person.

6.2 Operation of the Company's Business. During the period commencing on the date hereof and ending at the earlier of the Closing and the termination of this Agreement in accordance with Article VIII, the Company, except (i) as otherwise contemplated by this Agreement, (ii) as required by applicable Law or (iii) with the prior written consent of the Buyer (which consent will not be unreasonably withheld or delayed), will use commercially reasonable efforts to carry on its business in a manner consistent with past practice and not take any action or enter into any transaction that would result in the following:

(a) any change in the articles of incorporation or bylaws of the Company or any amendment of any material term of any outstanding security of the Company;

(b) any issuance or sale of any additional shares of, or rights of any kind to acquire any shares of, any capital stock of any class of the Company (whether through the issuance or granting of options or otherwise);

(c) any incurrence, guarantee or assumption by the Company of any indebtedness for borrowed money other than in the ordinary course of business in amounts and on terms consistent with past practice;

(d) any change in any method of accounting, accounting principle or accounting practice by the Company which would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(e) except in the ordinary course of business (i) any adoption or material amendment of any Company Benefit Plan, (ii) any entry into any collective bargaining agreement with any labor organization or union, (iii) any entry into an employment agreement or (iv) any increase in the rate of compensation to any employee in an amount that exceeds 10% of such employee's current compensation; provided, that the Company may (A) take any such action for employees in the ordinary course of business or pursuant to any existing Contracts or Company Benefit Plans and (B) adopt or amend any Company Benefit Plan if the cost to such Person of providing benefits thereunder is not materially increased;

(f) except in the ordinary course of business, any cancellation, modification, termination or grant of waiver of any material Permits or Contracts to which the Company is a party, which cancellation, modification, termination or grant of waiver would, individually or in the aggregate, have a Material Adverse Effect;

(g) any change in the Tax elections made by the Company or in any accounting method used by the Company for Tax purposes, where such Tax election or change in accounting method may have a material effect upon the Tax Liability of the Company for any period or set of periods, or the settlement or compromise of any material income Tax Liability of the Company;

(h) except in the ordinary course of business, any acquisition or disposition of any business or any material property or asset of any Person (whether by merger, consolidation or otherwise) by the Company;

(i) any grant of a Lien on any properties and assets of the Company that would have, individually or in the aggregate, a Material Adverse Effect; provided, however, Company may grant a Lien on its assets in the ordinary course of business; or

(j) any entry into any agreement or commitment to do any of the foregoing.

6.3 Access. The Company will permit the Buyer and its Representatives to have reasonable access at all reasonable times during normal business, and in a manner so as not to interfere with the normal business operations of the Company, to the premises, properties, personnel, books, records (including Tax records), Contracts and documents of or pertaining to the Company.

6.4 Transfer of Cash and Cash Equivalents. At Closing and subject to the last sentence of this Section 6.4, the Company and Seller will transfer, or cause to be distributed all cash and cash equivalents of the Company to, among other things, pay any fees owed by Company to brokers or advisors (including termination fees under any advisory agreement) and extinguish any indebtedness for borrowed money, including approximately $60,000 in liabilities that are guaranteed by the Seller and described in Section 6.4 of the Disclosure Schedule. Notwithstanding the foregoing, the Company shall have an amount in cash in its corporate bank account at the Closing that is equal to at least $200,000 in the aggregate.

6.5 Ongoing Operations and Employment Benefits Matters. For a period of three (3) years after the Closing Date, (a) the Company shall provide the current or equivalent health insurance plan of the Company to the Seller and his spouse on a basis consistent with the terms, conditions and overall administration of such plan and consistent with Section 7.1(j) of this Agreement, and (b) the Buyer and the Company will use their reasonable best efforts to operate the Company's business in the geographic area where the Company has operated its business heretofore and to employ for that purpose the current employees of the Company other than the Seller. For a period of two (2) years following the Closing Date, the Company shall automatically forward all emails sent to the corporate email address smatheson@pt-hb.com to the following personal email address: stewptech@yahoo.com.

6.6 Notice of Developments. The Seller and the Company will give prompt written notice to the Buyer of any event that would reasonably be expected to give rise to, individually or in the aggregate, a Material Adverse Effect or would reasonably be expected to cause a breach of any of its respective representations, warranties, covenants or other agreements contained herein. The Buyer will give prompt written notice to the Seller and the Company of any event that could reasonably be expected to cause a breach of any of its representations, warranties, covenants or other agreements contained herein or could reasonably be expected to, individually or in the aggregate, prevent or materially delay the consummation of the Acquisition and the other transactions contemplated by this Agreement. The delivery of any notice pursuant to this Section 6.6 will not limit, expand or otherwise affect the remedies available hereunder (if any) to the party receiving such notice.

6.7 No Solicitation.

(a) The Seller and the Company will, and will cause each of their Representatives to, cease immediately any existing discussions regarding a Transaction Proposal.

(b) From and after the date of this Agreement, without the prior consent of the Buyer, neither the Seller nor the Company will, nor will they authorize or permit any of their respective Representatives to, directly or indirectly through another Person to, (i) solicit, initiate or encourage (including by way of furnishing information), or take any other action designed to facilitate any inquiries, proposals or offers from any Person that constitute, or would reasonably be expected to constitute, a Transaction Proposal, (ii) participate in any discussions or negotiations (including by way of furnishing information) regarding any Transaction Proposal or (iii) otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt by any other Person to do or seek any of the foregoing.

(c) In addition, the Seller shall immediately communicate to the Buyer the terms of any Transaction Proposal received by the Seller or the Company, or any of their Representatives.

6.8 Covenant not to Compete. For a period of five years from and after the Closing, or, if sooner, until any failure by the Buyer to satisfy its obligations under Article II hereof (the "**Noncompetition Period**"), the Seller shall not engage directly or indirectly in any business that is competitive with the current business of the Company (the "**Business**") in any geographic area in which the Business is conducted; provided, however, that no owner of less than 1% of the outstanding stock of any publicly-traded corporation shall be deemed to engage solely by reason thereof in any of its businesses. During the Noncompetition Period, the Seller shall not induce or attempt to induce any customer, or supplier of the Buyer or any affiliate of the Buyer to terminate its relationship with the Buyer or any Affiliate of the Buyer or to enter into any business relationship to provide or purchase the same or substantially the same services as are provided to or purchased from the Business which might harm the Buyer or any Affiliate of the Buyer. During the Noncompetition Period, the Seller shall not, on behalf of any entity other than the Buyer or an Affiliate of the Buyer, hire or retain, or attempt to hire or retain, in any capacity any Person who is, or was at any time during the preceding twelve (12) months, an employee or officer of the Buyer or an Affiliate of the Buyer. If the final judgment of a court of competent jurisdiction declares that any term or provision of this Section 6.8 is invalid or unenforceable, the parties agree that the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or area of the term or provision, to delete specific words or phrases, or to replace any invalid 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 or unenforceable term or provision, and this Agreement shall be enforceable as so modified after the expiration of the time within which the judgment may be appealed.

6.9 Financial Information. The Seller shall cooperate with the Buyer and the Buyer's independent certified public accounting firm in order to enable the Buyer to create audited financial statements prepared in accordance with the GAAP for the two full fiscal years preceding the Closing Date, by making available the Seller's records as they are maintained in the ordinary course of business and answering reasonable questions.

6.10 Taking of Necessary Action; Further Action . Subject to the terms and conditions of this Agreement, each of the Seller, the Company and the Buyer will take all such reasonable and lawful action as may be necessary or appropriate in order to effectuate the Acquisition in accordance with this Agreement as promptly as practicable.

6.11 Collection of Closing Receivables. If and to the extent requested by the Buyer, the Seller shall take such actions as may be reasonably necessary or advisable to facilitate the collection of any Closing Receivables.

6.12 Public Reporting and Restrictive Legend. The Buyer shall, until the one year anniversary of the date of the Share Issuance, during any period in which the Buyer (a) is not subject to Section 13 or 15(d) of the Exchange Act, make available, upon request of the Seller, in connection with any sale thereof, the information required by Rule 144(c)(1) under the Securities Act, and (b) is subject to Section 13 or 15 (d) of the Exchange Act, make all filings required thereby in a timely manner. On the one year anniversary of the Share Issuance, or, if earlier, upon the delivery by the Seller of an opinion of counsel that the New Shares are being transferred pursuant to an exemption from registration under the Securities Act, Buyer shall, at the request of the Seller, remove from any certificate representing the New Shares any legend restricting their transfer.

ARTICLE VII
CONDITIONS TO OBLIGATIONS TO CLOSE

7.1 Conditions to Obligation of the Buyer. The obligation of the Buyer to consummate the Acquisition is subject to the satisfaction or waiver by the Buyer of the following conditions:

(a) The representations and warranties of the Seller set forth in this Agreement will be true and correct in all respects as of the date of this Agreement and as of the Closing Date (except to the extent such representations and warranties speak as of another date, in which case such representations and warranties will be true and correct as of such other date), except where the failure of such representations and warranties to be so true and correct (without giving effect to any limitation as to "materiality" or "Material Adverse Effect" set forth therein) does not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The Buyer will have received a certificate signed by the Seller to such effect.

(b) Each of the Seller and the Company will have performed all of the covenants required to be performed by it under this Agreement at or prior to the Closing, except where the failure to perform does not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or materially adversely affect the ability of each of the Seller and the Company to consummate the Acquisition or perform its other obligations hereunder. The Buyer will have received a certificate signed by the Seller to such effect.

(c) The Buyer shall have completed its legal due diligence review of the Company and the Business, its assets and liabilities, and the results thereof shall be reasonably satisfactory to the Buyer.

(d) There shall not have been any occurrence, event, incident, action, failure to act, or transaction since the date of the Interim Financial Statements which has had or is reasonably likely to cause a Material Adverse Effect.

(e) All applicable waiting periods (and any extensions thereof) will have expired or otherwise been terminated, and the parties hereto will have received all other authorizations, consents and approvals of all Governmental Entities in connection with the execution, delivery and performance of this Agreement and the transactions contemplated hereby.

(f) No temporary, preliminary or permanent restraining Order preventing the consummation of the Acquisition will be in effect.

(g) Each party, as appropriate, shall have obtained any required consents, permits, licenses, approvals or notifications of any lenders, lessors, suppliers, customers or other third parties for which the Buyer will assume responsibility for properly completing any and all necessary forms required when applying for and securing any necessary transfers.

(h) The Seller shall have (i) obtained releases of any liens or (ii) a payoff letter confirming the payoff due from Company at Closing reasonably acceptable to the Buyer, regarding charges or encumbrances against any of the assets of the Company, at the Seller's expense.

(i) The Buyer shall have received such pay-off letters and releases relating to the indebtedness described on Section 4.3 of the Disclosure Schedule as it shall have requested and such pay-off letters shall be in form and substance reasonably satisfactory to it.

(j) The Company and the Seller shall have entered into a strategic advisor consulting agreement in the form set forth as **Exhibit A** to this Agreement (the "**Consulting Agreement**") for a term of two years that includes annual compensation of $40,000.

(k) Company employees identified on Section 7.1 of the Disclosure Schedule shall have entered into non-competition and non-solicitation agreements in form and substance satisfactory to the Buyer.

(l) The Company shall have delivered evidence reasonably satisfactory to the Buyer of the Company's corporate organization and proceedings and its existence in the jurisdiction in which it is incorporated, including evidence of such existence as of the Closing.

(m) All actions to be taken by the Seller in connection with consummation of the transactions contemplated hereby and all certificates, opinions, instruments, and other documents required to effect the transactions contemplated hereby will be satisfactory in form and substance to the Buyer.

7.2 Conditions to Obligation of the Seller. The obligation of the Seller to consummate the Acquisition is subject to the satisfaction or waiver by the Seller of the following conditions:

(a) The representations and warranties of the Buyer set forth in this Agreement will be true and correct in all respects as of the date of this Agreement and as of the Closing Date (except to the extent such representations and warranties speak as of another date, in which case such representations and warranties will be true and correct as of such other date), except where the failure of such representations and warranties to be so true and correct does not adversely affect the ability of the Buyer to consummate the Acquisition and the other transactions contemplated by this Agreement. The Seller will have received a certificate signed on behalf of the Buyer by a duly authorized officer of the Buyer to such effect.

(b) The Buyer will have performed in all material respects all of the covenants required to be performed by it under this Agreement at or prior to the Closing except such failures to perform as do not materially adversely affect the ability of the Buyer to consummate the Acquisition and the other transactions contemplated by this Agreement. The Seller will have received a certificate signed on behalf of the Buyer by a duly authorized officer of the Buyer to such effect.

(c) All applicable waiting periods (and any extensions thereof) will have expired or otherwise been terminated and the parties hereto will have received all other authorizations, consents and approvals of all Governmental Entities in connection with the execution, delivery and performance of this Agreement and the transactions contemplated hereby.

(d) No temporary, preliminary or permanent restraining Order preventing the consummation of the Acquisition will be in effect.

(e) Each party, as appropriate, shall have obtained any required consents, permits, licenses, approvals or notifications of any Governmental Entities, lenders, lessors, suppliers, customers or other third parties for which the Buyer will assume responsibility for properly completing any and all necessary forms required when applying for and securing any necessary transfers.

(f) The Company and the Seller shall have entered into the Consulting Agreement.

(g) The Cash Portion, subject to adjustment as set forth in this Agreement, shall have been paid to the Seller.

(h) The Buyer and the Seller shall have provided written instruction to the Escrow Agent for release of the Deposit in accordance with the terms of the Escrow Agreement.

(i) The Company shall have transferred the Seller Policies to the Seller.

(j) The Buyer, the Company and the Seller shall have entered into a pledge and security agreement in the form of **Exhibit B** to this Agreement that grants to the Seller a first priority security interest in the Shares and the assets of the Company to secure the Buyer's obligation to pay the Seller the Closing Receivables Payment and to pay to the Seller the Deferred Portion.

(k) All actions to be taken by the Buyer in connection with consummation of the transactions contemplated hereby and all certificates, opinions, instruments, and other documents required to effect the transactions contemplated hereby will be satisfactory in form and substance to the Seller.

ARTICLE VIII
TERMINATION; AMENDMENT; WAIVER

8.1 Termination of Agreement. This Agreement may be terminated as follows:

(a) by mutual written consent of the Buyer and the Seller at any time prior to the Closing;

(b) by either the Buyer or the Seller if any Governmental Entity will have issued an Order or taken any other action permanently enjoining, restraining or otherwise prohibiting the transactions contemplated by this Agreement;

(c) by either the Buyer or the Seller if the Closing does not occur on or before July 31, 2018; provided that the right to terminate this Agreement under this Section 8.1(c) will not be available to any party whose breach of any provision of this Agreement results in the failure of the Closing to occur by such time;

(d) by the Buyer if the Seller has breached his representations and warranties or any covenant or other agreement to be performed by him in a manner such that the Closing conditions set forth in Section 7.1(a) or 7.1(b) would not be satisfied; or

(e) by the Seller if the Buyer has breached its representations and warranties or any covenant or other agreement to be performed by it in a manner such that the Closing conditions set forth in Section 7.2(a) or 7.2(b) would not be satisfied.

8.2 Effect of Termination. In the event of termination of this Agreement by either the Seller or the Buyer as provided in Section 8.1, this Agreement will forthwith become void and have no effect, without any Liability (other than with respect to any suit for breach of this Agreement) on the part of the Buyer, the Company or the Seller (or any stockholder, agent, consultant or Representative of any such party); provided, that the provisions of Sections 10.1, 10.6, 10.7, 10.8, 10.11, 10.14 and this Section 8.2 will survive any termination hereof pursuant to Section 8.1.

8.3 Amendments. This Agreement may not be amended except by an instrument in writing signed on behalf of the Buyer, the Company and the Seller.

8.4 Waiver. At any time prior to the Closing, the Buyer may (a) extend the time for the performance of any of the covenants, obligations or other acts of the Seller and the Company or (b) waive any inaccuracy of any representations or warranties or compliance with any of the agreements, covenants or conditions of the Seller or any conditions to his own obligations. Any agreement on the part of the Buyer to any such extension or waiver will be valid only if such waiver is set forth in an instrument in writing signed on its behalf by its duly authorized officer. At any time prior to the Closing, the Seller and the Company, may (a) extend the time for the performance of any of the covenants, obligations or other acts of the Buyer or (b) waive any inaccuracy of any representations or warranties or compliance with any of the agreements, covenants or conditions of the Buyer or any conditions to their own obligations. Any agreement on the part of the Seller and the Company to any such extension or waiver will be valid only if such waiver is set forth in an instrument in writing signed by the Seller and the Company. The failure of any party to this Agreement to assert any of its rights under this Agreement or otherwise will not constitute a waiver of such rights. The waiver of any such right with respect to particular facts and other circumstances will not be deemed a waiver with respect to any other facts and circumstances, and each such right will be deemed an ongoing right that may be asserted at any time and from time to time.

ARTICLE IX
INDEMNIFICATION

9.1 Survival. The representations and warranties made herein and in any certificate delivered in connection herewith shall survive for a period of eighteen (18) months following the Closing Date, at which time they shall expire; provided, however, that (i) the representations and warranties set forth in Sections 3.1, 3.3, 3.4, 4.1, 4.3, and 4.19 of this Agreement shall survive until the expiration of the applicable statute of limitations and (ii) the representations and warranties in Section 4.6 of this Agreement shall survive until the expiration of the applicable statute of limitations. If written notice of a claim has been given prior to the expiration of the applicable representations and warranties, then notwithstanding any statement herein to the contrary, the relevant representations and warranties shall survive as to such claim, until such claim is finally resolved. Unless a specified period is set forth in this Agreement (in which event such specified period will control), all agreements and covenants contained in this Agreement will survive the Closing and remain in effect until thirty (30) days after the expiration of the applicable statutes of limitations. To avoid any doubt, the parties agree that the time limitations herein limit the time in which a claim may be brought even though such time limits may be less than those otherwise afforded under applicable statutes of limitations. In the event that a claim has been brought within such time periods, the running of such time prior to the final adjudication of such claim shall not time bar the continuation of such claim. Notwithstanding the foregoing, Buyer and acknowledges and agrees that neither the Seller nor the Company has made or is making any representations or warranties whatsoever regarding the subject matter of this Agreement, express or implied, except as provided in Article III hereof, and that it is not relying and has not relied on any presentation or warranty whatsoever regarding the subject matter of this Agreement, express or implied, except fort the representations and warranties in such Article III.

9.2 Indemnification by the Seller. From and after the Closing, the Seller agrees to indemnify, defend and save Buyer and its Affiliates, stockholders, officers, directors, employees, agents and representatives (each, a "**Buyer Indemnified Party**" and collectively, the "**Buyer Indemnified Parties**") harmless from and against any and all liabilities, deficiencies, demands, claims, Actions, assessments, losses, costs, expenses, interest, fines, penalties and damages (including fees and expenses of attorneys and accountants and costs of investigation) (individually and collectively, the "**Losses**"; provided, however, that the Losses shall not include consequential, punitive or exemplary damages, except in the case of fraud or to the extent actually awarded to a Governmental Entity, suffered, sustained or incurred by any Buyer Indemnified Party arising out of or otherwise by virtue of: (a) any breach of any of the representations or warranties of the Seller contained in Article III or IV of this Agreement or (b) the failure of the Seller to perform any of his covenants or obligations contained in this Agreement.

9.3 Indemnification by Buyer. From and after the Closing, the Buyer agrees to indemnify, defend and save the Seller and to the extent applicable, the Seller's Affiliates, employees, agents and representatives (each, a "**Seller Indemnified Party**" and collectively the "**Seller Indemnified Parties**") harmless from and against any and all Losses sustained or incurred by any Seller Indemnified Party arising out of or otherwise by virtue of: (a) any breach of any of the representations and warranties of Buyer contained in Article V of this Agreement or (b) the failure of Buyer to perform any of its covenants or obligations contained in this Agreement.

9.4 Limitations. In no event shall the indemnification obligations provided for in Section 9.2(a) above exceed the sum of (a) the cash value of the Seller Policies and (b) to the extent actually paid to the Seller, the Deposit, the Cash Portion, the Closing Receivables Payment and the Deferred Portion.

9.5 Indemnification Procedure.

(a) If a Buyer Indemnified Party or a Seller Indemnified Party seeks indemnification under this Article IX, such party (the "**Indemnified Party**") shall give written notice to the other party (the "**Indemnifying Party**") of the facts and circumstances giving rise to the claim. In that regard, if any Action, Liability or obligation shall be brought or asserted by any third party which, if adversely determined, would entitle the Indemnified Party to indemnity pursuant to this Article IX (a "**Third-Party Claim**"), the Indemnified Party shall promptly notify the Indemnifying Party of such Third-Party Claim in writing, specifying the basis of such claim and the facts pertaining thereto, and the Indemnifying Party, if the Indemnifying Party so elects, shall assume and control the defense thereof (and shall consult with the Indemnified Party with respect thereto), including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all necessary expenses. If the Indemnifying Party elects to assume control of the defense of a Third-Party Claim, the Indemnified Party shall have the right to employ counsel separate from counsel employed by the Indemnifying Party in any such action and to participate in the defense thereof, but the fees and expenses of such counsel employed by the Indemnified Party shall be at the expense of the Indemnified Party unless (i) the Indemnifying Party has been advised by the Indemnifying Party's counsel that a reasonable likelihood exists of a conflict of interest between the Indemnifying Party and the Indemnified Party, or (ii) the Indemnifying Party has failed to assume the defense and employ counsel; in which case the fees and expenses of the Indemnified Party's counsel shall be paid by the Indemnifying Party. All claims other than Third-Party Claims (a "**Direct Claim**") may be asserted by the Indemnified Party giving notice to the Indemnifying Party. Absent an emergency or other extenuating circumstance, the Indemnified Party shall give written notice to the Indemnifying Party of such Direct Claim prior to taking any material actions to remedy such Direct Claim.

(b) In no event shall the Indemnified Party pay or enter into any settlement of any claim or consent to any judgment with respect to any Third-Party Claim without the prior written consent of the Indemnifying Party (which consent shall not be unreasonably withheld, conditioned or delayed) if such settlement or judgment would require the Indemnifying Party to pay any amount. The Indemnifying Party may enter into a settlement or consent to any judgment without the consent of the Indemnified Party so long as (i) such settlement or judgment involves monetary damages only and (ii) a term of the settlement or judgment is that the Person or Persons asserting such Third-Party Claim unconditionally release all Indemnified Parties from all liability with respect to such claim; otherwise the consent of the Indemnified Party shall be required in order to enter into any settlement of, or consent to the entry of a judgment with respect to, any Third-Party Claim, which consent shall not be unreasonably withheld, conditioned or delayed.

9.6 Failure to Give Timely Notice. A failure by an Indemnified Party to provide notice as provided in Section 9.4 will not affect the rights or obligations of any Person except and only to the extent that, as a result of such failure, any Person entitled to receive such notice was damaged as a result of such failure to give timely notice. Nothing contained in this Section 9.6 shall be deemed to extend the period for which the Seller's representations and warranties will survive Closing as set forth in Section 9.1 above.

9.7 Sole and Exclusive Remedy. Except with respect to claims for specific performance or other equitable remedies and for claims based upon fraud, in respect of any breach of any representations, warranties, covenant agreements or obligations required to be performed on or after Closing pursuant to this Agreement, this Article IX shall be the sole and exclusive remedy for Losses of any Indemnified Party and each party waives all statutory common law and other claims with respect thereto, other than claims for indemnification under this Article IX from and after the Closing with respect to breaches of this Agreement.

9.8 Payments. Payments of all amounts owing by an Indemnifying Party under this Article IX shall be made promptly upon the determination in accordance with this Article IX that an indemnification obligation is owing by the Indemnifying Party to the Indemnified Party.

9.9 Recoupment under Deferred Portion.

(a) If the Seller is obligated to indemnify the Buyer or any other Buyer Indemnified Party for any indemnification claim in accordance with this Article IX, Buyer shall have the right to set-off the amount of such claim against the Deferred Portion.

(b) If the Buyer intends to set-off any amount hereunder, the Buyer shall provide not less than thirty (30) days' prior written notice to the Seller of its intention to do so, together with a reasonably detailed explanation of the basis therefor (a "**Set-Off Notice**"). If, within ten (10) days of its receipt of a Set-Off Notice, the Seller provides the Buyer with written notice of such Seller's dispute with Buyer's right to make such set-off, Buyer and such Seller (and their respective representatives and advisors) shall meet (which may be accomplished telephonically) in good faith within five (5) days to attempt to resolve their dispute. If such dispute remains unresolved despite Buyer's good faith attempt to meet with the Seller and resolve such dispute, Buyer may set-off under this Section 9.9 only (a) with respect to those indemnification claims that have been Finally Determined (as defined below), (b) as described in the first sentence of Section 9.9(c) with the prior written consent of the Seller.

(c) In the event of a dispute with respect to any indemnification claim against Seller made in good faith pursuant to this Article IX, and the liability for and amount of Losses therefore, Buyer may withhold any payments of the Deferred Portion up to the disputed amount, but only if the Buyer deposits such withheld amounts into escrow in accordance with a mutually agreed upon escrow agreement, provided that if the parties cannot agree upon the terms of the escrow agreement or the escrow agent, the Buyer shall deposit the withheld payments with a court of competent jurisdiction in the State of Oklahoma. For purposes of this Agreement, the term "**Finally Determined**" shall mean with respect to any indemnification claim made, and the liability for and amount of Losses therefor, when the parties to such claim have so determined by mutual agreement or, if disputed, when a final, non-appealable judgment has been issued by a court having proper jurisdiction.

ARTICLE X
MISCELLANEOUS

10.1 Press Releases and Public Announcement. Neither the Buyer on the one hand, nor the Seller or the Company on the other, will issue any press release or make any public announcement relating to this Agreement, the Acquisition or the other transactions contemplated by this Agreement without the prior written approval of the other party; provided, however, that the Buyer may make regulatory filings referring to this Agreement or attaching a copy hereof as may be required by applicable law.

10.2 No Third-Party Beneficiaries. This Agreement will not confer any rights or remedies upon any Person other than the parties hereto and their respective successors and permitted assigns.

10.3 Entire Agreement. This Agreement (including the Exhibits and the Schedules hereto) constitutes the entire agreement among the parties hereto and supersedes any prior understandings, agreements or representations by or among the parties hereto, written or oral, to the extent they related in any way to the subject matter hereof.

10.4 Succession and Assignment. This Agreement will be binding upon and inure to the benefit of the parties named herein and their respective successors and permitted assigns. No party hereto may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval, in the case of assignment by the Buyer, by the Seller, and, in the case of assignment by the Seller or the Company, the Buyer.

10.5 Construction. The parties have participated jointly in the negotiation and drafting of this Agreement, and, in the event an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

10.6 Notices. All notices, requests and other communications hereunder must be in writing and will be deemed to have been duly given only if delivered personally against written receipt or by facsimile transmission or mailed (by registered or certified mail, postage prepaid, return receipt requested) or delivered by reputable overnight courier, fee prepaid, to the parties hereto at the addresses of the parties as specified below:

If to the Buyer: 3355 Bee Caves Road, Suite 608
Austin, Texas 78746
Attention: Chief Executive Officer
Fax: 866-234-9806

With a copy to: BEVILACQUA PLLC
1050 Connecticut Avenue, NW, Suite 500
Washington, DC 20036
Attention: Louis A Bevilacqua
Fax: (202) 869-0889

If to the Company: P.O. Box 6920
Moore, OK 73153
Attention: Stewart Matheson

If to the Seller: Stewart Matheson
21700 Villagio Drive
Edmond, OK 73012

with a copy to: Rischard, Carsey & Byrne, PLLC
100 Park Avenue, Suite, 700
Oklahoma City, OK 73102
Attention: Justin Byrne
Fax: (405) 231-2830

Any party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other parties notice in the manner set forth herein.

10.7 Governing Law. This Agreement will be governed by, and construed in accordance with, the Laws of the State of Oklahoma, without giving effect to any choice of Law or conflict of Law provision or rule that would cause the application of the Laws of any jurisdiction other than the State of Oklahoma.

10.8 Consent to Jurisdiction and Service of Process. EACH OF THE PARTIES HERETO CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE STATE OF OKLAHOMA AND IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS RELATING TO THIS AGREEMENT, THE ACQUISITION OR THE OTHER TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT MAY BE LITIGATED IN SUCH COURTS. EACH OF THE PARTIES HERETO ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS RESPECTIVE PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS, AND IRREVOCABLY AGREES TO BE BOUND BY ANY FINAL AND NONAPPEALABLE JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT, THE ACQUISITION OR THE OTHER TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

10.9 Headings. The descriptive headings contained in this Agreement are included for convenience of reference only and will not affect in any way the meaning or interpretation of this Agreement.

10.10 Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future Law (a) such provision will be fully severable, (b) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, (c) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom and (d) in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms of such illegal, invalid or unenforceable provision as may be possible.

10.11 Expenses. Except as otherwise provided in this Agreement, whether or not the Acquisition is consummated, all expenses incurred in connection with this Agreement and the transactions contemplated hereby will be paid by the party incurring such expenses. As used in this Agreement, "expenses" means the out-of-pocket fees and expenses of the financial advisor, counsel and accountants incurred in connection with this Agreement and the transactions contemplated hereby.

10.12 Incorporation of Exhibits and Schedules. The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

10.13 Limited Recourse. Notwithstanding anything in this Agreement to the contrary, the obligations and Liabilities of the parties hereunder will be without recourse to any stockholder of such party or any of such stockholder's affiliates (other than such party), or any of their respective Representatives or agents (in each case, in their capacity as such).

10.14 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any provision of this Agreement was not performed in accordance with the terms hereof and that the parties will be entitled to specific performance of the terms hereof in addition to any other remedy at Law or equity.

10.15 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

[remainder of page intentionally left blank]

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

BUYER:

VICTORY OILFIELD TECH, INC.

By: /s/ Kenneth Hill
Name: Kenneth Hill
Title: Chief Executive Officer

COMPANY:

PRO-TECH HARDBANDING SERVICES, INC.

By: /s/ Stewart Matheson
Name: Stewart Matheson
Title: President

SELLER:

/s/ Stewart Matheson
STEWART MATHESON

Exhibit 10.2

PLEDGE AND SECURITY AGREEMENT

This PLEDGE AND SECURITY AGREEMENT (the "**Agreement**") is made and entered into on July 31, 2018, by and among **Victory Oilfield tech, Inc.,** a Nevada corporation (the "**Debtor**"), Pro-Tech Hardbanding Services, Inc., an Oklahoma corporation (the "**Company**" and together with the Debtor, the "**Obligors**") and **Stewart Matheson**, and his permitted endorsees, transferees and assigns (collectively, the "**Secured Party**").

RECITALS

A. Concurrently herewith, the Debtor, the Company and the Secured Party have entered into a Stock Purchase Agreement (the "**Stock Purchase Agreement**") and certain other agreements, pursuant to which the Debtor purchased from the Secured Party 100% of the issued and outstanding shares of common stock of the Company as set forth in Schedule I hereto (the "**Shares**"), for an aggregate purchase price of $1,600,000 which includes, among other things, (i) a cash payment in the amount of $300,000 payable on the 60th day following the Closing Date (as defined in the Stock Purchase Agreement), to the extent that such amount of accounts receivable exists as of the Closing Date (the "**Closing Receivables Payments"**); and (ii) a cash payment of $700,000, paid in quarterly installments of $87,500 each, with the first such payment being made on October 31, 2018 (the "**Deferred Portion**").

B. Pursuant to the terms of the Stock Purchase Agreement, the Secured Party, the Company and the Debtor shall have entered into a pledge and security agreement that grants to the Secured Party a first priority security interest in the Shares and the assets of the Company to secure the Debtor's obligation to pay the Secured Party the Closing Receivables Payment and to pay to the Secured Party the Deferred Portion.

C. Debtor and the Company now enter into this Agreement with the Secured Party as security for Debtor's Obligations (as defined below).

AGREEMENT

NOW, THEREFORE, in consideration of their respective promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Definitions**. Terms used but not otherwise defined in this Agreement that are defined in Article 9 of the Uniform Commercial Code as adopted in the state of Oklahoma (the "**UCC**") (such as "**account**," "**chattel paper**," "**deposit account**," "**document**," "**equipment**," "**fixtures**," "**general intangibles**," "**goods**," "**instruments**," "**inventory**," "**investment property**," "**proceeds**," and "**supporting obligations**") shall have the respective meanings given such terms in Division 9 of the UCC. Capitalized terms used in this Agreement and not defined elsewhere herein or in the Stock Purchase Agreement shall have the meanings set forth below:

*"**Collateral**"* means all of the collateral of the Company identified on Exhibit A hereto, as well as all of the Company's tangible and intangible personal property assets, including, but not limited to, all of the following: (i) all accounts, health-care-insurance receivables, cash and currency, chattel paper, deposit accounts, documents, equipment, fixtures, general intangibles, instruments, intellectual property, inventory, investment property, Negotiable Collateral, loans receivable, motor vehicles, goods, supporting obligations, the Company's Books, and such other assets of the Company as may hereafter arise or the Company may hereafter acquire or in which the Secured Party may from time-to-time obtain a security interest, and (ii) the proceeds of any of the foregoing, including, but not limited to, proceeds of insurance covering the foregoing or any portion thereof; provided, however, that notwithstanding anything to the contrary contained in this Agreement, the Collateral does not include any "hazardous waste" as that term is defined under 42 U.S.C. section 6903(5), as such section may be from time to time amended, or under any regulations thereunder.

*"**Company's Books**"* means and includes all of the Company's books and records in any medium or form, including, but not limited to, all records, ledgers and computer programs, disk or tape files, thumb drives, material stored in the "cloud," printouts and other information indicating, summarizing or evidencing the Collateral.

"***Equity Interests***" means, with respect to any person, all of the shares of capital stock of (or other ownership or profit interests in) such person, all of the warrants, options or other rights for the purchase or acquisition from such person of shares of capital stock of (or other ownership or profit interests in) such person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such person or warrants, rights or options for the purchase or acquisition from such person of such shares (or such other interests), and all of the other ownership or profit interests in such person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

*"**Event of Default**"* has the meaning specified in Section 6 of this Agreement.

*"**Negotiable Collateral**"* means and includes all of the Company's presently existing and hereafter acquired or arising letters of credit, advices of credit, promissory notes, drafts, instruments, documents, Equity Interests in any entity, leases of personal property and chattel paper, as well as the Company's Books relating to any of the foregoing.

*"**Obligations**"* means the Debtor's obligation to pay (i) the Closing Receivables Payment; and (ii) the Deferred Portion.

*"**Permitted Liens**"* means (i) statutory liens of landlords and liens of carriers, warehousemen, bailees, mechanics, materialmen and other like liens imposed by law, created in the ordinary course of business and securing amounts not yet due (or which are being contested in good faith, by appropriate proceedings or other appropriate actions which are sufficient to prevent imminent foreclosure of such liens), and with respect to which adequate reserves or other appropriate provisions are being maintained by Debtor in accordance with generally accepted accounting principles ("**GAAP**"), (ii) deposits made (and the liens thereon) in the ordinary course of business of Debtor (including, without limitation, security deposits for leases, indemnity bonds, surety bonds and appeal bonds) in connection with workers' compensation, unemployment insurance and other types of social security benefits or to secure the performance of tenders, bids, contracts (other than for the repayment or guarantee of borrowed money or purchase money obligations), statutory obligations and other similar obligations arising as a result of progress payments under government contracts, (iii) liens for taxes not yet due and payable or which are being contested in good faith and with respect to which adequate reserves are being maintained by Debtor in accordance with GAAP, (iv) purchase money liens relating to the acquisition of equipment, machinery or other goods of Debtor approved in writing by the Secured Party (which approval shall not be unreasonably withheld, conditioned or delayed) and (v) liens in favor of the Secured Party under this Agreement.

"***Pledged Equity***" means the Shares, together with the certificates (or other agreements or instruments), if any, representing such Shares, and all options and other rights, contractual or otherwise, with respect thereto, including, but not limited to, the following:

(1) all Equity Interests representing a dividend thereon, or representing a distribution or return of capital upon or in respect thereof, or resulting from a stock split, revision, reclassification or other exchange therefor, and any subscriptions, warrants, rights or options issued to the holder thereof, or otherwise in respect thereof; and

(2) in the event of any consolidation or merger involving the issuer thereof and in which such issuer is not the surviving person, all shares of each class of the Equity Interests of the successor person formed by or resulting from such consolidation or merger, to the extent that such successor person is a direct subsidiary of an Obligor.

*"**Secured Party Expenses**"* means and includes (i) all costs or expenses required to be paid by the Debtor, with respect to the Pledged Equity, or the Company, with respect to the Collateral, under this Agreement that are instead paid or advanced by the Secured Party, including without limitation, all taxes, insurance, satisfaction of liens, securities interests, encumbrances or other claims at any time levied or placed on the Pledged Equity or the Collateral, as the case may be, (ii) all reasonable costs and expenses incurred to correct any default or enforce any provision of this Agreement, or in gaining possession of, maintaining, disabling, handling, preserving, storing, shipping, selling, preparing for sale or advertising to sell all or any part of the Collateral, irrespective of whether a sale is consummated, and (iii) all reasonable costs and expenses (including reasonable attorney's fees) incurred by the Secured Party in enforcing or defending this Agreement, irrespective of whether suit is brought.

"***Subsidiaries***" means all subsidiaries of each Obligor whether now existing or hereafter formed or acquired.

2. **Construction**. Unless the context of this Agreement clearly requires otherwise, references to the plural include the singular and vice versa, to the part include the whole, "including" is not limiting, and "or" has the inclusive meaning represented by the phrase "and/or." The words "hereof," "herein," "hereby," "hereunder," and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. Section references are to this Agreement, unless otherwise specified.

3. **Creation of Security Interest**. In order to secure Debtor's timely payment of the Obligations and timely performance of each and all of its covenants and obligations under this Agreement and any other document, instrument or agreement executed by Debtor or delivered by Debtor to the Secured Party in connection with the Obligations, (i) the Debtor, hereby unconditionally and irrevocably grants, pledges and hypothecates to the Secured Party a continuing security interest in and to, a lien upon, assignment of, and right of set-off against, the Pledged Equity; which such security interest shall attach to the Pledged Equity without further act on the part of the Secured Party or the Debtor, and (ii) the Company hereby unconditionally and irrevocably grants, pledges and hypothecates to the Secured Party a continuing security interest in and to, a lien upon, assignment of, and right of set-off against, all presently existing and hereafter acquired or arising Collateral, which such security interest shall attach to all Collateral without further act on the part of the Secured Party or the Company.

4. **Filings; Further Assurances**.

(a) General. The Secured Party is authorized to file a UCC-1 Financing Statement with the Secretary of State of the State of Nevada, with respect to the Debtor, and, with the Secretary of State of the State of Oklahoma with respect to the Company. The Debtor shall promptly deliver to the Secured Party all certificates and instruments constituting the Pledged Equity in suitable form for transfer by delivery and accompanied by duly executed instruments of transfer or assignment in blank. Each Obligor hereby irrevocably makes, constitutes and appoints the Secured Party as such Obligor's true and lawful attorney with power, upon Obligor's failure or refusal to promptly comply with its obligations in this Section 4(a), to sign the name of Obligor on any of the above-described documents or on any other similar documents which need to be executed, recorded or filed in order to perfect, maintain, protect or enforce the Secured Party's security interest in the Collateral or the Pledged Equity, as the case may be. Each Obligor further agrees to enter into such control agreements with the Secured Party and such third parties as may be necessary to obtain a security interest in collateral, including deposit accounts and Pledged Equity, and agrees to use best efforts to obtain the assent of the third parties to said agreements.

(b) Additional Matters. Without limiting the generality of Section 4(a), each of the Obligors will at the reasonable written request of the Secured Party, appear in and defend any action or proceeding which is reasonably expected to have a material and adverse effect with respect to the such Obligor's title to, or the security interest of the Secured Party in, the Pledged Equity or the Collateral, as the case may be.

5. **Representations, Warranties and Agreements .** Each of the Debtor, with respect to the Pledged Equity, and the Company, with respect to the Collateral, represents, warrants and agrees as follows:

(a) No Other Encumbrances. The Debtor has good and marketable title to the Pledged Equity, and the Company has good and marketable title to the Collateral, in each case, free and clear of any liens, claims, encumbrances and rights of any kind, except the Liens scheduled pursuant to Section 3.15 of the Stock Purchase Agreement or as otherwise approved in writing by the Secured Party, and has the right to pledge, sell, assign or transfer the same. There exists no adverse claim with respect to the Pledged Equity.

(b) Authorization of Pledged Equity. All Pledged Equity is duly authorized and validly issued, is fully paid and, to the extent applicable, nonassessable and is not subject to the preemptive rights of any person.

(c) Security Interest/Priority. This Agreement creates a valid security interest in favor of the Secured Party in the Collateral and the Pledged Equity and, when properly perfected by filing shall constitute a valid and perfected security interest in such Pledged Equity and Collateral, to the extent such security interest can be perfected by filing under the UCC, free and clear of all liens except for liens permitted by the Stock Purchase Agreement. The taking possession by the Secured Party of the certificated securities (if any) evidencing the Pledged Equity and all other Instruments constituting Collateral will perfect and establish the Secured Party's security interest in all the Pledged Equity evidenced by such certificated securities and such instruments. With respect to any Collateral consisting of a deposit account, investment property, securities entitlement or held in a securities account, upon execution and delivery by the Company, the applicable depository bank or securities intermediary and the Secured Party of an agreement granting control to the Secured Party over such Collateral, the Secured Party shall have a valid and perfected security interest in such Collateral.

(d) Consents; Etc. There are no restrictions in any organizational document governing the Pledged Equity or any other document related thereto which would limit or restrict (i) the grant of a security interest pursuant to this Agreement on such Pledged Equity, (ii) the perfection of such security interest or (iii) the exercise of remedies in respect of such perfected security interest in the Pledged Equity as contemplated by this Agreement. Except for (i) the filing or recording of UCC financing statements, (ii) the filing of appropriate notices with the United States Patent and Trademark Office, the United States Copyright Office, other applicable federal registries and local registries regarding assignments of rents and fixture filings, (iii) obtaining control to perfect the security interests created by this Agreement (to the extent required under Section 4 hereof), (iv) such actions as may be required by laws affecting the offering and sale of securities, and (v) consents, authorizations, filings or other actions which have been obtained or made, no consent or authorization of, filing with, or other act by or in respect of, any arbitrator or governmental authority and no consent of any other person (including, without limitation, any stockholder, member or creditor of the Company), is required for (A) the grant by the Company of the security interest in the Collateral granted hereby or for the execution, delivery or performance of this Agreement by the Company, (B) the perfection of such security interest (to the extent such security interest can be perfected by filing under the UCC, the granting of control (to the extent required by Section 4(a) hereof) or by filing an appropriate notice with the United States Patent and Trademark Office, the United States Copyright Office or other applicable registry) or (C) the exercise by the Secured Party of the rights and remedies provided for in this Agreement.

(e) Right to Inspect the Collateral. The Secured Party shall have the right, during usual business hours of the Company and upon reasonable advance notice, to inspect and examine the Collateral, the locations of which are set forth on Schedule 5(e) hereto. Debtor agrees that any reasonable expenses incurred by the Secured Party in connection with this Section 5(e) during the continuance of an Event of Default shall constitute Secured Party Expenses.

(f) Negative Covenants. Except for sale of inventory in the ordinary course of business, Obligors shall not (i) sell, lease or otherwise dispose of, relocate or transfer, any of the Collateral, except dispositions of Collateral that is worn out, obsolete or no longer necessary in the business of the Company, (ii) allow any liens on or grant security interests in the Collateral except the Permitted Liens or (iii) change any of their names or add any new fictitious name without the written consent of the Secured Party.

(g) Relocation of Principal Place of Business. The Company shall not, without at least thirty (30) days prior written notice to the Secured Party, relocate the Collateral, with no relocation being permitted outside the United States in any event.

(h) Further Information. Obligors shall promptly supply the Secured Party with such information concerning Obligors' business as the Secured Party may reasonably request from time-to-time hereafter, and shall within five (5) business days of obtaining knowledge thereof, notify the Secured Party of any event which constitutes an Event of Default.

(i) Solvency. Each Obligor is now and shall be at all times hereafter able to pay its debts (including trade debts) as they mature.

(j) Secured Party Expenses. Debtor shall, within fifteen (15) business days of written demand from the Secured Party accompanied by adequate documentation of such expenses, reimburse the Secured Party for all sums expended by it which constitute Secured Party Expenses and, in the event that Debtor does not pay any Secured Party Expenses payable to a third party within fifteen (15) business days after notice thereof, then the Secured Party may immediately and without further notice pay such Secured Party Expenses on Debtor's behalf. All such expenses shall become a part of the Obligations and will be payable on demand. This Agreement shall also secure payment of those amounts.

(k) Commercial Tort Claims. Obligors have no pending commercial tort claim (as a plaintiff) against any individual or entity (a "**Commercial Claim**"). Obligors shall promptly deliver to the Secured Party notice of any Commercial Claim that an Obligor may bring against any individual or entity, together with such information with respect thereto as the Secured Party may reasonably request. Within ten (10) days after a written request by the Secured Party, Obligors shall grant the Secured Party a security interest in any pending Commercial Claim to the extent such security interest is permitted by applicable law.

(l) Reliance by the Secured Party; Representations Cumulative. Each representation, warranty and agreement contained in this Agreement shall be conclusively presumed to have been relied on by the Secured Party regardless of any investigation made or information possessed by the Secured Party. The representations, warranties and agreements set forth herein shall be cumulative and in addition to any and all other representations, warranties and agreements set forth in the Subscription Documents or any other documents created after the Closing Date and signed by Obligors.

6. **Events of Default**. Any uncured default in the payment of the Obligations pursuant to the terms of the Stock Purchase Agreement shall constitute an "**Event of Default**" by the Debtor under this Agreement.

7. **Rights and Remedies**.

(a) Rights and Remedies of the Secured Party.

(i) Upon the occurrence and during the continuance of an Event of Default, without notice of election and without demand, the Secured Party may cause any one or more of the following to occur, all of which are authorized by Obligors:

(A) The Secured Party may make such payments and do such acts as it reasonably considers necessary to protect its security interest in the Collateral. The Company agrees to promptly assemble and make available the Collateral if the Secured Party so requires. Obligors authorize the Secured Party to enter the premises where the Collateral is located, take and maintain possession of the Collateral, or any part thereof, and pay, purchase, contest or compromise any encumbrance, claim, right or lien which, in the reasonable opinion of the Secured Party, appears to be prior or superior to its security interest in violation of this Agreement, and to pay all reasonable expenses incurred in connection therewith.

(B) The Secured Party shall be automatically deemed to be granted a license or other appropriate right to use, without charge or representation or warranty, the Company's labels, patents, copyrights, rights of use of any name, trade secrets, trade names, trademarks and advertising matter, and any other property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale and selling any Collateral.

(C) The Secured Party may ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale and sell (in the manner provided for herein) the Collateral.

(D) The Secured Party may sell the Collateral or the Pledged Equity at either a public or private sale, or both (which in the case of a private sale of Pledged Equity, shall be to a restricted group of purchasers who will be obligated to agree, among other things, to acquire such securities for their own accounts, for investment and not with a view to the distribution or resale thereof), by way of one or more contracts or transactions, for cash or on terms, in such manner and at such places (including Obligors' premises) as is commercially reasonable (it not being necessary that the Collateral be present at any such sale). In the case of a sale of Pledged Equity, the Secured Party shall have no obligation to delay sale of any such securities for the period of time necessary to permit the Debtor to register such securities for public sale under the Securities Act of 1933. The Debtor further acknowledges and agrees that any offer to sell any Pledged Equity which has been (i) publicly advertised on a bona fide basis in a newspaper or other publication of general circulation in the financial community of New York, New York (to the extent that such offer may be advertised without prior registration under the Securities Act of 1933), or (ii) made privately in the manner described above shall be deemed to involve a "public sale" under the UCC, notwithstanding that such sale may not constitute a "public offering" under the Securities Act of 1933, and the Secured Party may, in such event, bid for the purchase of such securities.

(E) The Secured Party shall be entitled to give notice of the disposition of the Collateral as follows: (1) the Secured Party shall give Obligors a notice in writing of the time and place of public sale, or, if the sale is a private sale or some other disposition other than a public sale is to be made of the Collateral, the time on or after which the private sale or other disposition is to be made, (2) the notice shall be personally delivered or mailed, postage prepaid, to Obligors at least ten (10) days before the date fixed for the sale, or at least ten (10) days before the date on or after which the private sale or other disposition is to be made, unless the Collateral is perishable or threatens to decline speedily in value in which case the Secured Party shall use commercially reasonable efforts to provide such notice to Obligors as far in advance of such disposition as is practicable.

(F) The Secured Party may purchase all or any portion of the Collateral at any public sale by credit bid or other appropriate payment therefor.

(G) To the extent permitted by applicable law, the Secured Party shall have the following rights and remedies regarding the appointment of a receiver: (1) the Secured Party may have a receiver appointed as a matter of right, (2) the receiver may be an employee of the Secured Party and may serve without bond, and (3) all fees of the receiver and his or her attorney shall be Secured Party Expenses and become part of the Obligations and shall be payable on demand.

(H) To the extent permitted by applicable law, the Secured Party, either itself or through a receiver, may collect the payments, rents, income, and revenues from the Collateral. The Secured Party may at any time, in its reasonable discretion, transfer any Collateral into its own name or that of its nominee(s) and receive the payments, rents, income, and revenues therefrom and hold the same as security for the Obligations or apply it to payment of the Obligations in such order of preference as the Secured Party may determine. Insofar as the Collateral consists of accounts, general intangibles, loans receivable, insurance policies, instruments, chattel paper, choses in action, or similar property, the Secured Party may demand, collect, issue receipts for, settle, compromise, adjust, sue for, foreclose, or otherwise realize on the Collateral as the Secured Party may determine (in its reasonable discretion), whether or not the Obligations are then due. For these purposes, the Secured Party may, on behalf of and in the name of Obligors, (1) receive, open and dispose of mail addressed to Obligors, (2) change any address to which mail and payments are to be sent, and (3) endorse notes, checks, drafts, money orders, documents of title, instruments and items pertaining to the payment, shipment, or storage of any Collateral. To facilitate collection, the Secured Party may notify account debtors and obligors on any Collateral to make payments directly to the Secured Party.

(ii) The Secured Party may deduct from the proceeds of any sale of the Collateral all Secured Party Expenses incurred in connection with the enforcement and exercise of any of the rights and remedies of the Secured Party provided for herein, irrespective of whether suit is commenced. If such deduction does not occur (in the Secured Party's reasonable discretion), upon demand, Obligors shall pay all of such Secured Party Expenses. Any deficiency which exists after disposition of the Collateral as provided herein will be paid promptly by Obligors, and any excess that exists will be returned, without interest and subject to the rights of third parties, to Obligors by the Secured Party; provided, however, that if any excess exists at a time when any of the Obligations remain outstanding, such excess shall instead remain as part of the Collateral and continue to be subject to the security interest in Section 3(a) above until such time as all of the Obligations have been fully satisfied or otherwise terminated.

(iii) Voting and Payment Rights in Respect of the Pledged Equity.

(A) So long as no Event of Default shall exist, the Debtor may (1) exercise any and all voting and other consensual rights pertaining to the Pledged Equity or any part thereof for any purpose not inconsistent with the terms of this Agreement or the Stock Purchase Agreement and (2) receive and retain any and all dividends in respect of the Pledged Equity to the extent they are allowed under the Stock Purchase Agreement; and

(B) During the continuance of an Event of Default, (1) all rights of the Debtor to exercise the voting and other consensual rights which it would otherwise be entitled to exercise pursuant to clause (A)(1) above shall cease and all such rights shall thereupon become vested in the Secured Party which shall then have the sole right to exercise such voting and other consensual rights, (2) all rights of the Debtor to receive the dividends which it would otherwise be authorized to receive and retain pursuant to clause (A)(2) above shall cease and all such rights shall thereupon be vested in the Secured Party which shall then have the sole right to receive and hold as Collateral such dividends, principal and interest payments, and (3) all dividends which are received by the Debtor contrary to the provisions of clause (B)(2) above shall be received in trust for the benefit of the Secured Party, shall be segregated from other property or funds of the Debtor, and shall be forthwith paid over to the Secured Party as Collateral in the exact form received, to be held by the Secured Party as Collateral and as further collateral security for the Obligations.

(b) Rights and Remedies Cumulative. The rights and remedies of the Secured Party under this Agreement and any other agreements and documents delivered or executed in connection with the Obligations shall be cumulative. The Secured Party shall also have all other rights and remedies not inconsistent herewith as are provided under applicable law, or in equity. No exercise by the Secured Party of any one right or remedy shall be deemed an election.

8. **Additional Waivers**. The Secured Party shall not in any way or manner be liable or responsible for (i) the safekeeping of the Collateral, (ii) any loss or damage thereto occurring or arising in any manner or fashion from any cause, (iii) any diminution in the value thereof or (iv) any act or default of any carrier, warehouseman, bailee, forwarding agency or other person whomsoever, except to the extent that such loss, damage, liability, cost or expense has resulted from the gross negligence or willful misconduct of the Secured Party or its affiliates. If the Secured Party at any time has possession of any Collateral, whether before or after an Event of Default, the Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral if the Secured Party takes such action for that purpose as Obligors shall request or as the Secured Party, in its reasonable discretion, shall deem appropriate under the circumstances, but failure to honor any request by Obligors shall not of itself be deemed to be a failure to exercise reasonable care. The Secured Party shall not be required to take any steps necessary to preserve any rights in the Collateral against prior parties, nor to protect, preserve, or maintain any security interest given to secure the Obligations.

9. **Notices**. All notices or demands by any party relating to this Agreement shall be made in writing as provided in the Stock Purchase Agreement. Each party shall provide written notice to the other party of any change in address.

10. **Choice of Law**. The validity of this Agreement, its construction, interpretation and enforcement, and the rights of the parties hereunder and concerning the Pledged Equity and the Collateral, shall be determined under, governed by, and construed in accordance with the laws of the state of Oklahoma as applied to contracts made and to be fully performed in such state, without regard to the conflicts of laws provisions thereof, except to the extent that the validity, perfection or enforcement of a security interest hereunder in respect of the Pledged Equity and the Collateral is governed by the laws of the state of Oklahoma or some other state, in which case such laws shall govern.

11. Waiver of Jury Trial. THE OBLIGORS EACH WAIVE, TO THE EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT.

12. **General Provisions**.

(a) Effectiveness. This Agreement shall be binding and deemed effective against each Obligor when executed by that Obligor and the Secured Party.

(b) Successors and Assigns. This Agreement shall bind and inure to the benefit of the successors and permitted endorsees, transferees and assigns of the Secured Party. Obligors shall not assign this Agreement or any rights or obligations hereunder, and any such assignment shall be absolutely void.

(c) Section Headings. Section headings are for convenience only.

(d) Interpretation. No uncertainty or ambiguity herein shall be construed or resolved against the Secured Party or Obligors, whether under any rule of construction or otherwise. This Agreement shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties.

(e) Severability of Provisions. Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

(f) Entire Agreement; Amendments. This Agreement and the agreements and documents referenced herein contain the entire understanding of the parties with respect to the subject matter covered herein and supersede all prior agreements, negotiations and understandings, written or oral, with respect to such subject matter. No provision of this Agreement shall be waived or amended other than by an instrument in writing signed by Obligors and the Secured Party.

(g) Good Faith. The parties intend and agree that their respective rights, duties, powers, liabilities and obligations shall be performed, carried out, discharged and exercised reasonably and in good faith.

(h) Waiver and Consent. No delay or omission on the part of the Secured Party in exercising any right shall operate as a waiver of such right or any other right. A waiver by the Secured Party of a provision of this Agreement or any other agreement between or among the parties shall not prejudice or constitute a waiver of the Secured Party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by the Secured Party, nor any course of dealing between the Secured Party and Obligors, shall constitute a waiver of any of the Secured Party's rights or of any of Obligors' obligations as to any future transactions. Whenever the consent of the Secured Party is required under this Agreement, the granting of such consent by the Secured Party in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the reasonable discretion of the Secured Party.

(i) Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

(j) Termination. Upon full satisfaction or other termination of the Obligations (i) the Secured Party shall release and return to Obligors all of the Collateral and any and all certificates and other documentation representing or relating to the Pledged Equity and the Collateral and (ii) the security interests provided for under this Agreement shall be terminated and of no further force and effect. At Debtor's expense, the Secured Party shall take all actions reasonably requested by Debtor in connection with the foregoing.

(k) Consent of Obligors as Issuers of Pledged Equity. Each Obligor hereby acknowledges, consents and agrees to the grant of the security interests in such Pledged Equity pursuant to this Agreement, together with all rights accompanying such security interest as provided by this Agreement and applicable law, notwithstanding any anti-assignment provisions in any operating agreement, limited partnership agreement or similar organizational or governance documents of such issuer.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized persons on the date first written above.

The Debtor:

Victory Oilfield Tech, Inc.

By: /s/ Kenneth Hill
Name: Kenneth Hill
Title: Chief Executive Officer

The Company:

Pro-Tech Hardbanding Services, Inc.

By: /s/ Kenneth Hill
Name: Kenneth Hill
Title: President

The Secured Party:

/s/ Stewart Matheson
Name: Stewart Matheson

SCHEDULE I

PLEDGED EQUITY

Name of Company	Jurisdiction of Organization	Number of Securities	Certificate Number	Percentage Ownership	Percentage Pledged
Pro-Tech Hardbanding Services, Inc.	Oklahoma	517 shares of common stock	16	100%	100%

Schedule 5(e)

Locations of Collateral

2101 South Eastern Oklahoma City, Oklahoma 73129

EXHIBIT A

COLLATERAL

1. All accounts, chattel paper, contracts, contract rights, accounts receivable, tax refunds, tax credits, notes receivable, documents, choses in action and general intangibles, including, but not limited to, proceeds of inventory and returned goods and proceeds from the sale of goods and services, and all rights, liens, securities, guaranties, remedies and privileges related thereto, including the right of stoppage in transit and rights and property of any kind forming the subject matter of any of the foregoing;

2. All certificates of deposit and all time, savings, demand, or other deposit accounts in the name of the Company or in which the Company has any right, title or interest, including but not limited to all sums now or at any time hereafter on deposit, and any renewals, extensions or replacements of and all other property which may from time to time be acquired directly or indirectly using the proceeds of any of the foregoing;

3. All inventory and equipment of every type or description wherever located, including, but not limited to all raw materials, parts, containers, work in process, finished goods, goods in transit, wares, merchandise, furniture, fixtures, hardware, machinery, tools, parts, supplies, automobiles, trucks, other intangible property of whatever kind and wherever located associated with the Company's business, tools and goods returned for credit, repossessed, reclaimed or otherwise reacquired by the Company;

4. All documents of title and other property from time to time received, receivable or otherwise distributed in respect of, exchange or substitution for or addition to any of the foregoing including, but not limited to, any documents of title;

5. All know-how, information, labels, permits, patents, copyrights, goodwill, trademarks, trade names, licenses and approvals held by the Company, including all other intangible property of the Company;

6. All assets of any type or description that may at any time be assigned or delivered to or come into possession of the Company for any purpose for the account of the Company or as to which the Company may have any right, title, interest or power, and property in the possession or custody of or in transit to anyone for the account of the Company, as well as all proceeds and products thereof and accessions and annexations thereto; and

7. All proceeds (including but not limited to insurance proceeds) and products of and accessions and annexations to any of the foregoing.

Exhibit 10.3

LOAN AGREEMENT

This Loan Agreement (this "**Agreement**") is made as of the 31st day of July, 2018, by and between **Kodak Brothers Real Estate Cash Flow Fund, LLC**, a Texas limited liability company (the "**Lender**"), and **Victory Oilfield Tech, Inc.**, a Nevada corporation f/k/a Victory Energy Corporation (the "**Borrower**").

RECITALS

A. On or about the date hereof, Borrower is entering into a Stock Purchase Agreement with Pro-Tech Hardbanding Services, Inc., an Oklahoma corporation ("**PTHS**"), and Stewart Matheson ("**Matheson**"), the sole shareholder of PTHS, whereby Borrower is purchasing the issued and outstanding shares of PTHS (such transaction is referred to herein as the "**PTHS Acquisition**").

B. The Borrower has requested a loan (the "**Loan**") from the Lender in the amount of Three Hundred Seventy-Five Thousand Dollars ($375,000) (the "**Loan Amount**") as part of Borrower's financing of the PTHS Acquisition. The Lender is willing to advance the Loan Amount to Borrower on the terms and conditions reflected in this Agreement.

C. The Loan will be secured by a first priority security interest in all of the assets of the Borrower, including, without limitation, the sublicense granted to the Borrower from Armacor Victory Ventures, LLC pursuant to that certain Exclusive Sublicense Agreement, dated August 21, 2017 (the "**First Priority Assets**"), save and except for (i) the stock of PTHS to be acquired by Borrower from Matheson in the PTHS Acquisition (the "**PTHS Stock**"), which PTHS Stock is the subject of a first priority security interest granted by the Borrower in favor of Matheson pursuant to the terms of the PTHS Acquistion and the assets of PTHS (the "**PTHS Assets**" and, together with the PTHS Stock, the "**Second Priority Assets**"), which PTHS Assets are also the subject of a first priority security interest granted by the Borrower in favor of Matheson pursuant to the terms of the PTHS Acquisition. The foregoing first priority security interest in the First Priority Assets will be pari passu with a prior security interest granted by Borrower to Visionary Private Equity Group I, LP ("**VPEG I**").

D. Upon closing of the PTHS Acquisition, the Loan will be further secured by second priority security interests in the Second Priority Assets, each such security interest to be second in priority to the first priority security interest in such assets granted by Borrower and PTHS to Matheson in the PTHS Acquisition.

E. On the date hereof, the Borrower, the Lender, VPEG I and Matheson are entering into an intercreditor agreement (the "**Intercreditor Agreement**") pursuant to which, the parties to the Intercreditor Agreement will agree that the Lender and VPEG I have a pari passu first priority security interest in the First Priority Assets, that the Lender has a second priority security interest in the Second Priority Assets and VPEG I will relinquish its lien on and security interest in the Second Priority Assets.

AGREEMENTS

In consideration of the foregoing recitals, which are incorporated herein by this reference, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Borrower and the Lender agree as follows:

1. Definitions

1.1. ***General Application and Interpretation.*** Unless a clear contrary intention appears, as used herein (a) the singular includes the plural and *vice versa*, reference to any document means such document as amended from time to time, "include" or "including" means including without limiting the generality of any description preceding such term, (b) the word "or" is not exclusive, unless otherwise expressly stated, (c) the terms "hereof," "herein," "hereby," and derivative or similar words refer to this entire Agreement, and (d) headings are for convenience only and do not constitute a part of this Agreement.

2. Loan

2.1 ***Loan.*** On the terms and subject to the conditions hereinafter set forth, the Lender will loan to the Borrower the Loan Amount.

2.2 ***Note.*** The Loan shall be evidenced by, and the Borrower shall deliver to the Lender immediately upon receipt of funds from the Lender, a secured convertible promissory note in the form attached hereto as **Exhibit A** (the "**Note**"), duly executed by Borrower, dated of even date herewith. The principal amount of the Note shall be due and payable in the manner and at the times set forth in the Note. Should the principal of the Note become due and payable on any day other than a business day, the maturity thereof shall be extended to the next succeeding business day. All payments on the Note shall be made to the Lender at its address as specified in the Note in federal or other immediately available funds, and payments shall be applied first to the payment of any costs and expenses owed by the Borrower to the Lender with respect thereto, then to accrued interest and then to principal. The Borrower agrees that if documentary stamp taxes and intangible taxes are applicable with respect to the execution or delivery of the Note, the Borrower shall pay such tax and consents to the Lender advancing such amount pursuant to the Note for the benefit of the Lender in connection with the payment of such tax.

3. Grant of Warrant

Upon execution of this Loan Agreement, Borrower will issue to Lender a warrant to acquire Three Hundred and Seventy-Five Thousand (375,000) shares of Borrower's Common Stock, such warrant to have an exercise price of $0.75 per share and a period of exercise of 5 years from issuance, and to contain "cashless exercise" provisions.

4. Representations and Warranties; Covenants

4.1 Lender represents that it has the requisite power to enter into this Agreement and to carry out its obligations hereunder and that the terms of this Agreement have been fully disclosed to its general partner and that the requisite approvals have been obtained, prior to its execution.

4.2 Borrower represents that it has the requisite power to enter into this Agreement and to carry out its obligations hereunder and that the terms of this Agreement have been fully disclosed to its board of directors, that the requisite approvals have been obtained, prior to its execution, that the Borrower's execution and delivery of and consummation of its obligations under the Note and other Loan Documents do not conflict with any other obligations or the organizational documents of the Borrower, and that Borrower is and will remain solvent following the transaction contemplated herein.

4.3 Each party represents that this Agreement has been duly executed and delivered and constitutes a valid and binding obligation enforceable in accordance with its terms.

4.4 Borrower covenants with Lender that $350,000 of the Loan Amount will be applied by Borrower towards funding of the PTHS Acquisition and the remaining $25,000 of the Loan Amount will be used by Borrower first for the initial payment of prepaid interest pursuant to the Note, second in satisfaction of Borrower's agreement to pay the Lender's costs incurred in connection with the Loan transaction, which costs shall not exceed $7,500, and finally any remaining amounts for Borrower's general corporate purposes. Borrower additionally covenants to promptly notify the Lender of any defaults or any purported defaults with respect to any obligations of the Borrower to any other party to the Intercreditor Agreement.

4.5 Borrower agrees to pay all expenses of the Loan, and also including all recording charges, costs for certified copies of instruments, fees, expenses and charges of Lender's attorneys and other professional advisors, and all costs and expenses incurred by Lender in connection with the determination of whether Borrower has performed the obligations undertaken by Borrower under this Agreement or has satisfied any conditions precedent to the obligations of Lender under this Agreement. All such expenses, charges, costs and fees shall be the Borrower's obligation regardless of whether the Loan is disbursed in whole or in part unless such failure to disburse is due to Lender's wrongful failure to disburse hereunder. Any and all advances or payments made by Lender under this Agreement from time to time, or for attorney fees and expenses or fees of other professional advisors, if any, and all other Loan expenses shall, as and when advanced or incurred by Lender, constitute additional indebtedness evidenced by the Note and secured by the Security Agreement included at Section 4 of the Note and the other Loan Documents to the same extent and effect as if the terms and provisions of this Agreement were set forth therein, whether or not the aggregate of such indebtedness shall exceed the aggregate face amount of the Note.

5. Security

On the date hereof, the Borrower is signing and delivering to the Lender the Note, Section 4 of which constitutes a Security Agreement pursuant to which (i) the Borrower is granting to the Lender a first priority security interest in all of the First Priority Assets, which security interest will be *pari passu* with security interests previously granted by Borrower to VPEG I and (ii) the Borrower is granting to the Lender a second-priority security interest in the PTHS Stock which becomes effective upon the closing of the PTHS Acquisition, which closing is expected to occur simultaneously with the closing of the Loan. Furthermore, the Borrower agrees that it shall cause PTHS, as a wholly-owned subsidiary of Borrower, to guaranty the Borrower's obligations under the Note and, upon closing of the PTHS Acquisition, to grant Lender a second priority security interest in the PTHS Assets. The second priority security interest in the Second Priority Assets shall only be subordinate to the first priority security interests in the Second Priority Assets that is being granted by Borrower and PTHS to Matheson in connection with the PTHS Acquisition.

6. Further Assurances

The Borrower shall from time to time, at its sole expense, promptly execute and deliver all further instruments and documents, and take all further actions, as may be necessary and desirable, or that the Lender may reasonably request, in order to enable Lender to exercise and enforce their rights and remedies hereunder, and, following closing of the PTHS Acquisition, will further cause PTHS as a wholly-owned subsidiary of Borrower to abide by the foregoing covenant as though expressly named along with Borrower therein.

7. Events of Default

The occurrence of any Event of Default under the Note shall be an Event of Default under this Agreement.

8. Miscellaneous

8.1 ***Entire Agreement***. This Agreement, the other Loan Documents, and instruments delivered in connection herewith and therewith constitute the entire agreement of Borrower and Lender with respect to the Loan, and all prior discussions, negotiations and document drafts are merged herein and therein. Neither Lender nor any employee of Lender has made or is authorized to make any representation or agreement upon which Borrower may rely unless such matter is made for the benefit of Borrower and is in writing signed by an authorized officer of Lender. Borrower agrees that it has not and will not rely on any custom or practice of Lender, or on any course of dealing with Lender, in connection with the Loan unless such matters are set forth in this Agreement or the Loan Documents or in an instrument made for the benefit of Borrower and in a writing signed by an authorized officer of Lender.

8.2 ***Severability.*** If any provision of this Agreement or any other of the other documents being entered into in connection with this Agreement shall be determined by any court having jurisdiction to be unlawful or unenforceable, such provision shall be deemed separate and apart from all other provisions of this Agreement, and all remaining provisions of this Agreement shall be fully enforceable.

8.3 ***Notices.*** All notices and other communications that are required or permitted to be given to the parties under this Agreement shall be sufficient in all respects if given in writing and delivered in person, by electronic mail, by telecopy, by overnight courier, or by certified mail, postage prepaid, return receipt requested, to the receiving party at the address specified on the signature page to this Agreement or to such other address as such party may have given to the other by notice pursuant to this Section. Notice shall be deemed given on the date of delivery, in the case of personal delivery, electronic mail, or telecopy, or on the delivery or refusal date, as specified on the return receipt in the case of certified mail or on the tracking report in the case of overnight courier.

8.4 ***Choice of Law and Jurisdiction.*** The laws of the State of Texas shall apply to and control any interpretation, construction, performance or enforcement of this Agreement. The Parties agree that the exclusive jurisdiction for any legal proceeding arising out of or relating to this Settlement Agreement shall be the State or Federal courts located in Travis County, Texas and the Parties hereby waive any challenge to personal jurisdiction or venue in that court.

8.5 ***Modification; Waiver.*** No modification, waiver, amendment, discharge or change of this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is sought.

8.6 ***Waiver of Consequential Damages*****.** In no event shall Lender be liable to Borrower for consequential damages, whatever the nature of a breach by Lender of its obligations under this Agreement, or any of the Loan Documents, and Borrower for itself and all Affiliated Parties hereby waives all claims for consequential damages.

8.7 ***WAIVER OF JURY TRIAL*****. BORROWER AND LENDER EACH HEREBY WAIVE (TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM WHETHER IN CONTRACT, TORT OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO THE LOAN, THE APPLICATION FOR THE LOAN, THIS AGREEMENT, THE OTHER LOAN DOCUMENTS OR ANY ACTS OR OMISSIONS OF NOTEHOLDER, ITS OFFICERS, EMPLOYEES, MANAGERS, DIRECTORS OR AGENTS IN CONNECTION THEREWITH; AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.**

8.8 ***Counterparts and Facsimile or Electronic Signatures.*** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one agreement. A facsimile or electronic signature, including through technology such as DocuSign, to this Agreement shall be deemed an original and binding upon the party against whom enforcement is sought.

[SIGNATURE PAGE FOLLOWS]

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

LENDER:

Kodak Brothers Real Estate Cash Flow Fund, LLC,
By: Kodak Brothers Capital Management, LLC,
its manager

By: /s/ Scott Kodak
Scott Kodak, Manager

Address: 3355 Bee Cave Road,
Suite 608
Austin, Texas 78746

BORROWER:

Victory Oilfield Tech, Inc.

By: /s/ Kenneth Hill
Name: Kenneth Hill
Title: Chief Executive Officer

Address: 3355 Bee Caves Road
Suite 608
Austin, TX 78746

Exhibit 10.4

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THIS NOTE HAS BEEN ACQUIRED FOR INVESTMENT AND MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS, OR AN OPINION OF COUNSEL, IN A FORM ACCEPTABLE TO THE MAKER, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR APPLICABLE STATE SECURITIES LAWS OR UNLESS SOLD PURSUANT TO RULE 144 UNDER SAID ACT.

SECURED CONVERTIBLE PROMISSORY NOTE

US$375,000 **July 31, 2018**

FOR VALUE RECEIVED, on the date hereof (the " **Funding Date**"), the undersigned, **Victory Oilfield Tech, Inc.**, a Nevada corporation f/k/a Victory Energy Corporation (the "**Maker**"), promises to pay to the order of **Kodak Brothers Real Estate Cash Flow Fund, LLC**, a Texas limited liability company, or its assigns (collectively, the " **Holder**"), the principal sum of Three Hundred Seventy-Five Thousand Dollars ($375,000) (the "**Principal Amount**"), in lawful money of the United States, together with all costs and expenses due hereunder calculated in the manner hereinafter set forth in this Secured Convertible Promissory Note (the "**Note**").

This Note is being issued in connection with the entry by the Maker and the Holder into a Loan Agreement, dated as of the date hereof (the "**Loan Agreement**") and is being secured by the security interest granted by the Maker to the Holder pursuant to Section 4 of this Note, which will, upon closing of Maker's acquisition of the issued and outstanding shares of capital stock of PTHS, additionally include second-priority security interests in the Second Priority Assets. Capitalized terms used, but not otherwise defined, herein have the meanings ascribed to such terms in the Loan Agreement.

1. Term; Payments; Interest; Prepayments of Interest

(a) The term of this Note is from the Funding Date until March 31, 2019; (the "**Maturity Date**"). Provided Borrower is not in default under this Note or any of the Loan Documents (as hereinafter defined), Borrower shall have the right and option to extend the Maturity Date until June 30, 2019 (the "**Term Option**") upon and in accordance with the following terms and conditions: (a) Borrower shall give written notice to Lender on or before the Maturity Date of Borrower's intent to exercise the Term Option; (b) Borrower shall on or before March 31, 2019 pay the sum of $9,375 to Kodak Brothers Capital Management, LLC, Lender's Manager, as an extension fee in consideration of Borrower's exercise of the Term Option.

(b) The Maker shall pay to the Holder the unpaid Principal Amount in full on the Maturity Date, together with interest accrued thereon (to the extent such accrued interest has not been pre-paid by Maker).

(c) Subject to increase to the Default Rate (as hereinafter defined) upon occurrence of an Event of Default, Interest will accrue on the unpaid principal balance of this Note at the rate of Ten Percent (10.0%) per annum, simple interest (the "**Base Rate**").

(d) Borrower will prepay interest under this Note as follows:

1. Borrower will upon funding of this Note prepay to Lender interest due for the period from the date of funding through and including December 31, 2018 in the amount of $15,625.

2. Borrower will on or before January 10, 2019 prepay to Lender interest due for the period from January 1, 2019 through March 31, 2019 in the amount of $9,375.

3. In the event Borrower exercises the Option Term, Borrower will on or before April 10, 2019 prepay to Lender interest due for the period from April 1, 2019 through June 30, 2019 in the amount of $9,375.

2. Acceleration and Events of Default

In the event that any of the following (each, an "**Event of Default**") shall occur:

(a) The Maker shall default in the payment of (i) the Principal Amount of or any interest due under this Note, including required prepayments of interest, (ii) any obligation of the Maker to Visionary Private Equity Group I, LP ("**VPEG I**") secured by the Collateral referenced herein, or (iii) any obligation of the Maker to Stewart Matheson ("**Matheson**") under that certain Pledge and Security Agreement dated July 31, 2018 by and among, in relevant part, Maker as Debtor and Matheson as Secured Party, as and when the same shall become due and payable, whether by acceleration or otherwise; or

(b) The Maker shall default in any material manner in the observance or performance of any covenants or agreements set forth in this Note or the Loan Agreement (all as may be amended, restated, extended, supplemented or otherwise modified from time to time, herein collectively called, the "**Loan Documents**"), or in any agreements governing secured obligations of Maker to VPEG I or to Matheson referenced in Section 2(a);

(c) The Maker shall: (i) admit in writing its inability to pay its debts as they become due; (ii) apply for, consent to, or acquiesce in, the appointment of a trustee, receiver, sequestrator or other custodian for the Maker or any of its property, or make a general assignment for the benefit of creditors; (iii) in the absence of such application, consent or acquiesce in, permit or suffer to exist the appointment of a trustee, receiver, sequestrator or other custodian for the Maker or for any part of its property; or (iv) permit or suffer to exist the commencement of any bankruptcy, reorganization, debt arrangement or other case or proceeding under any bankruptcy or insolvency law, or any dissolution, winding up or liquidation proceeding, in respect of the Maker, and, if such case or proceeding is not commenced by the Maker or converted to a voluntary case, such case or proceeding shall be consented to or acquiesced in by the Maker or shall result in the entry of an order for relief; then, and so long as such Event of Default is continuing for a period of two (2) business days in the case of non-payment under Section 2(a) or 2(b) (and the event which would constitute such Event of Default, if curable, has not been cured), by written notice to the Maker from the Holder, then the Holder shall have the right to declare all obligations of the Maker under this Note to become immediately due and payable without presentment, demand, protest or any other action nor obligation of the Holder of any kind, all of which are hereby expressly waived, and Holder may exercise any other remedies the Holder may have at law or in equity. If an Event of Default specified in Section 2(c) above occurs, the principal amount of this Note shall automatically, and without any declaration or other action on the part of any Holder, become immediately due and payable;

(d) Borrower shall challenge the validity or enforceability of any provision of any of the Loan Documents;

(e) Borrower shall default in its obligations to any party to the Intercreditor Agreement, which default is not resolved within fifteen (15) days of receipt of written notice from the Holder; or

(f) Any representation or warranty of Borrower made to Lender in the Loan Documents is or prior to satisfaction of Borrower's obligations under this Note becomes materially inaccurate in any material respect.

Upon the occurrence of an Event of Default, interest upon the unpaid Principal Amount shall begin to accrue at a rate equal to the lesser of (a) twelve percent (12.0%) per annum or (b) the maximum interest rate allowed from time to time under applicable law (the "**Default Rate**"), and shall continue at the Default Rate until the Event of Default is cured (at which time interest at the Base Rate will again apply to the unpaid Principal Amount) or full payment is made of the unpaid Principal Amount. If any judgment is rendered in favor of the Holder against the Maker, said judgment shall bear interest at the Default Interest Rate or the maximum rate permitted by applicable law from time to time, in effect as of the date of this Note.

3. Prepayment Without Penalty

Maker shall have the right at any time prior to the occurrence of an Event of Default to prepay, in whole or in part, the Principal Amount without penalty, subject to the qualification, however, that no partial prepayment of the Principal Amount shall in any way release, discharge or affect the obligation of the Maker to make full payment in the amount of the balance of said Principal Amount on the Maturity Date. If Maker desires to prepay this Note, Maker shall provide the Holder with reasonable advance written notice such that Holder will have the opportunity to convert this Note in accordance with Section 5 hereof prior to any such prepayment.

4. Security Agreement

(a) Grant of Security Interest. To secure the prompt repayment of each and all of the obligations of the Maker hereunder to the Holder and its assigns, the Maker hereby pledges, grants, assigns and transfers to the Holder and its assigns a continuing lien on and security interest in and to all of the following property of the Maker (collectively the "**Collateral**"):

(i) All accounts, accounts receivable, contract rights, general intangibles related to or arising from any account, debit balances, note, documents, chattel paper, instruments, acceptances, drafts or other forms of obligations and receivables of the Maker arising from the sale or lease of inventory or rendition of services by the Maker, or on behalf of the Maker, in the ordinary course of its business or otherwise (all of the foregoing being herein collectively called "**Accounts**"), whether or not the same are listed on any schedules, assignments or reports furnished to the Holder from time to time, whether such Accounts are now existing or are created at any time hereafter, and all proceeds therefrom including without limitation, proceeds of insurance thereon and all guaranties, securities, and liens which the Maker may hold for the payment of any Accounts, including without limitation, all rights of stoppage in transit, replevin and reclamation and all other rights and remedies of unpaid vendor or lienor, and any liens held by the Maker as a mechanic, contractor, subcontractor, processor, materialman, machinist, manufacturer, artisan, or otherwise.

(ii) All documents, instruments, documents of title, policies and certificates of insurance, guaranties, securities, chattel paper, deposits, proceeds of insurance, cash, liens or other property relating to Accounts and owned by the Maker or in which the Maker has an interest, which are now or may hereafter be in the possession of the Maker or as to which the Maker may now or hereafter control possession by documents of title or otherwise.

(iii) All books records, customer lists, supplier lists, ledgers, evidences of shipping invoices, purchase orders, sales orders, computer records, lists, software, programs, and all other such evidences of the Maker's business records related to the Accounts, including all cabinets, drawers, etc. that may hold same, all whether now existing or hereafter arising or acquired.

(iv) All of the Maker's tangible property of whatever nature or description, whether real or personal, now or hereafter used, owned, held or leases, including without limitation all furniture, fixtures, equipment, inventory and supplies.

(v) All of the Maker's intangible property of whatever nature or description, including without limitation, all intellectual property, trade names, trademarks, service marks, computer programs (including source code and object code), patents and copyrights now owned or hereafter acquired and, specifically including, without limitation, the sublicense granted to the Maker from Armacor Victory Ventures, LLC pursuant to that certain Exclusive Sublicense Agreement, dated August 21, 2017.

(vi) All renewals, substitutions, replacements, additions, accessions, proceeds, and products of any and all the foregoing.

The Maker's grant of such security interests to the Holder shall secure the payment and performance of the indebtedness, obligations and liabilities of the Maker to the Holder of every kind and description, direct and indirect, absolute and contingent, due or to become due, now existing or hereafter arising, that relate to this Note and the rights and remedies created hereunder, and all legal and other professional fees incurred in connection with any of the foregoing. The security interest granted to the Holder hereunder shall be prior to all other interests in the Collateral except as otherwise specified in the Intercreditor Agreement.

Holder acknowledges that the security interests in all Collateral other than the Second Priority Assets are *pari passu* with the security interests in such collateral previously granted by Maker to VPEG I, and that the security interests in the Second Priority Assets which will result at closing of the PTHS Acquisition are second priority to the first priority security interests granted by Maker and PTHS to Matheson in connection with the PTHS Acquisition.

(b) The Maker hereby agrees that the Holder shall have all the rights and remedies of a secured party under the Uniform Commercial Code as in effect from time to time in the State of Texas. The Maker agrees that at any time, and from time to time, at the request of the Holder, the Maker shall execute and deliver (or cause to be executed and delivered) any and all such further instruments and/or documents (including without limitation, UCC-1 financing statements) as the Holder may consider reasonably necessary or desirable in order to effectuate, complete, perfect or preserve and maintain the lien created hereby. Upon any failure by the Maker to do so, the Holder may make, execute, record, file, re-record or refile any and all such instruments and documents for and in the name of the Maker; the Maker hereby irrevocably appoints the Holder as the agent and attorney-in-fact of the Maker to do so; and the Maker shall reimburse the Holder, on demand, for all costs and expenses incurred by the Holder in connection therewith, such amount being added to the indebtedness arising under the Note.

(c) The security interest created hereunder shall terminate upon the payment in full by the Maker to the Holder of any and all indebtedness, obligations and liabilities arising from, or in any way related to, the Note.

(d) Events of Default; Acceleration of Maturity. If an Event of Default shall have occurred and be continuing (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any governmental authority), then, in addition to the remedies provided for elsewhere in this Note and without limitation thereof, at the option of the Holder exercised by written notice to the Maker, the Holder may (A) foreclose the liens and security interests created under this Note or under any other agreement relating to the Collateral, by any available judicial process, (B) enter any premises where any of the Collateral may be located for the purpose of taking possession or removing the same, and (C) sell, assign, lease or otherwise dispose of the Collateral or any part thereof, either at public or private sale or at any broker's board, in lots or in bulk, for cash, on credit or otherwise, with or without representations or warranties, and upon such terms as shall be acceptable to the Holder, all at the sole option of the Holder and as the Holder, in its sole discretion, may deem advisable and to the extent permitted by law, the Holder may bid or become a purchaser at any such sale, and the Holder shall have the right, at its option, to apply or be credited with the amount of all or any part of the obligations owing by the Maker to the Holder under this Note, against the purchase price bid by the Holder at any such sale. The net cash proceeds resulting from the collection, liquidation, sale, lease or other disposition of the Collateral (including, without limitation a sale where the Holder is the purchaser) shall be applied first to the expenses (including reasonable attorneys' and other professional fees) of retaking, holding, storing, processing and preparing the Collateral for sale, selling, collecting, liquidating and the like, and then to the satisfaction of all such obligations, application as to particular obligations or against principal or any interest to be in the sole discretion of the Holder. The Holder shall give the Maker at least five (5) Business Days prior written notice of the time and place of any public sale of Collateral.

(e) Suits for Enforcement. In case any one or more of the Events of Default shall have occurred and be continuing, the Holder may proceed to protect and enforce rights of the Holder either by suit in equity or by action at law, or both, whether for the specific performance of any covenant or agreement in this Note or in aid of the exercise of any power granted in this Note, including without limitation, possession or foreclosure on the Collateral securing the Note, or the Holder may proceed to enforce the payment of the Note or to enforce any other legal or equitable right of the Holder.

(f) Remedies Cumulative. No remedy herein conferred upon the Holder is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise.

(g) Remedies Not Waived. No course of dealing between the Maker and the Holder and no delay in exercising any rights hereunder shall operate as a waiver of any rights of the Holder.

(h) Notice of Action of Claimed Defaults . If a holder of other obligations of the Maker shall give any notice of a claimed default or event of default (as those terms may be defined in the relevant documentation) or shall take any other action with respect to a claimed default or event of default, immediately upon obtaining knowledge thereof, the Maker shall give the Holder written notice specifying such action and the nature and status of the claimed default or event of default.

5. Conversion

(a) Generally. The Holder shall have the right, exercisable at any time from and after the Maturity Date and prior to payment in full of the Principal Amount, to convert all or any portion of the Principal Amount then outstanding, plus all accrued but unpaid interest hereunder, into shares of the Maker's common stock, par value $0.001 per share (the "**Common Stock**") at a conversion price (the "**Conversion Price**") equal to $0.75 per share or, such lower price as shares of Common Stock are sold to investors in the ongoing $5 million private placement contemplated by that certain private placement memorandum, dated May 29, 2018, as supplemented, a copy of which has been delivered to the Holder (the "**Private Placement**"), subject to adjustment in accordance with Section 5(d) herein (the Common Stock underlying the Note being referred to herein as the "**Shares**"). If the Holder exercises its right to convert the Note into Shares pursuant to this Section 5, the Maker shall issue to the Holder on the date of such conversion a warrant (the "**Warrant**") to purchase a number of shares of Common Stock equal to the number of Shares issuable upon such conversion of the Note, the terms of which shall be mutually agreeable to the parties; provided that the warrant shall have a five (5) year term and the exercise price shall be $0.75 per share (or such lower exercise price per share of Common Stock as may be afforded to investors in the Private Placement) with the ability of the Holder to exercise the warrant on a cashless basis.

(b) Mechanics of Conversion. The conversion of this Note shall be conducted in the following manner: upon any conversion of any portion of the outstanding Principal Amount of this Note, plus all accrued but unpaid Interest thereon: (i) the Holder shall deliver a completed and executed Notice of Conversion attached hereto as **Exhibit A** and, if such conversion is for the entire outstanding Principal Amount due under this Note surrender and deliver this Note, duly endorsed, to the Maker's office or such other address which the Maker shall designate against delivery of the certificates representing the Shares to be delivered; (ii) the Maker shall, within three (3) business days of receipt of the Notice of Conversion cause the Maker's transfer agent to issue such required number of Shares as set forth in the Conversion Notice. The Holder shall not be required to physically surrender this Note to the Maker until all of the Principal Amount and accrued and unpaid interest under this Note have been converted into Shares or been paid in full, in which case, the Holder shall surrender this Note to the Maker for cancellation within three (3) business days of the date the final Notice of Conversion is delivered to the Maker. Partial conversions of this Note shall have the effect of lowering the outstanding Principal Amount due hereunder. The Holder and the Maker shall maintain records showing the number of Shares purchased and the date of such purchases. In the event of any dispute or discrepancy, the records of the Maker shall be controlling and determinative in the absence of manifest error. The Holder and any assignee, by acceptance of this Note, acknowledge and agree that, by reason of the provisions of this paragraph, the Principal Amount due hereunder at any given time may be less than the amount stated on the face hereof.

(c) Reservation of Common Stock. The Maker covenants that during the period the conversion right exists, the Maker will reserve from its authorized and unissued Common Stock a sufficient number of shares of Common Stock, free from preemptive rights, to provide for the issuance of Shares upon the full conversion of this Note and exercise of the Warrant. In addition, if the Maker shall issue any securities or make any change to its capital structure which would change the number of Shares into which the Note shall be convertible at the then current Conversion Price, the Maker shall at the same time make proper provision so that thereafter there shall be a sufficient number of shares of Common Stock authorized and reserved, free from preemptive rights, for conversion of the outstanding Note and exercise of the Warrant.

(d) Adjustments to Conversion Price.

(i) Adjustments for Stock Splits and Combinations and Stock Dividends. If the Maker shall at any time or from time to time after the date hereof, effect a stock split or combination of the outstanding Common Stock or pay a stock dividend in shares of Common Stock, then the Conversion Price shall be proportionately adjusted. Any adjustments under this Section 5(d)(i) shall be effective at the close of business on the date the stock split or combination becomes effective or the date of payment of the stock dividend, as applicable.

(ii) Merger Sale, Reclassification, etc. In case of any (A) consolidation or merger (including a merger in which the Maker is the surviving entity), (B) sale or other disposition of all or substantially all of the Maker's assets or distribution of property to shareholders (other than distributions payable out of earnings or retained earnings), or reclassification, change or conversion of the outstanding securities of the Maker or of any reorganization of the Maker (or any other corporation the stock or securities of which are at the time receivable upon the conversion of this Note) or any similar corporate reorganization on or after the date hereof, then and in each such case the Holder of this Note, upon the conversion hereof at any time thereafter shall be entitled to receive, in lieu of the stock or other securities and property receivable upon the conversion hereof prior to such consolidation, merger, sale or other disposition, reclassification, change, conversion or reorganization, the stock or other securities or property to which such Holder would have been entitled upon such consummation if such Holder had converted this Note immediately prior thereto.

(e) Elimination of Fractional Interests. No fractional shares of Common Stock shall be issued upon conversion of this Note, nor shall the Maker be required to pay cash in lieu of fractional interests, it being the intent of the parties that all fractional interests shall be eliminated and that all issuances of Common Stock shall be rounded up to the nearest whole share.

6. Legal Rate of Interest

Nothing herein contained shall be construed or so operate as to require payment of interest at a rate greater than the highest permitted rate under applicable law, or to make any payment or to do any act contrary to applicable law. To this end, if during the course of any litigation involving the enforceability of the obligations under this Note, a court having jurisdiction of the subject matter or of the parties to said litigation shall determine that either the default interest rate as set forth herein, or the effect of said rate in relation to the particular circumstances of default resulting in said litigation, are separately or collectively usurious, then the interest rate set forth herein shall be reduced, or the operation and effect thereof ameliorated, to achieve the highest interest rate or charge which shall not be usurious.

7. Costs of Collection

The Maker agrees to pay to the Holder, in addition to the amounts due hereunder, all costs and expenses incurred by the Holder to collect any and all sums due under this Note, including the Holder's attorneys' fees, regardless of whether any action or proceeding is commenced. Further, the Maker agrees to pay all applicable documentary stamp taxes and intangible taxes applicable to this Note.

8. Binding Nature; Assignment

This Note shall bind the Maker and its principals, receivers, administrators, successors and assigns, and shall inure to the benefit of the Holder and principals, receivers, administrators, successors and assigns. This Note and the obligations hereunder may not be assigned by the Maker or assumed by another party without the prior specific written consent of the Holder. This Note and the entitlements hereunder may be assigned by the Holder without the consent of the Maker.

9. Waivers by Maker

The Maker hereby waives demand, presentment for payment, notice of protest, and notice of dishonor or nonpayment of this Note.

10. Notice

Any claim, notice, request, instruction or demand required to be given or elected to be given, in connection with this Note shall be in writing and sent via personal delivery or overnight courier or via email with confirmation of receipt, to the Maker or the Holder at the addresses set forth in the Loan Agreement, or such other address to be designated in writing by Maker or Holder.

11. Jury Trial Waiver

The Maker and the Holder each hereby knowingly and voluntarily waive trial by jury and the right thereto in any action or proceeding of any kind, arising under or out of, or otherwise related to or connected with this Note.

12. Governing Law; Mediation

This Agreement shall be governed by and construed under the laws of the State of Texas without regard to the choice of law principles thereof.

13. Complete and Voluntary Agreement

This Note, along with the Loan Documents and the Intercreditor Agreement, constitutes the entire understanding of the parties on the subjects covered. The Maker expressly acknowledges and warrants that he/she/it has read and fully understands the terms of this Note; that the Maker has had the opportunity to seek legal counsel of his/her/its own choosing and to have the terms of this Note fully explained to him/her/it; that the Holder has advised the Maker to consult with an attorney prior to signing this Note; that the Maker is not executing this Note in reliance on any promises, representations or inducements other than those contained herein; and that the Maker is executing this Note voluntarily, free of any duress or coercion. If there is any ambiguity between the terms and provisions of this Note and the Loan Documents, then the terms and provisions of the Note shall prevail and control such ambiguity.

14. Miscellaneous

(a) The Maker shall, upon the Holder's written request, promptly make, execute and deliver to the Holder any and all further documents or instruments the Holder may consider necessary or desirable in order to effectuate, complete or perfect the Maker's obligations under this Note.

(b) If any provision of this Note is held to be unenforceable for any reason, such provision shall be adjusted rather than voided, if possible, in order to achieve the intent of the Maker and the Holder to the fullest extent possible. In any event, all other provisions of this Note shall be deemed valid and enforceable to the fullest extent possible.

15. Waiver of Trial by Jury

THE MAKER AND THE HOLDER (BY ACCEPTANCE OF THIS INSTRUMENT) HEREBY KNOWINGLY, IRREVOCABLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, PROCEEDING OR COUNTERCLAIM BASED ON THIS NOTE, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, the Maker has signed this Note as of the date first set forth above.

MAKER:

Victory Oilfield Tech, Inc.

By: /s/ Kenneth Hill
Name: Kenneth Hill
Title: Chief Executive Officer

EXHIBIT A

VICTORY OILFIELD TECH, INC.
NOTE CONVERSION NOTICE

Reference is made to the Secured Convertible Promissory Note in the original principal amount of $375,000 of Victory Oilfield Tech, Inc., a Nevada corporation f/k/a Victory Energy Corporation (the "**Maker**"), issued to the undersigned (the "**Note**").

In accordance with and pursuant to the terms of the Note, the undersigned hereby elects to convert the entire outstanding principal amount due and owing under the Note, together with all accrued but unpaid Interest thereon, into shares of Common Stock, $0.001 par value per share, of the Maker (the "**Common Stock**"), by tendering the original of the Note for cancellation.

Please confirm the following information:

Principal Amount Outstanding
under the Note: _____

[Accrued but unpaid Interest
under the Note: _____]

Conversion Price: _____

Number of Shares to be issued: _____

Please issue the Shares into which the Note is being converted in the following name and to the following address:

Issue to: _____

Address: _____
_____
_____

Name of Holder: _____

Signature of Holder: _____

Title: _____

Date: _____

Exhibit 10.5

GUARANTY AND SECURITY AGREEMENT

This Guaranty and Security Agreement (the "**Guaranty**") is made and entered into on July 31, 2018, by and between **Pro-Tech Hardbanding Services, Inc.**, an Oklahoma corporation (the "**Guarantor**"), and **Kodak Brothers Real Estate Cash Flow Fund, LLC**, a Texas limited liability company (the "**Lender**").

BACKGROUND

A. Concurrently herewith the Guarantor's parent company, Victory Oilfield Tech, Inc., a Nevada corporation (the " **Borrower**"), is entering into a loan agreement (the "**Loan Agreement** ") issuing to the Lender a Secured Convertible Promissory Note in the principal amount of Three Hundred Seventy-Five Thousand ($375,000) (the "**Note**") in consideration of a loan or other extension of credit under the Loan Agreement in like amount (the "**Loan**"). Capitalized terms used and not otherwise defined herein have the meanings set forth in the Loan Agreement or the Note (collectively, the "**Loan Documents**"), as applicable.

B. The Guarantor is the owner of certain assets used in the operation of its business and is granting to the Lender a security interest in such assets pursuant to this Agreement.

C. The Lender is unwilling to enter make the Loan to the Borrower unless the Guarantor enters into this guaranty and grants the security interest provided for hereunder.

AGREEMENT

NOW, THEREFORE, in consideration of their respective promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Guaranty; Guarantied Obligations. In order to induce the Lender to make the Loan to the Borrower, the Guarantor hereby unconditionally, absolutely and irrevocably guarantees and promises to pay to the Lender, on demand and without offset, in lawful money of the United States, any and all present or future indebtedness and/or obligations of the Borrower owing to the Lender under the Loan Documents and any amendments thereto, including, but not limited to, the repayment to the Lender of all sums which are presently due and owing or which may in the future become due and owing by the Borrower under the Loan Documents or otherwise (the "**Guarantied Obligations**"). The Guarantor hereby acknowledges that it derives substantial benefit from the Loan and the Loan Documents.

2. Grant of Security Interest.

(a) As security for the prompt payment of the Guarantied Obligations and the timely performance of the Guarantor's obligations under this Guaranty, the Guarantor hereby grants to the Lender a second-priority security interest (subject to the first priority security interest of Stewart Matheson as more fully described in that certain Intercreditor Agreement, dated on or about the date hereof (the "**Intercreditor Agreement**"), among the Borrower, the Guarantor, the Lender, Stewart Matheson and Visionary Private Equity Group I LP) in all of the following property of the Guarantor (collectively the "**Collateral**"):

(i) All accounts, accounts receivable, contract rights, general intangibles related to or arising from any account, debit balances, note, documents, chattel paper, instruments, acceptances, drafts or other forms of obligations and receivables of the Guarantor arising from the sale or lease of inventory or rendition of services by the Guarantor, or on behalf of the Guarantor, in the ordinary course of its business or otherwise (all of the foregoing being herein collectively called "**Accounts**"), whether or not the same are listed on any schedules, assignments or reports furnished to the Lender from time to time, whether such Accounts are now existing or are created at any time hereafter, and all proceeds therefrom including without limitation, proceeds of insurance thereon and all guaranties, securities, and liens which the Guarantor may hold for the payment of any Accounts, including without limitation, all rights of stoppage in transit, replevin and reclamation and all other rights and remedies of unpaid vendor or lienor, and any liens held by the Guarantor as a mechanic, contractor, subcontractor, processor, materialman, machinist, manufacturer, artisan, or otherwise.

(ii) All documents, instruments, documents of title, policies and certificates of insurance, guaranties, securities, chattel paper, deposits, proceeds of insurance, cash, liens or other property relating to Accounts and owned by the Guarantor or in which the Guarantor has an interest, which are now or may hereafter be in the possession of the Guarantor or as to which the Guarantor may now or hereafter control possession by documents of title or otherwise.

(iii) All books records, customer lists, supplier lists, ledgers, evidences of shipping invoices, purchase orders, sales orders, computer records, lists, software, programs, and all other such evidences of the Guarantor's business records related to the Accounts, including all cabinets, drawers, etc. that may hold same, all whether now existing or hereafter arising or acquired.

(iv) All of the Guarantor's tangible property of whatever nature or description, whether real or personal, now or hereafter used, owned, held or leases, including without limitation all furniture, fixtures, equipment, inventory and supplies.

(v) All of the Guarantor's intangible property of whatever nature or description, including without limitation, all intellectual property, trade names, trademarks, service marks, computer programs (including source code and object code), patents and copyrights now owned or hereafter acquired.

(vi) All renewals, substitutions, replacements, additions, accessions, proceeds, and products of any and all the foregoing.

(b) The Guarantor's grant of such security interests to the Lender shall secure the payment and performance of the Guaranteed Obligations to the Lender of, and all legal and other professional fees incurred in connection with any of the foregoing. The security interest granted to the Lender hereunder shall be prior to all other interests in the Collateral except as otherwise specified in the Intercreditor Agreement.

(c) Lender acknowledges that the security interests in all Collateral are second priority to the first priority security interests granted by Guarantor to Stewart Matheson in connection with the Pro-Tech Acquisition (as defined in the Intercreditor Agreement).

(d) The Guarantor hereby agrees that the Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code as in effect from time to time in the State of Oklahoma. The Guarantor agrees that at any time, and from time to time, at the request of the Lender, the Guarantor shall execute and deliver (or cause to be executed and delivered) any and all such further instruments and/or documents (including without limitation, UCC-1 financing statements) as the Lender may consider reasonably necessary or desirable in order to effectuate, complete, perfect or preserve and maintain the lien created hereby. Upon any failure by the Guarantor to do so, the Lender may make, execute, record, file, re-record or refile any and all such instruments and documents for and in the name of the Guarantor; the Guarantor hereby irrevocably appoints the Lender as the agent and attorney-in-fact of the Guarantor to do so; and the Guarantor shall reimburse the Lender, on demand, for all costs and expenses incurred by the Lender in connection therewith, such amount being added to the indebtedness arising under the Loan Documents.

(e) The security interest created hereunder shall terminate upon the payment in full by the Borrower to the Lender of any and all indebtedness, obligations and liabilities arising from, or in any way related to, the Note.

3. Events of Default; Acceleration of Maturity. Subject to the terms of the Intercreditor Agreement, if an Event of Default (as defined in the Note) shall have occurred and be continuing (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any governmental authority), then, in addition to the remedies provided for elsewhere in Loan Documents and this Agreement and without limitation thereof, at the option of the Lender exercised by written notice to the Guarantor, the Lender may (A) foreclose the liens and security interests created under this Guaranty or under any other agreement relating to the Collateral, by any available judicial process, (B) enter any premises where any of the Collateral may be located for the purpose of taking possession or removing the same, and (C) sell, assign, lease or otherwise dispose of the Collateral or any part thereof, either at public or private sale or at any broker's board, in lots or in bulk, for cash, on credit or otherwise, with or without representations or warranties, and upon such terms as shall be acceptable to the Lender, all at the sole option of the Lender and as the Lender, in its sole discretion, may deem advisable and to the extent permitted by law, the Lender may bid or become a purchaser at any such sale, and the Lender shall have the right, at its option, to apply or be credited with the amount of all or any part of the obligations owing by the Guarantor to the Lender under this Note, against the purchase price bid by the Lender at any such sale. Subject to the terms of the Intercreditor Agreement, the net cash proceeds resulting from the collection, liquidation, sale, lease or other disposition of the Collateral (including, without limitation a sale where the Lender is the purchaser) shall be applied first to the expenses (including reasonable attorneys' and other professional fees) of retaking, holding, storing, processing and preparing the Collateral for sale, selling, collecting, liquidating and the like, and then to the satisfaction of all such obligations, application as to particular obligations or against principal or any interest to be in the sole discretion of the Lender. The Lender shall give the Guarantor at least five (5) Business Days prior written notice of the time and place of any public sale of Collateral.

4. Suits for Enforcement. In case any one or more of the Events of Default shall have occurred and be continuing, the Lender may proceed to protect and enforce rights of the Lender either by suit in equity or by action at law, or both, whether for the specific performance of any covenant or agreement in this Note or in aid of the exercise of any power granted in this Note, including without limitation, possession or foreclosure on the Collateral securing the Note, or the Lender may proceed to enforce the payment of the Note or to enforce any other legal or equitable right of the Lender.

5. Notice of Action of Claimed Defaults. If a Lender of other obligations of the Guarantor shall give any notice of a claimed default or event of default (as those terms may be defined in the relevant documentation) or shall take any other action with respect to a claimed default or event of default, immediately upon obtaining knowledge thereof, the Guarantor shall give the Lender written notice specifying such action and the nature and status of the claimed default or event of default.

6. Miscellaneous.

(a) Each of the rights, powers and remedies of the Lender provided in this Guaranty or now or hereafter existing at law or in equity shall be cumulative and concurrent, and the exercise by the Lender of any one or more of such rights, powers or remedies shall not preclude the Lender's simultaneous or later exercise of any or all such other rights, powers, or remedies. No failure or delay on the part of the Lender to exercise any right, power or remedy shall operate as a waiver thereof, and no notice or demand which may be given or made upon the Guarantor by the Lender shall limit or impair the Lender's right to take any action or to exercise any right, power or remedy without notice or demand.

(b) This Guaranty shall continue and remain in full force and effect until the Guarantied Obligations, together with all accrued interest and costs of collection, have been paid in full and satisfied.

(c) This Guaranty contains the entire understanding of the parties with respect to its subject matter and supersedes all prior agreements, negotiations and understandings, written or oral, with respect to such subject matter. No provision of this Guaranty shall be waived or amended other than by an instrument in writing signed by the party to be charged with enforcement.

(d) This Guaranty shall be governed by and construed in accordance with the laws of the state of Oklahoma without regard to the principles of conflict of laws.

(e) This Guaranty may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement.

(f) Any notices required or permitted to be given under the terms of this Agreement shall be in writing and sent by U. S. Mail or delivered personally or by overnight courier or via facsimile or e-mail (if via facsimile or e-mail, to be followed within one (1) business day by an original of the notice document via overnight courier) and shall be effective (i) five (5) days after being placed in the mail, if sent by registered mail, return receipt requested, (ii) upon receipt, if delivered personally, (iii) upon delivery by facsimile or e-mail (if received between 8:00 a.m. and 5:00 p.m. Central Time; otherwise delivery shall be considered effective the following day) or (iv) one (1) day after delivery to a courier service for overnight delivery, in each case properly addressed to the party to receive the same. The addresses for such communications shall be as set forth on the signature pages hereto. Each party shall provide written notice to the other party of any change in address.

(g) The headings of this Guaranty are for convenience of reference and shall not form a part of, or affect the interpretation of this Guaranty. No uncertainty or ambiguity herein shall be construed or resolved against the Guarantor or the Lender, whether under any rule of construction or otherwise. This Guaranty shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties.

(h) If any provision of this Guaranty shall be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of this Guaranty in that jurisdiction or the validity or enforceability of any provision of this Guaranty in any other jurisdiction.

(i) No party shall assign this Guaranty or any rights or obligations hereunder without the prior written consent of the other parties hereto.

(j) This Guaranty is intended for the benefit of the parties hereto and their respective successors and permitted assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other individual or entity.

(k) Each party shall do and perform, or cause to be done and performed, at his or its expense (subject to any contrary provision in the Note), all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Guaranty and the consummation of the transactions contemplated hereby.

(l) **THE PARTIES EACH WAIVE, TO THE EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THIS GUARANTY.**

(m) Upon payment of the Guarantied Obligations in full the security interests provided for under this Guaranty shall be terminated and of no further force and effect.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Guaranty to be duly executed by their respective authorized persons on the date first written above.

GUARANTOR

Pro-Tech Hardbanding Services, Inc.

By: /s/ Kenneth Hill
Name: Kenneth Hill
Title: President

Address: _____
_____
_____
email: _____
Fax: _____

LENDER

Kodak Brothers Real Estate Cash Flow Fund, LLC
By: Kodak Brothers Capital Management, LLC, its manager

By: /s/ Scott C. Kodak
Name: Scott C. Kodak
Title: Manager

Address: _____
_____
_____
email: _____
Fax: _____

Exhibit 10.6

INTERCREDITOR AGREEMENT

INTERCREDITOR AGREEMENT, dated as of July 31, 2018 (this "**Agreement**"), by and among **Victory Oilfield Tech, Inc.**, a Nevada corporation (the "**Borrower**"), **Pro-Tech Hardbanding Services, Inc.**, an Oklahoma corporation (the "**Guarantor**"), **Kodak Brothers Real Estate Cash Flow Fund, LLC**, a Texas limited liability company ("**Kodak**"), **Stewart Matheson**, an individual ("**Matheson**") and **Visionary Private Equity Group I, LP**, a Missouri limited partnership ("**VPEG I**" and together with Kodak and Matheson, the "**Lenders**" and each individually, a "**Lender**").

RECITALS

A. Reference is made to (1) that certain Loan Agreement, dated on or about the date hereof, between Kodak and the Borrower and the related secured convertible promissory note, dated on or about the date hereof, by the Borrower in favor of Kodak in the principal amount of up to $375,000, and that certain guaranty and security agreement by Guarantor in favor of Kodak, and all related transaction documents and agreements (the "**Kodak Loan Documents**"), (2) that certain Stock Purchase Agreement, dated on or about the date hereof, among the Borrower, the Guarantor and Matheson and that certain Pledge and Security Agreement, dated on or about the date hereof, among the Borrower, the Guarantor and Matheson, and all related transaction documents and agreements (the "**Matheson Loan Documents**"), and (3) that certain Loan Agreement, dated as of April 10, 2018, between VPEG I and the Borrower pursuant to which VPEG I may loan to the Borrower up to $2 million and the related secured convertible promissory note by the Borrower in favor of VPEG I, dated July 27, 2018, in the current principal amount of $731,500 as such amount may increase in accordance with such loan agreement (the "**VPEG Loan Documents**" and together with the Kodak Loan Documents and the Matheson Loan Documents, the "**Loan Documents**").

B. On or about the date hereof, Borrower is entering into a Stock Purchase Agreement with Guarantor and Matheson, the sole shareholder of Guarantor, whereby Borrower is purchasing the issued and outstanding shares of Guarantor (such transaction is referred to herein as the "**Pro-Tech Acquisition**").

C. Pursuant to the VPEG Loan Documents and the Kodak Loan Documents, the Borrower has granted to each of VPEG I and Kodak a security interest in and lien on all of Borrower's assets and other property, as more fully described therein (the **"First Priority Assets"**). As used herein, the term "First Priority Assets" shall not include any Second Priority Assets (as defined below).

D. Pursuant to the Matheson Loan Documents and in connection with the Pro-Tech Acquisition, the Borrower granted to Matheson a security interest in and lien on (a) the stock of Guarantor that is being acquired by Borrower from Matheson in the Pro-Tech Acquisition (the "**Pro-Tech Stock**"), which Pro-Tech Stock is the subject of a first priority security interest granted by the Borrower in favor of Matheson pursuant to the terms of the Matheson Loan Documents and (b) the assets of Guarantor (the "**Pro-Tech Assets**" and, together with the Pro-Tech Stock, the "**Second Priority Assets**"), which Pro-Tech Assets are the subject of a first priority security interest granted by Guarantor in favor of Matheson pursuant to the terms of the Matheson Loan Documents. The First Priority Assets and the Second Priority Assets are collectively referred to in this Agreement as the "**Collateral**."

E. Pursuant to the Kodak Loan Documents, the Borrower has granted to Kodak a security interest and lien on the Pro-Tech Stock that became effective upon the closing of the Pro-Tech Acquisition and pursuant to the guaranty and security agreement included in the Kodak Loan Documents, Guarantor is guaranteeing Borrower's obligations under the loan agreement and related secured convertible promissory note included within the Kodak Loan Documents and granting to Kodak a security interest in and lien on the Pro-Tech Assets.

F. In order to induce Kodak to make the loans pursuant to the Kodak Loan Documents, VPEG I has agreed that notwithstanding its automatic security interest in all assets of the Borrower, including after-acquired assets, it is relinquishing any claim it may have to a security interest in the Second Priority Assets and agreeing pursuant to this Agreement that Kodak's security interest in the First Priority Assets is *pari passu* with VPEG I's security interest in the First Priority Assets.

G. The parties hereto desire to enter into this Agreement with respect to the exercise of certain rights, remedies and options by the Lenders under the aforementioned documents.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Defined Terms.

(a) Capitalized terms that are used herein but not otherwise defined herein have the meanings given to such terms in the applicable Loan Documents.

(b) The following terms have the meanings indicated below:

"Administrative Agent" means an agent appointed by the Required Lenders.

"Enforcement Action" means, with respect to any Lender, commencement of any action, whether judicial or otherwise, for the enforcement of such Lender's rights or remedies (i) in respect of Borrower's or Guarantor's obligations in favor of such Lender under the applicable Loan Documents, or (ii) as a secured creditor with respect to the Collateral, including (a) commencement of any receivership or foreclosure proceedings against, or any other sale of, collection on, or disposition of, any Collateral, or any other exercise of rights or remedies with respect to the Collateral under the Loan Documents, including the delivery of notice of an Event of Default, (b) notifying any third-party liable in respect of the Collateral to make payment directly to such Lender or to any of its agents or other persons acting on its behalf, or (c) following the commencement of an Insolvency Event against Borrower or Guarantor, exercising any rights afforded to secured creditors in a case under any bankruptcy or other insolvency law with respect thereto or taking any other action under any bankruptcy or insolvency law that directly relates to or directly affects any Collateral.

"**FP Lender**" means each of VPEG I and Kodak and "**FP Lenders**" means VPEG I and Kodak, collectively.

"Insolvency Event" means:

(a) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or the Guarantor or its debts, or of a substantial part of its assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or the Guarantor or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(b) the Borrower or the Guarantor shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in paragraph (a) above, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for Borrower or Guarantor or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take any action for the purpose of effecting any of the foregoing; or

(c) Borrower or Guarantor shall become unable, admit in writing its inability or fail generally to pay its debts as they become due.

"**Required Lenders**" means with respect to the First Priority Assets, both VPEG I and Kodak and with respect to the Second Priority Assets, Matheson alone.

Section 2. Lien on First Priority Assets is *Pari Passu*. Notwithstanding (i) any contrary provision of any Loan Document, or (ii) any priority in time of creation, attachment or perfection of a security interest in, pledge of, or mortgage, lien or other encumbrance on, the First Priority Assets under the Loan Documents, or (iii) any provision of, or filing or recording under, any applicable statute, rule or regulation, or (iv) any other reason whatsoever, but subject to the terms and conditions set forth in this Agreement, the security interest in and lien of each of the FP Lenders in the First Priority Assets granted pursuant to the applicable Loan Documents shall each, in all respects, rank equally and shall be *pari passu* with the lien of each other FP Lender in the First Priority Assets granted pursuant to the Loan Documents in all respects. For the avoidance of doubt, Matheson acknowledges and agrees that Matheson has no security interest or lien upon the First Priority Assets.

Section 3. Subordination of Kodak's Lien in Second Priority Assets. Kodak hereby subordinates the security interest in and lien upon the Second Priority Assets granted to Kodak pursuant to the Kodak Loan Documents to the lien granted by the Borrower and the Guarantor to Matheson pursuant to the Matheson Loan Documents. Notwithstanding the date, manner or order of perfection of the security interests and liens granted to Matheson or Kodak, and notwithstanding any provisions of the Uniform Commercial Code of any state or any applicable law or decision or any provisions of the Kodak Loan Documents, and irrespective of whether Matheson or Kodak holds possession of all or any part of the Second Priority Assets, Matheson and Kodak hereby agree that, as between them, Matheson shall have a first and prior security interest in or lien upon all of the Second Priority Assets, whether now owned or hereafter arising or acquired. Kodak hereby agrees that it will not contest the validity, perfection, priority or enforceability of Matheson's liens and security interests in the Second Priority Assets. All proceeds of the Second Priority Assets shall be first paid to Matheson for application to the indebtedness and other obligations arising under the Matheson Loan Documents (the "**Matheson Debt**") until the Matheson Debt has been paid in full in cash. Any payments or Second Priority Assets received by Kodak shall be subject to the provisions of Section 3 of this Agreement.

Section 4. Elimination of VPEG I Security Interest in the Second Priority Assets. Notwithstanding anything to the contrary contained in the VPEG Loan Documents, VPEG I hereby agrees that it relinquishes any and all rights that it may have to any security interest or lien upon the Second Priority Assets and that this Section 4 constitutes an amendment to the VPEG Loan Documents to the extent necessary to relinquish VPEG I's rights under the VPEG Loan Documents to any security interest whatsoever in the Second Priority Assets.

Section 5. Limitations on Individual Remedies.

(a) No Lender shall take any Enforcement Action (1) without the consent of the Administrative Agent or Required Lenders, or (2) except to the extent that the Administrative Agent or Required Lenders shall have consented thereto with respect to any other Lender. Notwithstanding anything in this Agreement or any other Loan Document to the contrary, the Administrative Agent shall, to the fullest extent permitted by applicable law, control any and all aspects of each foreclosure proceeding or other similar sale, liquidation or other disposal of the Collateral.

(b) Nothing contained in this Agreement shall prevent any Lender from exercising rights which might otherwise be available to it to (i) dispute with, or commence a declaratory judgment action (whether as an arbitration proceeding or otherwise) against, the Borrower or Guarantor with respect to the interpretation of any Loan Document or any calculation thereunder, (ii) take any action to preserve or protect the validity, enforceability, attachment or perfection of its lien in the Collateral, or (iii) take any action to sue for damages, seek equitable remedies or assert defenses in connection with the enforcement of such Lender's rights and the Borrower's or the Gurantor's obligations under the Loan Documents, so long as in the case of any of the foregoing items (i) through (iii), such action would not impair the value of the Collateral or breach any obligation of such Lender under this Agreement.

Section 6. Insolvency. Upon the occurrence of any Insolvency Event:

(a) each Lender agrees to cause the obligations of the Borrower owing to it to become due and payable and, at least 30 days before the time required by applicable law or rule, to file proof of claim therefor, in default of which the Administrative Agent is hereby irrevocably authorized so to declare and file in order to effectuate the provisions hereof; and

(b) the Administrative Agent shall, to the fullest extent allowed by applicable law, have the right, and is hereby authorized, to vote the interest of each Lender with respect to the obligations of the Borrower and Guarantor, including the right to make all acceptances, rejections, consents or approvals on its behalf (including the right to accept, approve or disapprove of any plan of reorganization) in connection with any insolvency or other proceeding relating to any Insolvency Event, and to execute and deliver for and on behalf of each Lender any agreement, instrument or other document in connection therewith, and if for any reason this Section 6(b) shall not be enforceable, each Lender agrees to vote and give or make such acceptances, rejections, consents or approvals in the manner directed by the Administrative Agent.

Section 7. Sharing and Application of Payments. Each of the Lenders shall reallocate any payments or Collateral received by them following any default under the Loan Documents in a manner consistent with the priorities provided for in this Agreement and if, after a default under the Loan Documents, any Lender receives any cash or other Collateral in a disproportionate amount, such Lender shall take such action as may be necessary to reallocate such cash or other Collateral in order to give effect to the intent of this Agreement.

Section 8. No Challenge. Each Lender agrees that it will not make any legal, equitable or other challenge to the non-avoidability or perfection of any lien granted to any other Lender, nor will any lender commence or maintain any action or proceeding in that regard.

Section 9. Further Assurances. Each of the parties hereto agrees to execute and deliver such further instruments and agreements and to take such further action as any other party hereto may at any time or times reasonably request in order to carry out the provisions and intent of this Intercreditor Agreement. The provisions of this Agreement are solely for the benefit of the Administrative Agent and the Lenders, and no other person (including, without limitation, the Borrower) shall be a third party beneficiary hereof or shall have, or shall be deemed to have, any right hereunder.

Section 10. Notices. All notices, requests, demands or other communications hereunder shall be given in all respects in accordance with the Loan Documents.

Section 11. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns, provided, however, that no party hereto shall assign or transfer any of its rights or obligations under this Agreement to any Person unless such Person agrees in writing to be bound by this Agreement.

Section 12. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which when taken together shall constitute one and the same instrument.

Section 13. Severability. Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction, shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 14. Headings. Section or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 15. Amendments. No provision of this Agreement may be waived, amended or otherwise modified except in writing signed by each of the Lenders. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of either party to exercise any right hereunder in any manner impair the exercise of any such right.

Section 16. Governing Law. THIS INTERCREDITOR AGREEMENT HAS BEEN EXECUTED AND DELIVERED IN THE STATE OF TEXAS AND SHALL IN ALL RESPECTS BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF SUCH STATE APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED WHOLLY WITHIN SUCH STATE.

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

BORROWER:

VICTORY OILFIELD TECH, INC.

By: /s/ Kenneth Hill
Name: Kenneth Hill
Title: CEO

GUARANTOR:

PRO-TECH HARDBANDING SERVICES, INC.

By: /s/ Kenneth Hill
Name: Kenneth Hill
Title: President

LENDERS:

/s/ Stewart Matheson
STEWART MATHESON

VISIONARY PRIVATE EQUITY GROUP I LP
By: Visionary PE GP I, LLC, its General Partner

By: /s/ Ronald Zamber
Name: Ronald Zamber
Title: Senior Managing Director

KODAK BROTHERS REAL ESTATE CASH FLOW FUND, LLC
By: Kodak Brothers Capital Management, LLC, its manager

By: /s/ Scott C. Kodak
Name: Scott C. Kodak
Title: Manager

Exhibit 99.1

VICTORY OILFIELD TECH ANNOUNCES ACQUISITION OF OKLAHOMA BASED OIL FIELD SERVICES COMPANY PRO-TECH HARDBANDING SERVICES, INC.

-- Strategic Purchase of Growing Oil Field Services Company Actively Serving the SCOOP/STACK --

AUSTIN, TX--(August 2, 2018) – **Victory Oilfield Tech, Inc.** (OTCQB: **VYEY**) ("Victory" or the "Company"), today announced that it has acquired Oklahoma based oilfield service company Pro-Tech Hardbanding Services, Inc. ("Pro-Tech"). Pro-Tech is expected to generate $2 million of gross revenue this year, which, if achieved, will reflect an increase in revenue from last year. The Pro-Tech acquisition is just one part of Victory's plan to acquire and grow strategic oilfield services companies in the major oil and gas basins of the United States. Pro-Tech is one of the leading Oklahoma suppliers of the Armacor® MStar amorphous metal hardbanding product line and is well known in the region for its commitment to high quality products and exceptional service. The acquisition allows Victory to more rapidly deliver value to its customers and grow market share for its unique amorphous metal coated product offerings. These products are being designed to reduce overall drag in wellbore curves and laterals to increase the speed of drilling and extend the reach of the rig to enhance well economics.

Kenny Hill, Victory's Chief Executive Officer, commented, "Stewart Matheson founded Pro-Tech 30 years ago and created a leading provider of hardbanding services in Oklahoma while becoming a widely-respected authority in the industry. He is a steward, innovator, generous giver and cares deeply about the community he serves. We are very excited that Stewart has agreed to stay on as a strategic advisor as we work to expand the Pro-Tech customer base and product and service offerings. Pro-Tech customers can move forward with the knowledge that quality relationships and exceptional service will remain business as usual as we work together to expand Pro-Tech's offerings beyond hard-banding. We believe that the Pro-Tech acquisition will help us accelerate our business plan and further our ongoing efforts to raise additional capital through our active private placement."

Victory also expects to further collaborate with Liquidmetal Coatings® to develop other products and distribution channels that can leverage Pro-Tech's infrastructure and relationships in the oilfield services industry. For example, Victory is actively testing amorphous metal products such as RFID enclosures for production tubing, and mid-pipe coating for the drill string. Drillers testing the mid-pipe coating products estimate a meaningful reduction in drill-string torque and a reduction in friction. The amorphous RFID enclosure also represents an opportunity for drillers to add a tag to tubing products of all kinds, with production tubing being the ideal candidate given the demanding challenges of this application. These additional products are expected to accelerate market share as delivering these technology advances to the oil and gas market represents the next step in the Company's strategic business plan.

Investor and Media Contact:
Al Petrie Advisors
Wes Harris
281-740-1334
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Victory Energy Corporation:
Kenneth Hill - Chief Executive Officer
Phone: 512-347-7300
Kenny@vyey.com

About Victory Oilfield Tech

Victory Oilfield Tech (OTCQB: VYEY), is a publicly held oilfield energy-tech products company focused on improving well performance and extending the lifespan of the industry's most sophisticated and expensive equipment. America's resurgence in oil and gas production is partially driven by new innovative technologies and processes. The Company exclusively licenses intellectual property related to amorphous metal alloys for use in the global oilfield services industry. Victory's patented products utilize amorphous coatings designed to cost effectively reduce drill-string torque, friction, wear and corrosion, while not impacting the integrity of the base metal. Current products include solutions for drill-pipe, production tubing, and RFID enclosures, but will be expanded to meet the additional needs of exploration and production customers. Amorphous alloys are mechanically stronger, harder and more corrosion resistant than typical crystalline structure alloys found in the market today. This combination of characteristics creates opportunities for drillers to improve lateral drilling lengths, well completion time and total well costs.

Safe Harbor Statement

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future are forward-looking statements. These statements are based on certain assumptions made by the Company based on management's experience, perception of historical trends and technical analyses, current conditions, anticipated future developments and other factors believed to be appropriate and reasonable by management. When used in this press release, the words "will," "potential," "believe," "estimated," "intend," "expect," "may," "should," "anticipate," "could," "plan," "project," or their negatives, other similar expressions or the statements that include those words, are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. Among these forward-looking statements are statements regarding the expected revenues and growth of our new subsidiary, Pro-Tech, our expectation that we will be able to make other acquisitions in the oilfield services industry, our expectation that we will be able to grow market share for our amorphous metal products and our ability to develop new products, our expectation that the Pro-Tech acquisition will help us accelerate our business plan and capital raising efforts, our expectation regarding the integration of Pro-Tech's business and any future acquisitions and our expectations about being able to raise capital to fund our working capital and growth needs and to continue as a going concern. Such forward-looking statements are subject to a number of assumptions, risks and uncertainties, including those risks set forth in the Risk Factor sections of our annual and quarterly reports that are filed with the SEC. Many of these risks are beyond the control of the Company. This risks and other factors may cause actual results to differ materially from those implied or expressed by the forward-looking statements and they include, but are not limited to continued operating losses; our ability to continue as a going concern; the competitive nature of our industry; downturns in the oil and gas industry, including the oilfield services business; hazards inherent in the oil and natural gas industry; our ability to realize the anticipated benefits of acquisitions or divestitures; our ability to successfully integrate and manage businesses that we plan to acquire in the future; our ability to grow our oilfield services business; our dependence on key management personnel and technical experts; the impact of severe weather; our compliance with complex laws governing our business; our failure to comply with environmental laws and regulations; the impact of oilfield anti-indemnity provisions enacted by many states; delays in obtaining permits by our future customers or acquisition targets for their operations; our ability to obtain patents, licenses and other intellectual property rights covering our services and products; our ability to develop or acquire new products; our dependence on third parties; and, the results of pending litigation.

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