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

SCHEDULE 13D
(Amendment No. 1)

Under the Securities Exchange Act of 1934

Telkonet, Inc.

(Name of Issuer)

Common Stock par value $0.001

(Title of Class of Securities)

879604106

(CUSIP Number)

Piercarlo Gramaglia
VDA Group S.p.A.
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Pordenone PN, Italy
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(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

January 7, 2022

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. ☐

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1.	NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY) VDA Group, S.p.A.	
2.	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (see instructions) (a) ☐ (b) ☒	
3.	SEC USE ONLY	
4.	SOURCE OF FUNDS (see instructions) AF	
5.	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐	
6.	CITIZENSHIP OR PLACE OF ORGANIZATION Italy	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7.	SOLE VOTING POWER 00,000
	8.	SHARED VOTING POWER 162,900,947*
	9.	SOLE DISPOSITIVE POWER 00,000

10. SHARED DISPOSITIVE POWER

162,900,947*

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

162,900,947*

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) ☐

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

54.4%**

14. TYPE OF REPORTING PERSON (see instructions)

CO

1. NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

VDA Holding S.A.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (see instructions)
(a) ☐
(b) ☒

3. SEC USE ONLY

4. SOURCE OF FUNDS (see instructions)

OO

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Luxembourg

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7. SOLE VOTING POWER

00,000

8. SHARED VOTING POWER

162,900,947*

9. SOLE DISPOSITIVE POWER

00,000

10. SHARED DISPOSITIVE POWER

162,900,947*

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

162,900,947*

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) ☐

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

54.4%**

14. TYPE OF REPORTING PERSON (see instructions)

CO & HC

1. NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Meti Holding Sarl

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (see instructions)
(a) ☐
(b) ☒

3. SEC USE ONLY

4. SOURCE OF FUNDS (see instructions)

AF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Luxembourg

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7. SOLE VOTING POWER	00,000
	8. SHARED VOTING POWER	162,900,947*
	9. SOLE DISPOSITIVE POWER	00,000
	10. SHARED DISPOSITIVE POWER	162,900,947*

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

162,900,947*

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) ☐

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

54.4%**

14. TYPE OF REPORTING PERSON (see instructions)

CO & HC

1. NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Flavio De Paulis

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (see instructions)
(a) ☐
(b) ☒

3. SEC USE ONLY

4. SOURCE OF FUNDS (see instructions)

AF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Italy & Switzerland

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7. SOLE VOTING POWER	00,000
	8. SHARED VOTING POWER	162,900,947*
	9. SOLE DISPOSITIVE POWER	00,000
	10. SHARED DISPOSITIVE POWER	162,900,947*

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

162,900,947 *

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) ☐

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

54.4%**

14. TYPE OF REPORTING PERSON (see instructions)

HC and IN

* The 162,900,947 shares of Common Stock reported herein are or may be deemed beneficially owned by the Reporting Persons as determined in accordance with Rule 13d-3.

While voting and dispositive power is shared amongst the Reporting Persons, these powers are not shared with other persons.

** Based upon 136,311,335 Shares outstanding as of September 23, 2021, as reported in the Issuer's Definitive Proxy Statement on Schedule 14A filed with the Securities and Exchange Commission (the "**SEC**") on September 23, 2021 (the "**Proxy Statement**"), all determined in accordance with Rule 13d-3.

This Amendment No. 1 (the "**Amendment**") amends the Schedule 13D originally filed on August 16, 2021 (the **"Schedule 13D")** by (i) VDA Group S.p.A. an Italian joint stock company ("**VDA Group**"), with respect to shares of common stock, par value $0.001 (the "**Shares**"), of Telkonet, Inc., a Utah corporation (the "**Issuer**"), beneficially owned by it; (ii) VDA Holding S.A., a Luxembourg limited liability company ("**VDA Holding**"), with respect to Shares that may be deemed beneficially owned by it; (iii) Meti Holding Sarl a Luxembourg private limited liability company (the "**Meti Holding**") with respect to Shares that may be deemed beneficially owned by it; and (iv) Flavio De Paulis with respect to Shares that may be deemed beneficially owned by him ("**F. De Paulis**", and together with VDA Group, VDA Holding and Meti Holding, each a "**Reporting Person**" and collectively the "**Reporting Persons**"). Except as otherwise provided herein, each Item of the Schedule 13D remains unchanged. This Amendment is being filed to report the January 7, 2022 closing (the "**Closing**") of the transactions contemplated by that certain Stock Purchase Agreement, dated August 6, 2021, (the "**SPA**"), previously disclosed in the Schedule 13D, by and between VDA Group and Telkonet, Inc., a Utah corporation (the "**Issuer**") as amended by Amendment No. 1 to the Stock Purchase Agreement, dated September 20, 2021, by and between VDA Group and the Issuer (the "**Amendment**" and together with the SPA, the "**Stock Purchase Agreement**").

Item 2. Identity and Background

Item 2(b) of the Schedule 13D is hereby amended and restated in its entirety as follows: (b) Residence or Business Address:

The principal business address of VDA Group is Viale Lino Zanussi, 3, 33170 Pordenone PN, Italy.
The principal business address of VDA Holding is 26, Boulevard Royal, L-2449 Luxembourg.
The principal business address of Meti Holding 26, Boulevard Royal, L-2449 Luxembourg.
The business address of F.De Paulis is c/o Meti Holding, 26, Boulevard Royal, L-2449 Luxembourg.

Item 2(d) of the Schedule 13D is hereby amended and restated in its entirety as follows:

(d) During the last five years, no Reporting Person nor, to any Reporting Person's knowledge, any of the persons listed in Annex A has been convicted in any criminal proceeding (excluding traffic violations or similar misdemeanors).

Item 2(e) of the Schedule 13D is hereby amended and restated in its entirety as follows:

(e) During the last five years, no Reporting Person, nor, to any Reporting Person's knowledge, any of the persons listed in Annex A was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source or Amount of Funds or Other Consideration.

Item 3 of the Schedule 13D is hereby amended and restated in its entirety as follows:

The total amount of funds required by VDA Group to consummate the transactions contemplated by the Stock Purchase Agreement as more fully detailed in Item 4 below was $5,000,000. On August 6, 2021, VDA Holding, the parent of VDA Group, executed a Funding Letter ("the "**Funding Letter**") pursuant to which VDA Holding agreed to provide to VDA Group $5,000,000 to satisfy VDA Group's payment obligations under the Stock Purchase Agreement.

On January 6, 2022 ("**Loan Effective Date**"), VDA Group and VDA Holding entered into a Convertible Loan Agreement (the "**Loan Agreement**") with NOMADIX HOLDINGS LLC, a Delaware limited liability company ("**Nomadix**" and together with VDA Group and VDA Holding, the "**Loan Parties**") pursuant to which Nomadix loaned to VDA Holding US $5,000,000.00 (the "**Loan Amount**"). The Loan Amount was used to fund VDA Holding's obligations under the Funding Letter, which was in turn used to fund VDA Group's purchase of the Telkonet Shares and Warrant (as such terms are defined in Item 4 below). The loan matures six months after the Loan Effective Date, with a $500,000 premium, but the parties have signed a non-binding Term Sheet (as discussed below), whereby the Loan Amount would be refinanced into a longer term facility, and in this circumstance, the premium would be inapplicable and interest would be determined under the long term facility described below.

In connection with the Loan Agreement, the two shareholders of VDA Holding pledged all the outstanding shares of VDA Holding, and VDA Holding, the sole shareholder of VDA Group pledged all the shares held by it in VDA Group, in each case to secure VDA Holding's obligations under the Loan Agreement (the **"Pledge Agreements").** VDA Holding also agreed to certain subordination provisions with existing creditors. The Loan Amount is also convertible, into shares of VDA Holding if not timely repaid, which shares, if issued, would constitute a minority shareholding in VDA Holding.

Concurrently with the entry into the Loan Agreement, VDA Group, VDA Holding and Nomadix also entered into a non-binding term sheet (the "**Term Sheet**", and together with the Loan Agreement, and the Pledge Agreements, the "**Loan Transaction Documents**") pursuant to which Nomadix may loan to VDA Holding the aggregate amount of US $6,500,000.00 (the "**Investor Senior Loan**"), comprised by the sum of (A) the Loan Amount under the Loan Agreement, and (B) an additional US $1,500,000.00. The Investor Senior Loan, if it is entered into, will supersede the Loan Agreement and any Loan Amount under the Loan Agreement remaining outstanding on the date of the Investor Senior Loan shall be subject to the terms and provisions of the Investor Senior Loan. The Investor Senior Loan will have a term of 42 months and the interest rate shall be 6% per annum, payable quarterly. The Term Sheet also provides for the Investor Senior Loan to have certain rights of conversion into a minority shareholding in VDA Holding. The Term Sheet calls for a similar pledge of VDA Group shares and VDA Holding shares as provided for in the Loan Agreement, as well as an undertaking to pledge VDA Group's shares in the Issuer after the 12 month Lock-Up Period (as defined in Item 4 below).

The foregoing descriptions of the Funding Letter and each of the Loan Transaction Documents set forth in this Item 3 do not purport to be complete and are qualified in their entirety by reference to the copy of the Funding Letter and the Loan Transaction Documents included as Exhibits 99.4 through 99.8.

Item 4. Purpose of Transaction.

Item 4 of the Schedule 13D is hereby amended and restated in its entirety as follows:

As previously reported on the Schedule 13D, on August 6, 2021, the Issuer and VDA Group entered into the Stock Purchase Agreement and the Closing of the Stock Purchase Agreement occurred on January 7, 2022 (the "**Closing**"). Pursuant to the terms and conditions of the Stock Purchase Agreement, VDA Group acquired, in consideration of a capital contribution to the Issuer of $5,000,000, (A) 162,900,947 Shares of the Issuer (the "**Telkonet Shares**"), and (B) a warrant ("**Warrant**") to purchase 105,380,666 additional Shares (the "**Warrant Shares**"). Under the terms of the Warrant, VDA Group is entitled to purchase the Warrant Shares, at an exercise price of $.001 per share, at

any time beginning on the date the Issuer achieves a volume weighted average price of the aggregate outstanding Shares of at least $17,000,000, measured for a period of time consisting of sixty (60) consecutive trading days and ending five years after the date of issuance of the Warrant; provided, however, that the Warrant may not be exercised for the first 12 months from the Closing. The 162,900,947 Shares reported herein represent 54.4% of the Issuer's Shares based upon 136,311,335 Shares outstanding as of September 23, 2021, as reported in the Issuer's Proxy Statement, all determined in accordance with Rule 13d-3. If the Warrant were exercised, the Reporting Persons would own beneficially 66.3% of the Issuer's Shares, as determined in accordance with Rule 13d-3. Because of certain conditions associated with the exercisability of the Warrant, the Reporting Persons do not believe the Warrant Shares are beneficially owned as of this filing.

The Voting Agreements entered into between the Issuer and certain of its present and former directors and officers, Peter T. Kross, Arthur E. Bynes, Jason L. Tienor, Jeffrey J. Sobieski, and Leland D. Blatt and the proxy respectively granted thereunder as disclosed under the Schedule 13D were terminated as of the Closing pursuant to their respective terms. A similar Voting Agreement with Tim Ledwick was terminated by VDA Group on October 15, 2021.

Prior to the Closing, the shareholders of the Issuer approved, and the Company filed, an amendment to the Issuer's Articles of Incorporation to effect an increase of authorized Shares to 475,000,000, such Shares being sufficient to issue the Telkonet Shares and Warrant Shares (the "**Charter Amendment**").

The purpose of the transactions contemplated by the Stock Purchase Agreement is to establish a control position for VDA Group with respect to the Issuer, and to allow the Issuer and VDA Group to establish certain commercial synergies. In connection with the Closing and pursuant to the terms of the Stock Purchase Agreement, the majority of the Issuer's existing board of directors prior to the Closing resigned and the resulting vacancies were filled by individuals designated by VDA Group, which resulted in a change of control of the Issuer. In addition, Jason Tienor, the Issuer's Chief Executive Officer prior to the Closing, stepped down and was replaced by Piercarlo Gramaglia, the chief executive officer designated by VDA Group. Following the Closing, Mr. Tienor became the Chief Sales & Operation Officer of the Issuer.

On August 6, 2021, in connection with Stock Purchase Agreement, the Issuer entered into a Registration Rights Agreement with VDA Group (the "**Registration Rights Agreement**"). Under the Registration Rights Agreement, VDA Group has the right (i) at any time following (a) the filing of the Issuer's 2021 Form 10-K with the SEC (on or about March 31, 2022) and (b) one year from the Closing, to require Issuer to use its reasonable best efforts to effect up to a total of two registrations under the Securities Act of 1933, as amended (the "**Securities Act**"), of the Telkonet Shares issued to VDA Group upon the Closing or the Warrant Shares issuable to VDA Group from the exercise of the Warrant at any time when the Issuer is not eligible to file registration statements with the SEC on Form S-3 and (ii) to effect an unlimited number of such registrations at any time when the Issuer is eligible to file registration statements with the SEC on Form S-3. In addition, if the Issuer proposes to register any Shares under the Securities Act for public sale, except in specified circumstances, it will be required to give VDA Group the right to include any or all of its Shares in the registration. The registration rights are subject to customary notice requirements, timing restrictions and volume limitations that may be imposed by the underwriters of an offering.

VDA Group entered into a leak-out agreement with the Issuer (the "**VDA Leak-out Agreement**") at Closing which provides that, for a period of twelve (12) months following the Closing, VDA Group will not sell any Shares owned by VDA Group in excess of the volume limitations imposed by Rule 144 promulgated under the Securities Act (the "**Lock-Up Period**").

At Closing, each of Jason L. Tienor, Jeffrey J. Sobieski, Tim S. Ledwick, Richard E. Mushrush entered into a leak-out agreement with the Issuer at Closing (the "**Insider Leak-out Agreements**") which provides that, for a period of six (6) months following the Closing, such person will not sell any Shares owned by such person in excess of the volume limitations imposed by Rule 144 promulgated under the Securities Act.

The foregoing descriptions of the Stock Purchase Agreement, the Warrant, the Insider Leak-out Agreements, the VDA Leak-Out Agreement and the Registration Rights Agreement set forth in this Item 4 do not purport to be complete and are qualified in their entirety by reference to the full text of the Stock Purchase Agreement, which was previously filed as Exhibit A of the Schedule13D and is incorporated herein by reference, the form of Voting Agreements, which was previously filed as Exhibit B of the Schedule 13D hereto and is incorporated herein by reference, the Warrant, which is filed as Exhibit 99.10 hereto and is incorporated herein by reference, the Registration Rights Agreement which was previously filed as Exhibit D of the Schedule 13D and is incorporated herein by reference, the VDA Leak-Out Agreement, which is filed as Exhibit 99.3 hereto and is incorporated by reference, and the form of Insider Leak-Out Agreements, which was previously filed as Exhibit 99.2 to the Schedule 13D and is incorporated herein by reference.

In connection with the non-binding Term Sheet referenced in Item 3, if the Investor Senior Loan is made, VDA Holding has agreed to use best efforts, in each case subject to the Stock Purchase Agreement and United States laws, to enable Nomadix to appoint one member of the Issuer's board, to have certain rights to provide equity and debt financings undertaken by the Issuer, and to facilitate certain commercial cooperation amongst VDA Group, Nomadix and the Issuer. The Term Sheet also calls for a board seat for a Nomadix representative on VDA Holding's board if the Investor Senior Loan is made. Affiliates of Nomadix operate in the hospitality industry in a similar space with VDA and the Issuer.

Except as set forth herein, the Reporting Persons do not have any plans or proposals with respect to the items enumerated in Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

Item 5 of the Schedule 13D is hereby amended and restated in its entirety as follows:

(a) The aggregate number and percentage of Shares beneficially or directly owned by the Reporting Persons is based upon a total of 136,311,335 Shares outstanding as of September 23, 2021, as reported in Proxy Statement. The Reporting Persons beneficially own 162,900,947 Shares, representing approximately 54.4% of the issued and outstanding Shares, all determined in accordance with Rule 13d-3. If the Warrant were exercised, the Reporting Persons would own beneficially 66.3% of the Issuer's Shares, as determined in accordance with Rule 13d-3. Because of certain conditions associated with the exercisability of the Warrant, the Reporting Persons do not believe the Warrant Shares are beneficially owned as of this filing.

(b) As noted above, VDA Group is the direct beneficial owner of the Telkonet Shares, determined in accordance with Rule 13d-3. VDA Holding, by virtue of being the sole shareholder of VDA Group, may be deemed to possess indirect beneficial ownership of the Telkonet Shares and as such, has indirect, shared voting power and indirect, shared dispositive power with respect to the Telkonet Shares. Meti Holding, by virtue of being the 82.76% shareholder of VDA Holding, may be deemed to possess indirect beneficial ownership of the Telkonet Shares and as such, has indirect, shared voting power and indirect, shared dispositive power with respect to the Telkonet Shares. Flavio De Paulis, by virtue of being the sole shareholder of Meti Holding, may be deemed to possess indirect beneficial ownership of the Telkonet Shares and as such, has indirect, shared voting power and indirect, shared dispositive power with respect to the Telkonet Shares. The Reporting Persons share voting and dispositive power amongst themselves but not with

any third parties.

Other than as set forth herein, the filing of this statement on Schedule 13D shall not be construed as an admission that any Reporting Person is, for the purposes of Section 13(d) or 13(g) of the Exchange Act, or for any other purpose, the beneficial owner of any of the Shares.

(c) Except as set forth in this Schedule 13D with reference to the Stock Purchase Agreement and the Warrant, neither any Reporting Person nor, to any Reporting Person's knowledge, any of the persons listed in Annex A hereto, has effected any transaction in the Shares during the past 60 days.

(d) No other person has the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the Telkonet Shares.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Item 6 of the Schedule 13D is hereby amended and restated in its entirety as follows:

The description of the Stock Purchase Agreement, the Warrant, the Registration Rights Agreement, the VDA Leak-Out Agreement, and the Insider Leak-Out Agreements in Item 4 are hereby incorporated into this Item 6 by reference. The Stock Purchase Agreement, which was previously filed as Exhibit A of the Schedule13D, is incorporated herein by reference; the form of Voting Agreements, which was previously filed as Exhibit B of the Schedule13D, is incorporated herein by reference; the Warrant, which is filed as Exhibit 99.10 hereto, is incorporated herein by reference; the Registration Rights Agreement which was previously filed as Exhibit D of the Schedule 13D, is incorporated herein by reference, the VDA Leak-Out Agreement, which is filed as Exhibit 99.3 hereto, is incorporated herein by reference, and the form of Insider Leak-Out Agreements, which was previously filed as Exhibit 99.2 to the Schedule 13D, is incorporated herein by reference.

The description of the Funding Letter and the Loan Transaction Documents in Item 3 are hereby incorporated into this Item 6 by reference and do not purport to be complete and are qualified in their entirety by reference to the copy of the Funding Letter and the Loan Transaction Documents included as Exhibits 99.4 through 99.8.

On May 20, 2020, VDA Holding and VDA Group entered into an agreement (the "**Scouting Agreement**") with Scouting S.p.A., ("**Scouting**") to perform advisory services in connection with a possible transaction with the Issuer. Pursuant to the terms of the Scouting Agreement, Scouting will be compensated for these services in the aggregate amount of 290,000 Euro.

The foregoing descriptions of the Scouting Agreement set forth in this Item 6 do not purport to be complete and are qualified in their entirety by reference to the copy of the Scouting Agreement, included as Exhibit 99.9, which are each incorporated by reference herein.

Except as described herein, there are no other contracts, arrangements, understandings or relationships (legal or otherwise) between the Reporting Persons and any other person with respect to the Shares.

Item 7. Material to Be Filed as Exhibits

Item 7 is amended by adding the following paragraphs to the end of the item:

Exhibit 99.3- VDA Leak-Out Agreement, by and among VDA Group S.p.A. and Telkonet, Inc. dated January 7, 2022.

Exhibit 99.4- Funding Letter, by and among VDA Group S.p.A. and VDA Holding S.A., dated August 6, 2021.

Exhibit 99.5- Term Sheet, by and among VDA Holding S.A., VDA Group S.p.A. and Nomadix Holdings LLC, dated January 6, 2022.

Exhibit 99.6- Convertible Loan Agreement, by and between VDA Holding S.A. and Nomadix Holdings LLC, dated January 6, 2022.

Exhibit 99.7- Pledge Over Shares Agreement, dated January 6, 2022, by and among VDA Holding S.A., Meti Holding Sarl, Arturo Iossa Fasano and Nomadix Holdings LLC.

Exhibit 99.8- Deed of Pledge Over Shares, dated January 6, 2022, by and among VDA Holding S.A. and Nomadix Holdings LLC.

Exhibit 99.9- Agreement dated May 20, 2020, by and among VDA Holding SA, VDA Group S.p.A., and Scouting S.p.A.

Exhibit 99.10 – Warrant, dated January 7, 2022, by Telkonet, Inc. in favor of VDA Group S.p.A.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

VDA Group S.p.A.
/s/ Piercarlo Gramaglia
Name: Piercarlo Gramaglia
Title: Chief Executive Officer

Date: January 19, 2022

VDA Holding S.A.
/s/ Giorgio Bianchi /s/ Tiffany Halsdorf

Name: Giorgio Bianchi & Tiffany Halsdorf
Title: Directors
Date: January 19, 2022

Meti Holding Sarl
/s/ Giorgio Bianchi & /s/ Flavio De Paulis
Name: Giorgio Bianchi & /s/ Flavio De Paulis
Title: Directors
Date: January 19, 2022

/s/ Flavio De Paulis
Name: Flavio De Paulis
Date: January 19, 2022

Annex A

Directors and Executive Officers of VDA Group S.p.A.

Name	**Citizenship**	**Present Principal Occupation or Employment (Including Principal Business of Employer**	**Address**
Piercarlo Gramaglia	Italy	Chief Executive Officer and Director of VDA Group S.p.A.. Information concerning the principal business of VDA Group S.p.A., set forth in Item 2 of this Statement, is incorporated herein by reference in this Annex A.	Viale Lino Zanussi, 3, 33170 Pordenone PN, Italy
Raimondo Premonte	Italy	Director of VDA Group S.p.A.. Information concerning the principal business of VDA Group S.p.A., set forth in Item 2 of this Statement, is incorporated herein by reference in this Annex A.	Viale Lino Zanussi, 3, 33170 Pordenone PN, Italy
Roberto Pisa	Italy	Director of VDA Group S.p.A.. Information concerning the principal business of VDA Group S.p.A., set forth in Item 2 of this Statement, is incorporated herein by reference in this Annex A.	Viale Lino Zanussi, 3, 33170 Pordenone PN, Italy
Alberto Nogarotto	Italy	Chief Financial Officer of VDA Group S.p.A.. Information concerning the principal business of VDA Group S.p.A., set forth in Item 2 of this Statement, is incorporated herein by reference in this Annex A.	Viale Lino Zanussi, 3, 33170 Pordenone PN, Italy

Directors and Executive Officers of VDA Holding S.A.

Name	Citizenship	Present Principal Occupation or Employment (Including Principal Business of Employer	Business Address
Giorgio Bianchi	Italy	Director of VDA Holding. Information concerning the principal business of VDA Holding S.A., set forth in Item 2 of this Statement, is incorporated herein by reference in this Annex A.	26, Boulevard Royal, L-2449 Luxembourg
Tiffany Halsdorf	France	Director of VDA Holding S.A.. Information concerning the principal business of VDA Holding S.A., set forth in Item 2 of this Statement, is incorporated herein by reference in this Annex A.	26, Boulevard Royal, L-2449 Luxembourg
Marco Gostoli	Italy	Director of VDA Holding S.A.. Information concerning the principal business of VDA Holding S.A., set forth in Item 2 of this Statement, is incorporated herein by reference in this Annex A.	26, Boulevard Royal, L-2449 Luxembourg

Directors and Executive Officers of Meti Holding Sarl

Name	Citizenship	Present Principal Occupation or Employment (Including Principal Business of Employer	Business Address
Flavio De Paulis	Italy and Switzerland	Director and sole shareholder of Meti Holding Sarl. Information concerning the principal business of Meti Holding Sarl, set forth in Item 2 of this Statement, is incorporated herein by reference in this Annex A.	26, Boulevard Royal, L-2449 Luxembourg

Giorgio Bianchi	Italy	Director of Meti Holding Sarl. Information concerning the principal business of Meti Holding Sarl, set forth in Item 2 of this Statement, is incorporated herein by reference in this Annex A.	26, Boulevard Royal, L-2449 Luxembourg

Exhibit 99.3

EXECUTION VERSION

LOCK-UP AND LEAK OUT AGREEMENT

This LOCK-UP AND LEAK-OUT AGREEMENT (the "Agreement") is made as of January 7, 2022 (the "Effective Date") by and between Telkonet, Inc., a Utah corporation, (the "Company"), and VDA Group, S.p.A., an Italian joint stock company ("VDA" or the "Shareholder"). Capitalized terms used but not otherwise defined herein, and the term "control," shall have the meanings set forth in the Purchase Agreement (as defined below).

WHEREAS, VDA and the Company entered into a Stock Purchase Agreement dated as August 6, 2021 (as it may be amended from time to time, the "Purchase Agreement"), pursuant to which VDA has acquired the Telkonet Shares and the Warrant (the "Acquisition") and is the majority shareholder of the Company;

WHEREAS, as of the date hereof, VDA: (a) "beneficially owns" (as such term is defined in Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended) shares of Company Common Stock $.001 par value (the "Common Stock") and (b) owns the Warrant to purchase 105,380,666 additional shares of Common Stock (the "Warrant Shares" and together with the Common Stock, the "Shares"); and

WHEREAS, VDA and the Company have agreed to the matters set forth herein.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and the undersigned Shareholder agree as follows:

1. Twelve Month Prohibition on Sales or Transfers. Except as otherwise permitted under this Section 1 and Section 2 below, the Shareholder, including the Shareholder's Affiliated Entities (as defined below), hereby agrees that for a period of twelve (12) months from the Effective Date (the "Lock-Up Period"), the Shareholder will not Transfer any Shares (including the Warrant Shares), whether owned by the Shareholder as the date hereof or acquired subsequent to the date hereof (collectively, the "Lock-Up Shares"), whether any such Transfer is to be settled by delivery of the Lock-Up Shares or other securities, in cash or otherwise, or publicly disclose the intention to make any such Transfer (the "Lock-Up Agreement"). Notwithstanding the foregoing, nothing herein shall prohibit VDA or VDA Holding S.A., the sole shareholder of VDA ("Parent") from Transferring the securities or equity interests in VDA, Parent or any other Affiliated Entity, or entering into a transaction which would have the same effect, and any such Transfer shall not be deemed a violation of this Section 1. As used in this Agreement "Affiliated Entities" shall mean any legal entity, including any corporation, limited liability company, partnership, not-for-profit corporation, estate planning vehicle or trust, which is directly or indirectly owned or controlled by the Shareholder, or which is under joint control or ownership with the Shareholder. As used in this Agreement, "Transfer" shall mean to offer, sell, contract to sell, pledge, give, donate, transfer or otherwise dispose of, directly or indirectly, enter into a transaction which would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic or voting consequences of ownership of any securities or equity interests, or to enter into any such transaction, swap, hedge or other arrangement that transfers, in whole or in part, any of the economic or voting consequences of ownership of such securities or equity interests.

2. Restrictions on Sales; Volume Limitations. Notwithstanding the provisions set forth in Section 1 above, the Shareholder shall have the right to effect open market sales of its Lock-Up Shares in an aggregate amount not to exceed the volume limitations prescribed for affiliates of the issuer under Rule 144(e)(1)(i) promulgated under the Securities Act of 1933, as amended, as currently in effect.

3. Application of this Agreement to Shares Sold or Otherwise Transferred. So long as such sales are made in compliance with the requirements of this Agreement, Lock-Up Shares sold in open market sales shall thereafter not be subject to the restrictions on sale contained in this Agreement.

4. Attempted Transfers. Any Transfer of any Lock- Up Shares by the Shareholder in violation or contravention of the terms of this Agreement shall be null and void ab initio. The Company shall instruct its Transfer Agent to reject and refuse to transfer on its books any Lock-Up Shares that may have been attempted to be Transferred in violation or contravention of any of the provisions of this Agreement and shall not recognize any Person in receipt thereof.

5. Broker Authorization. The Shareholder hereby authorizes any and all brokers, for all accounts holding the Shareholder's Lock-Up Shares, to provide directly to the Company, immediately upon the Company's request, a copy of all account statements showing the Lock-Up Shares and all trading activity in the Lock-Up Shares during the Lock-Up Period.

6. Acknowledgement of Representation. The Shareholder represents and warrants to the Company that the Shareholder was or had the opportunity to be represented by legal counsel and other advisors selected by Shareholder in connection with this Agreement. The Shareholder has reviewed this Agreement with his, her or its legal counsel and other advisors and understands the terms and conditions hereof.

7. Legends on Certificates. All Lock-Up Shares now or hereafter owned by the Shareholder, shall be subject to the provisions of this Agreement and the certificates representing such Lock-Up Shares shall bear the following legends (or analogous legends shall be electronically entered on the Transfer Agent's ledger):

THE SALE, ASSIGNMENT, GIFT, BEQUEST, TRANSFER, DISTRIBUTION, PLEDGE, HYPOTHECATION OR OTHER ENCUMBRANCE OR DISPOSITION OF THE SHARES REPRESENTED BY THIS CERTIFICATE IS RESTRICTED BY AND MAY BE MADE ONLY IN ACCORDANCE WITH THE TERMS OF A LOCK-UP AGREEMENT, A COPY OF WHICH MAY BE EXAMINED AT THE OFFICE OF THE CORPORATION.

8. Miscellaneous.

(a) Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties in respect of the subject matter hereof and supersedes all prior understandings, agreements or representations by or among the parties, written or oral, to the extent they relate in any way to the subject matter hereof.

(b) Assignment; Binding Effect. No party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other party, and any such assignment by a party without prior written approval of the other party will be deemed invalid and not binding on such other party. All of the terms, agreements, covenants, representations, warranties and conditions of this Agreement are binding upon, and inure to the benefit of and are enforceable by, the parties and their respective successors and permitted assigns.

(c) Notices. All notices, requests and other communications provided for or permitted to be given under this Agreement must be in writing and given by personal delivery, by certified or registered United States mail (postage prepaid, return receipt requested) or by a nationally recognized overnight delivery service for next day delivery as follows (or to such other address as any party may give in a notice given in accordance with the provisions hereof):

If to Telkonet:

Telkonet, Inc.
20800 Swenson Drive, Suite 175
Waukesha, Wisconsin 53186
Attention: Jason L. Tienor
E-mail: jtienor@telkonet.com

with a copy to:

Husch Blackwell LLP
511 North Broadway, Suite 1100
Milwaukee, Wisconsin 53202
Fax No.: 414.223.5000
Attention: Kate Bechen
E-mail: kate.bechen@huschblackwell.com

If to VDA:

V.D.A. Group S.p.A.
Viale L. Zanussi, 3
33170 Pordenone, Italy
Attention: Piercarlo Gramaglia
E-mail: piercarlo.gramaglia@vdagroup.com

with a copy to:

Moses & Singer LLP
Attention: Francesco Di Pietro, Esq.
Allan Grauberd, Esq.
The Chrysler Building
405 Lexington Avenue
New York, New York 10174-1299
Fax No.: (212) 554-7700
E-mail: fdipietro@mosessinger.com
agrauberd@mosessinger.com

All notices and other communications hereunder shall be in writing and shall be deemed duly given (a) on the date of delivery if delivered personally, (b) on the first Business Day following the date of dispatch if delivered utilizing a next-day service by a recognized next-day courier, (c) on the date delivered if sent by email, upon confirmation of receipt by email or (d) on the earlier of confirmed receipt or the fifth Business Day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered to the addresses set forth above, or pursuant to such other instructions as may be designated in writing by the party to receive such notice.

(d) Specific Performance; Remedies. The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each of the parties shall be entitled to seek specific performance of the terms hereof, including an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in the United States District Court located in the Borough of Manhattan (unless the United States District Court located in the Borough of Manhattan shall decline to accept jurisdiction over a particular matter, in which case, in any state court of the State of New York within the Borough of Manhattan in the City of New York), this being in addition to any other remedy to which such party is entitled at law or in equity. Each of the parties hereby further waives (a) any defense in any action for specific performance that a remedy at law would be adequate and (b) any requirement under any law to post security as a prerequisite to obtaining equitable relief.

(e) Submission to Jurisdiction. Each of the parties irrevocably agrees that any legal action or proceeding arising out of or relating to this Agreement brought by any other party or its successors or assigns shall be brought and determined in the United States District Court located in the Borough of Manhattan (unless the United States District Court located in the Borough of Manhattan shall decline to accept jurisdiction over a particular matter, in which case, in any state court of the State of New York within the Borough of Manhattan in the City of New York), and each of the parties hereby irrevocably submits to the exclusive jurisdiction of the aforesaid courts for itself and with respect to its property, generally and unconditionally, with regard to any such action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby. Each of the parties agrees not to commence any action, suit or proceeding relating thereto except in the courts described above in New York, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in New York as described herein. Each of the parties further agrees that notice as provided herein shall constitute sufficient service of process and the parties further waive any argument that such service is insufficient. In the event of any litigation before a court of competent jurisdiction relating to a dispute with respect to this Agreement, the non-prevailing party in such litigation shall reimburse the prevailing party's reasonable and documented costs and expenses (including reasonable and documented attorney's fees and any costs of investigation or preparation) incurred in connection with such litigation, including any appeal therefrom. Each of the parties hereby irrevocably and unconditionally waives, and agrees not to assert, by way of motion or as a defense, counterclaim or otherwise, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, (a) any claim that it is not personally subject to the jurisdiction of the courts in New York as described herein for any reason, (b) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (c) that (i) the suit, action or proceeding in any such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper, or (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

(f) WAIVER OF JURY TRIAL. EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY

JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

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

(h) Governing Law. This Agreement and all disputes or controversies arising out of or relating to this Agreement or the transactions contemplated hereby shall be governed by, and construed in accordance with, the internal laws of the State of New York, without regard to the laws of any other jurisdiction that might be applied because of the conflicts of laws principles of the State of New York, and except that the URBCA shall control to the extent such necessarily applies to any aspect of this Agreement.

(i) Amendment. This Agreement may not be amended or modified except by a writing signed by the parties.

(j) Waiver. No waiver by any party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, may be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising because of any prior or subsequent such occurrence. Neither the failure nor any delay on the part of the party to exercise any right or remedy under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right or remedy preclude any other or further exercise of the same or of any other right or remedy.

(k) Severability. Whenever possible, each provision or portion of any provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable Law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable Law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or portion of any provision in such jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

(l) Counterparts; Effectiveness; Electronic Signature.

(i) This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

(ii) The exchange of copies of this Agreement and of signature pages by facsimile transmission, by electronic mail in "portable document format" (".pdf") form, DocuSign or similar program or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by a combination of such means, shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of an original Agreement for all purposes. Signatures of the parties transmitted by facsimile or DocuSign or similar program shall be deemed to be their original signatures for all purposes.

(m) Construction. This Agreement has been freely and fairly negotiated among the parties. If 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 because of the authorship of any provision of this Agreement.

(n) Further Assurances. If any further action is necessary or reasonably desirable to carry out this Agreement's purposes, each party will take such further action (including executing and delivering any further instruments and documents and providing any reasonably requested information) as the other party reasonably may request.

[SIGNATURE PAGE FOLLOWS.]

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

TELKONET, INC.

By: /s/
Name:
Title:

VDA GROUP, S.p.A.

By: /s/
Name: Piercarlo Gramaglia
Title: Chief Executive Officer

Exhibit 99.4

LUXEMBOURG 6TH, AUGUST 2021

VIA EMAIL

VDA Group S.p.A
Via L. Zanussi 3

Re: **Funding of Telkonet, Inc. Transaction by VDA Holding SA ("VDA Holding")**

Dear VDA:

VDA Group S.p.A., an Italian joint stock company (società per azioni) incorporated under the laws of the Republic of Italy and wholly-owned subsidiary of VDA Holding ("VDA Group") and Telkonet, Inc., a Utah corporation ("Telkonet") have entered into a Stock Purchase Agreement dated as of the date hereof (as it may be amended from time to time, the "Purchase Agreement"), pursuant to which VDA Group shall acquire from Telkonet certain shares of Common Stock of Telkonet (the Stock Purchase") and a warrant to purchase additional shares of Common Stock of Telkonet (collectively, the "Transaction") such that following the consummation of the Stock Purchase, VDA Group shall become the majority shareholder of the Telkonet.

In connection therewith, VDA Holding hereby agrees that on or prior to the closing date of the Transaction, VDA Holding shall provide to VDA Group $5,000,000 (USD), by wire transfer of immediately available funds, to fund the Transaction and enable VDA Group to satisfy its payment obligations under the Purchase Agreement.

Sincerely,

/s/
VDA Holding S.A.

Exhibit 99.5

NOMADIX HOLDINGS LLC

TERM SHEET

This term sheet (the "Term Sheet") summarizes the principal terms of a potential transaction between the parties set forth below. Except as specifically set forth below there is no legally binding obligation on the part of any negotiating party until definitive agreements are signed and delivered by all parties.

Lender	NOMADIX HOLDINGS LLC ("NMX"), a limited liability company duly organized and existing under the laws of Delaware (USA), with registered address at 1209 Orange St., New Castle, WILMINGTON, DE 19801, with File Number 7506079
Debtor	VDA Holding S.A. ("VDA"), a Luxembourg joint stock company (*société anonyme*), with registered office at 26, Boulevard Royal, L-2449 LUXEMBOURG, registered with the Register of Commerce and Companies of Luxembourg (*Registre de Commerce et des Sociétés, Luxembourg*), Section B under no. 239150
Guarantor	VDA Group S.p.A. ("VDA Group"), an Italian joint stock company (*società per azioni*), with registered office in Pordenone, Via Lino Zanussi 3, CAP 33170, corporate capital of Euro 172,233.50, registered under the Companies Registry of Pordenone under No. 00976420307. VDA Group is a wholly-owned subsidiary of VDA Holding S.A.. (VDA Holding SA and VDA Group S.p.A. are collectively referred to as the "VDA Parties") (the above parties may be individually referred to as "Party" and collectively as the "Parties")
Transaction Summary	NMX shall loan VDA the aggregate amount of US $6,500,000.00 (the "Investor Senior Loan") consisting of US $1,500,000.00 being added to the US $5,000,000.00 proceeds of the CLA (as defined below), with the intent of the Investor Senior Loan superseding the CLA. The Parties acknowledge and agree that this Term Sheet and the proposed Investor Senior Loan is a material inducement to NMX completing and funding the CLA. *Background* VDA Group is currently a party to certain Stock Purchase Term Sheet (the Stock Purchase Term Sheet together with all its annexes, enclosures, related and ancillary Term Sheets and documents, "SPA") entered into as of August 6, 2021, by and between VDA Group and Telkonet, Inc. ("TKOI"), a Utah corporation. The SPA is fully documented and publicly disclosed pursuant to a "DEFINITIVE NOTICE AND PROXY STATEMENT" (SEC Form DEF 14A) filed with the SEC on September 22, 2021 and further identified on EDGAR as SEC Accession No. 0001683168-21-004409 under File No.: 001-31972 ("Proxy Statement"). The terms of the SPA as set further in the Proxy Statement are incorporated into this Term Sheet by reference. The SPA requires, *inter alia*, (i) VDA Group to pay $5,000,000.00 (the "SPA Payment") to TKOI in exchange for title to 162,900,947 shares of Telkonet Common Stock ("TKOI Shares") as well as other rights enumerated in the SPA, (ii) that for a period of twelve months after the purchase of the TKOI Shares, VDA Group will not transfer any Telkonet shares, whether owned by VDA Group or publicly disclose the intention to make any such transfer ("Lock-up Period"), and (iii) that neither the SPA nor any of a party's rights thereunder may be assigned by any such party without the prior written consent of the other party, and any attempted assignment of the SPA or of any such rights by VDA without the consent of Telkonet shall be void and of no effect (the "VDA-TKOI Stock Purchase"). Given these contractual and timing constraints, the Parties determined the best course of action to collectively obtain the value of the SPA is to have the Parties close the CLA prior to finalizing the Investor Senior Loan.

	Given the contractual and timing restraints with respect to the SPA (as defined below), on the day of the signing of this Term Sheet, the Parties shall thus execute a certain Luxembourg law Convertible Loan Agreement for US $5,000,000.00, with a US $500,000.00 premium (but no other interest) and the premium is not applicable in case the Investor Senior Loan is made ("CLA"). NMX is directly responsible and will comply with all its regulatory and disclosure obligations, including any dealings with SEC which may be required or applicable under US law, in connection with the Transaction. The VDA Parties do not make any representations or assume any undertakings vis-à-vis NMX regarding the regulatory implications of the Transaction for NMX.

Investor Senior Loan Terms	The Investor Senior Loan shall contain the following terms: 1. Term: 42 months; 2. Interest Rate: The interest rate shall be 6% per annum with no refunds in case of conversion; 3. Interest shall be paid quarterly; 4. VDA shall provide cross-guarantees among all of its corporate entities to secure the Investor Senior Loan; 5. Due Date: Due in full at the end of 42 months; 6. There shall be no voluntary early pay off unless mutually agreed to by the Parties; 7. The Investor Senior Loan shall be senior to any of VDA's current debt and senior to any of VDA's future debt; 8. VDA shall execute such revised shareholder agreements and correlating amendments to applicable articles in case of conversion giving NMX specific rights as a minority shareholder, and in particular representation on the board, certain matters requiring consent, profit distribution policies, and as applicable, the updating of drag along, tag along and preference rights, etc. 9. The Investor Senior Loan shall be convertible for newly-issued shares of VDA at the discretion of NMX at any time after month 11 and before month 31; 10. Upon conversion, NMX will be granted a fully diluted 38.3% share of VDA which in turn owns 100% of VDA Group; 11. NMX will have the right of first refusal for any debt or equity offering of VDA or VDA Group, subject to mandatory exclusions under Italian and Luxembourg laws; 12. VDA shall use its best efforts to providing the right of NMX to have first right to equity and debt offerings of TKOI, subject to any provision of the SPA and US law; 13. VDA shall cause VDA Group to pledge its shares of TKOI as additional collateral to become effective upon expiration of the Lock-up Period and subject to any provisions of SPA and US law; 14. VDA shall: 1) use its best efforts to support NMX being granted one board seats on the TKOI Board of Directors subject to any provision of the SPA and US law; and 2) grant NMX one Board seat on the VDA Board of Directors (with the VDA Board having no more than (3) seats; 15. VDA shall use its best efforts to support NMX subsidiaries Nomadix Inc, interTouch PTE and Global Reach Inc. to participate in joint sales and marketing initiatives at market terms and conditions with Telkonet and VDA Group.
Closing	The Investor Senior Loan shall have a closing date of no later than February 26, 2022, by 5pm EST (the "Closing Date").

VDA as Guarantor of VDA Group	VDA shall act as the Guarantor of VDA Group under this the Investor Senior Loan in all respects and irrevocably and unconditionally agrees to enforce and/or perform the obligations of VDA Group under the SPA, subject in any event to customary limitations existing under US law.
VDA Group as Guarantor of VDA	VDA Group shall act as the Guarantor of VDA under this Term Sheet in all respects and irrevocably and unconditionally agrees to pay in full to NMX all amounts owing to NMX under the Investor Senior Loan (without duplication of amounts theretofore paid by the VDA), as and when due, regardless of any defense, right of set-off or counterclaim that the VDA may have or assert, subject in any event to customary limitations existing under Italian law as disclosed by VDA prior to execution of this Term Sheet (to the extent mandatorily applicable).
Use of Proceeds	The proceeds of the Investor Senior Loan to VDA shall be used as follows: (1) The SPA Payment to TKOI on behalf of VDA Group to allow VDA Group to purchase the TKOI Shares; and the remaining $1,500,000.00 ("Residual Proceeds") shall be used by VDA solely for the purposes of financing working capital, providing acquisition financing, transaction expenses and for general corporate purposes. Any retirement of material debt must be approved by NMX.
Conditions to Closing	The closing of the Investor Senior Loan will be subject to customary terms and conditions, including, without limitation, the following: a) each Party shall obtain its respective shareholder approvals – to the extent they are necessary for Closing; b) receipt of all necessary consents and approvals of governmental bodies, lenders, lessors and other third parties; c) completion, to the sole satisfaction and discretion of NMX, of its due diligence investigation of the VDA Parties and no discovery of any material issue; d) absence of any material adverse change in the VDA Parties' business, financial condition, prospects, assets, operations or backlog prior to the Closing; e) absence of pending or threatened litigation in writing regarding the VDA Parties, the Transaction Documents or the transactions contemplated thereby, except for any litigation already in place as of the date hereof as disclosed by VDA prior to execution of this Term Sheet; f) evidence of good and marketable title to the VDA Parties' assets by the VDA Parties, free and clear of any and all liens, except for the liens already in place as of the date hereof as disclosed by VDA prior to execution of this Term Sheet; g) the VDA Parties shall be operated in the ordinary course from the date hereof through the date of Closing and shall not pay any dividends or distributions.; and h) such other reasonable terms and conditions as NMX may require.
Important Actions	Prior to the earlier of Closing or the expiration of the Exclusivity Term, the following actions of the VDA Parties shall require the consent of the NMX: (i) alter the rights of any shares of the VDA Parties or shareholder rights; (ii) allotment of the transfer of issuance of any shares in the VDA Parties beyond those anticipated by this Transaction (iii) create any new class or series senior to the existing shares of the VDA Parties (iv) shares reserved for issuance to employees and consultants, whether under an ESOP or otherwise (v) redeem or the selling of any shares (vi) pay or declare dividends or distributions to shareholders (vii) make any change in the number of board members (viii) take any action which results in a change of control (ix) amend the bylaws (x) effect any material change to the nature of the business plan (xi) subscribe or otherwise acquire, or dispose of any shares in the capital of any other company.

Fees and Costs	The Parties each agree to bear their own fees and costs with respect to the due diligence, formation and execution of both the Investor Loan Agreement and the CLA ("Total Transaction Fees and Costs"), with the exception of: i) in the event NMX converts the debt as contemplated by the Investor Loan Agreement, NMX shall be reimbursed its own share of reasonable Transaction Fees and Costs (including the fees and costs for preparing and negotiating the CLA) by the VDA Parties.
Binding Effect	This Term Sheet is non-binding with the exception of this section entitled Binding Effect and the sections entitled Important Actions, Negotiation, Exclusivity, Confidentiality, Breach of Binding Terms, Break-Up Fee and Choice of Law, Jurisdiction and Venue, which sections (collectively "Binding Terms") constitute a binding contract between the Parties.
Negotiation	The Parties shall have an obligation to negotiate the other sections of this Term Sheet in good faith toward execution of mutual satisfactory longer-form definitive agreement constituting the Investor Senior Loan.
Exclusivity	In consideration of NMX committing time and expense to the consummation of the Investor Senior Loan, including the customary due diligence there for, the VDA Parties agree, from the date of this Term Sheet and until the Closing Date (the "Exclusivity Term"), not to take any action to solicit, initiate, encourage or assist the submission of any proposal, negotiation or offer from any person or entity other than NMX relating to the Investor Senior Loan or any similar transaction or any financing of any kind in excess of US $50,000.00, with an affiliate and/or a third party, and the VDA Parties and shall notify NMX promptly of any inquiries by any third parties in regards to the foregoing.
Confidentiality	The Parties agree to treat this term sheet confidentially and will not distribute or disclose its existence or contents outside of the Parties without the consent of the other Party, except as required to its shareholders and professional advisors or required by SEC rules.
Breach of Binding Terms	Any breach by the VDA Parties of the Binding Terms of this Term Sheet shall also be a breach of the CLA.
Break-Up Fee	In the event the VDA Parties are unable to, or elect not to complete the Investor Loan Agreement for any reason, except: a material adverse development in the business or operations of NMX between the date of this Term Sheet and the Closing Date, then, and in that event, in recognition of the efforts, expenses and other opportunities foregone by NMX while structuring and pursuing the Investor Loan Agreement, the VDA Parties shall jointly and severally be liable to pay NMX a break-up fee equal to US $50,000.00 ("Break-Up Fee"), by wire transfer of immediately available funds to an account specified by NMX.
Choice of Law, Jurisdiction and Venue	This Term Sheet is subject to, and shall be interpreted under the laws of the United States of America, State of Delaware, with venue in the courts of New York City.

Acknowledged and agreed:

NOMADIX HOLDINGS LLC

By: /s/

Print Name: Edward L. HELVEY

Title: Manager

Date: 6 January 2022

VDA Holding SA

By: /s/

Print Name: Giorgio BIANCHI

Title: director (*administrateur*)

Date: 6 January 2022

VDA Group S.p.A.

By: /s/

Print Name: Piercarlo GRAMAGLIA

Title: CEO (*Presidente del Consiglio di Amministrazione*)

Date: 6 January 2022

VDA Holding SA

By: /s/

Print Name: Marco GOSTOLI

Title: director (*administrateur*)

Date: 6 January 2022

Exhibit 99.6

CONVERTIBLE LOAN AGREEMENT

This Convertible Loan Agreement is entered into this 6th Day of January 2022 by and between:

(1) **NOMADIX HOLDINGS LLC,** a limited liability company duly organized and existing under the laws of Delaware (USA), with registered address at 1209 Orange St., New Castle, WILMINGTON, DE 19801, with File Number 7506079, represented by Ted HELVEY, acting in his capacity as manager with the right to individual signature;

Hereinafter referred to as the "**Lender"**; and

(2) **VDA HOLDING S.A.**, a joint stock company (*société anonyme*) incorporated and existing under the laws of Luxembourg, with registered office at 26, Boulevard Royal, L-2449 LUXEMBOURG, registered with the Register of Commerce and Companies of Luxembourg (*Registre de Commerce et des Sociétés, Luxembourg*) ("**RCSL**"), Section B under no. 239150, represented by Giorgio BIANCHI and Marco GOSTOLI, acting in their capacity as directors (*administrateurs*) with the right to joint signature;

Hereinafter referred to as the "**Borrower**";

(3) **VDA GROUP S.P.A.** , a company incorporated and existing under the laws of Italy with registered office in Pordenone, Via Lino Zanussi 3, CAP 33170, corporate capital of Euro 172,233.50, registered under the Companies Registry of Pordenone under No. 00976420307, represented by Piercarlo GRAMAGLIA, acting in his capacity as CEO and empowered by resolution of the Board of Directors held on December 30, 2021;

hereinafter being referred to as the "**Guarantor**" or "**VDA Group**";

each a "**Party**" and, collectively, the "**Parties**."

Recitals

A. **WHEREAS** the Borrower's subscribed and fully paid in share capital is set at EUR 256,932 (two hundred and fifty-six thousand nine hundred and thirty-two euros), represented by 256,932 (two hundred and fifty-six thousand nine hundred and thirty-two) shares with a nominal value of EUR 1 (one euro) each, which are held as follows:

1. METI HOLDING S.à r.l., a private limited company (*société à responsabilité limitée*), incorporated and existing under the laws of Luxembourg, with registered office at 26, Boulevard Royal, L-2449 LUXEMBOURG, registered with the RCSL, Section B under no. B217383 ("**METI**") holder of 212,637 (two hundred twelve thousand six hundred thirty-seven) shares with a nominal value of EUR 1 (one euro) each, representing approximately 82.76% of the outstanding shares of the Borrower;

2. Mr. Arturo Iossa FASANO, with address at 15, Piazzale Segesta, I-20148 Milan ("**Mr. FASANO**") holder of 44,295 (forty-four thousand two hundred ninety-five) shares with a nominal value of EUR 1 (one euro) each, representing approximately 17.24% of the outstanding shares of the Borrower.

B. **WHEREAS** the authorized capital of the Borrower (apart from the subscribed share capital) is set at EUR 159.480 (one hundred fifty nine thousand four hundred and eighty euros) allowing for the issuance of 159.480 (one hundred fifty nine thousand four hundred and eighty) new shares with a nominal value of EUR 1 (one euro) each, enjoying the same rights and benefits as the existing shares.

C. **WHEREAS** at the date hereof, the Borrrower has full and unencumbered title to (*detiene, in piena e libera proprietà*) no. 6,499 (six thousand four hundred ninety-nine) ordinary shares of VDA GROUP S.P.A., which are issued in book-entry form (*forma dematerializzata*) and registered in the name of the Borrower in the securities account no. LU55 2981 0000 0005 6707opened by the Borrower with BPER Bank Luxembourg S.A., a joint stock company (*société anonyme*) incorporated and existing under the laws of Luxembourg, with registered office at 30, Boulevard Royal, L-2449 LUXEMBOURG, registered with the RCSL, Section B under no. 54033 (the "**Depositary**") (the "**Securities Account**"), representing in aggregate a stake equal to 100% of the share capital of VDA Group;

D. **WHEREAS** VDA Group is currently a party to certain Stock Purchase Agreement (the Stock Purchase Agreement together with all its annexes, enclosures, related and ancillary agreements and documents, "**SPA**") entered into as of August 6, 2021, by and between VDA Group and Telkonet, Inc. ("**TKOI**"), a Utah corporation with registered address at 20800 SWENSON DRIVE STE 175 WAUKESHA, WI 53186. The SPA is fully documented and publicly disclosed pursuant to a "DEFINITIVE NOTICE AND PROXY STATEMENT" (SEC Form DEF 14A) filed with the SEC on September 22, 2021, and further identified on EDGAR as SEC Accession No. 0001683168-21-004409 under File No.: 001-31972. The SPA requires, inter alia, (i) VDA Group to pay $5,000,000.00 (five million U.S. dollars) (the " **SPA Payment** ") to TKOI in exchange for title to 162,900,947 shares of Telkonet Common Stock ("**TKOI Shares**") as well as a warrant and other rights enumerated in the SPA, (ii) that for a period of twelve months after the purchase of the TKOI Shares, VDA Group will not transfer any Telkonet shares owned by VDA Group or publicly disclose the intention to make any such transfer ("**Lock-up Period**"), and (iii) that neither the SPA nor any of a party's rights thereunder may be assigned by any such party without the prior written consent of the other party, and any attempted assignment of the SPA or of any such rights by the Borrower without the consent of TKOI shall be void and of no effect (the "**VDA-TKOI Stock Purchase**").

E. **WHEREAS** the Parties are currently negotiating for the Lender to provide the Borrower with a convertible loan facility in the aggregate amount of $6,500,000.00 (six million five hundred thousand U.S. dollars) (the ""**Investor Senior Loan**"" or the "**Transaction**") for the funding of the VDA-TKOI Stock Purchase and the remaining $1,500,000.00 (one million five hundred thousand U.S. dollars) ("**Residual Proceeds**") to be used by the Borrower solely for the purposes of financing working capital, providing acquisition financing, transaction expenses and for general corporate purposes.

F. **WHERAS** on 6 January 2022, the Parties have entered into a US Law governed term sheet (the "**Term Sheet**", **Appendix 7**). It is known to and accepted by the Borrower and the Guarantor that the entering into of the Term Sheet and the prospective to close the Transaction in Phase 2 is the primary inducement for the Lender to enter into this Agreement.

G. **WHEREAS** given the contractual and timing constraints for VDA Group to make the SPA Payment, the Parties have determined to have the Lender provide a convertible loan facility (the "**Loan**") to the Borrower in the amount of $5,000,000.00 (five million U.S. dollars) (the "**Loan Amount**") to allow the Borrower to on-lend the proceeds of the Loan to VDA Group on an arm's length basis, in order to allow VDA Group to close the SPA, to make the SPA Payment and to purchase the TKOI Shares ("**Phase 1**").

H. **WHEREAS** it is the intention of the Parties to then finalize the closing of the Transaction with accompanying Long-Form Agreement(s) (as defined below) for the Investor Senior Loan ("**Phase 2**"), it being understood that this Loan Agreement shall not be construed as a commitment to agree on and enter into a Long- Form Agreement for Phase 2.

NOW THEREFORE IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement (including the Recitals), the following terms not otherwise defined herein shall have the meanings indicated:

"**Agreement**" means this Convertible Loan Agreement as originally executed or as it may be amended from time to time.

"**Appendix**" means an appendix to this Agreement.

"**Applicable Interest Rate**" means a rate of zero basis points during the first six months as from the Drawdown. As from the Repayment Date, and unless a Long-Form Agreement has replaced this Loan Agreement, an interest at the rate for commercial transactions as determined in the law of April 18, 2004 regarding actions against late payments for commercial transactions, as amended, will apply on any outstanding amounts (including principal, Premium, fees and costs).

"**Business Day**" means a day (other than a Saturday or Sunday or public holiday) on which banks and foreign exchange markets are open for general business in Luxembourg.

"**Conditions Precedent**" has the meaning assigned to such term in Clause 5.

"**Disruption Event**" means either or both of:

(a)a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made which disruption is not caused by, and is beyond the control of, any of the Party whose operations are disrupted; or

(b)the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing payments to be made which disruption is not caused by, and is beyond the control of the Party whose operations are disrupted.

"**Drawdown**" means the act of the Borrower of borrowing under the Agreement.

"**Drawdown Date**" means the date on which the Drawdown of the Loan is made.

"**Drawdown Request**" means a drawdown request, substantially in the form set out in Appendix 1.

"Effective Date" means the date of the Drawdown.

"**Event of Default**" has the meaning assigned to such term in Clause 10 hereof.

"**Finance Document**" means this Agreement, the Security Documents, the Subordination Agreement" and any ancillary document or additional accession, guarantee or security document.

"**Financial Indebtedness**" means any indebtedness for or in respect of:

(a) moneys borrowed;

(b) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(c) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a balance sheet liability;

(d) receivables sold or discounted;

(e) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;

(f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);

(g) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

(h) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (g) above.

"**Investor Senior Loan"** has the meaning conferred to it in the Recitals point E.

"**Loan**" has the meaning conferred to it in the Recitals point F.

"**Loan Amount**" has the meaning conferred to it in the Recitals point F.

"**Loan Term**" means a period of six (6) months commencing on the Effective Date.

"**Long-Form Agreement(s)**" means an agreement containing the terms of the Phase 1 and the Investor Senior Loan herein, as applicable.

"**Material Adverse Effect**" means a material adverse effect on (a) the business, assets, properties, liabilities (actual or contingent), operations, financial condition or business prospects, of the Borrower, individually, or the Borrower and its Subsidiaries taken as a whole; or (b) the ability of an Obligor to perform its obligations under any Finance Document; or (c) the validity or enforceability of, or the effectiveness or ranking of any security granted or purported to be granted pursuant to any of, the Finance Documents; or (d) the rights or remedies of the Lender under any of the Finance Documents.

"**Material Agreement**" means any contract or other arrangement (other than the Finance Documents), whether written or oral, to which the Borrower, individually, or the Borrower and its Subsidiaries taken as a whole is a party as to which the breach, non-performance, cancellation or failure to renew by any party thereto could reasonably be

expected to have a Material Adverse Effect.

"**Obligor**" means the Borrower and VDA Group as Guarantor, and any other party that may in the future become an obligor.

"**Phase 1**" has the meaning conferred to it in the Recitals point F.

"**Phase 2**" has the meaning conferred to it in the Recitals point G.

"**Premium**" means the 500,000 United States Dollars premium to the Lender for making the Loan available to the Borrower referred to in Clause 7.1.

"**Security Documents**" means the VDA Holding Share Pledge Agreement, the VDA Group Share Pledge Agreement and the Subordination Agreement.

"**SPA**" has the meaning conferred to it in the Recitals point D.

"**SPA Payment**" has the meaning conferred to it in the Recitals point D.

"**Subordination Agreement**" has the meaning conferred to it in Clause 4.

"**Recitals**" are the recitals to this Agreement.

"**Repayment Date**" means the date falling six calendar months from the Effective Date.

"**Taxes**" means any taxes (including interest or penalties thereon) which are now or at any time hereafter imposed, assessed, charged, levied, collected, demanded, withheld or claimed by the United States or Luxembourg or any tax authority thereof or therein or any other jurisdiction through which the Borrower is directed by the Lender to effect payments.

"**TKOI**" has the meaning conferred to it in the Recitals point D.

"**TKOI Bank Account**" has the meaning conferred to it in the Clause 2.2.

"**TKOI Shares**" has the meaning conferred to it in the Recitals point D.

"**Transaction**" has the meaning conferred to it in the Recitals point E.

"**VDA Group**" has the meaning conferred to it in the Recitals point C.

"**VDA Group Share Pledge Agreement**" has the meaning conferred to it in the Clause 3.3.2.

"**VDA Holding Share Pledge Agreement**" has the meaning conferred to it in Clause 3.3.1.

"**VDA-TKOI Stock Purchase**" has the meaning conferred to it in the Recitals point D.

1.2 Interpretation

Unless the context or the express provisions of this Agreement otherwise require, the following shall govern the interpretation of this Agreement:

1.2.1 All references to "Clause" or "sub-Clause" are references to a Clause or sub-Clause of this Agreement.

1.2.2 The terms "hereof", "herein" and "hereunder" and other words of similar import shall mean this Agreement as a whole and not any particular part hereof.

1.2.3 Words importing the singular number include the plural and vice versa.

1.2.4 The headings are for convenience only and shall not affect the construction hereof.

2. LOAN

2.1 Loan

On the terms and subject to the conditions set forth herein, and subject to the fulfilment of the Conditions Precedent, the Lender will make available to the Borrower a loan in the amount of USD 5,000,000 (five million U.S. dollars).

The Loan will be used solely to allow VDA Group to purchase TKOI Shares.

2.2 Drawdown

Subject to the conditions of this Agreement, the Borrower may request the paying out of the Loan by delivering a completed Drawdown Request to the lender by not later than 10.00 a.m. one Business Day before the proposed Drawdown Date (or such shorter time as agreed by the Parties). The deadline to exercise the Drawdown is 20 January 2022. The Drawdown can only be made one time and for the full Loan Amount

The payment of the Loan will be effected by wire transfer directly to the Bank Account of TKOI Beneficiary Acct#: 501059612, ABA#: 12114, with Heritage Bank of Commerce, 224 Airport Pkwy, San Jose, CA 95110, USA (the "**TKOI Bank Account**").

The Lender will instruct its bank or paying agent (as the case may be) in such way that it will bear the costs of the wire transfer, so that the net amount of USD 5,000,000 (five million U.S. dollars) will be transferred to the TKOI Bank Account. The Borrower commits to reimburse the Lender within five (5) business days for any such banking / wire transfer cost.

3. COLLATERALS

To secure the repayment of the Loan, the collaterals listed below will be granted to the Lender:

3.1 The shareholders of the Borrower will grant on the date hereof a pledge over the shares held by them in the Borrower. A draft of the share pledge agreement between the shareholders of the Borrower, the Lender and the Borrower is attached hereto under Appendix 2 (the "**VDA Holding Share Pledge Agreement**").

3.2 The Borrower will grant on the date hereof a pledge over the shares held by it in VDA Group. A draft of the share pledge agreement between the Borrower, the Lender and VDA Group is attached hereto under Appendix 3 (the "**VDA Group Share Pledge Agreement**").

4. SUBORDINATION

The Lender has agreed to make available to the Borrower the Loan Amount on the condition that all the debts due by the Borrower to the creditors listed below are subordinated to the Loan (including the principal amount, any premium, interest, costs and fees), including but not limited to the debts listed below :

4.1 Debt to METI HOLDING SARL amounting to EUR 511,500.00 as at October 18, 2021.

4.2 Debt to MULTIMEDIA SRL (formerly VDA MULTIMEDIA SpA) amounting to EUR 1,260,562.19, as at October 18, 2021.

4.3 Debt to DISTRESS TO VALUE SA amounting to EUR 2,100,000.00 as principal and EUR 278,238.85 as interest, as at October 18, 2021.

The above figures are from the interim accounts of the Borrower dated 18 October 2021.

A draft of the subordination agreement relating to all the debts towards the creditors listed under 4.1, 4.2 and 4.3 are attached hereto under Appendix 4 (the "**Subordination Agreement**").

5. CONDITIONS PRECEDENT FOR DRAWDOWN

The Drawdown of the Loan is subject to the following conditions precedent (the "**Conditions Precedent**"):

5.1 Due execution of the Subordination Agreement;

5.2 Due execution and perfection of the VDA Holding Share Pledge Agreement;

5.3 Due execution and perfection of the VDA Group Share Pledge Agreement;

5.4 Delivery to the Depositary of the notice pursuant to the form set forth in the Schedule 2 of the VDA Group Share Pledge Agreement.

6. REPAYMENT AND PREPAYMENT

6.1 Repayment

Except as otherwise provided herein, the Borrower shall repay the Loan in full, including the principal amount, and the Premium, at the expiration of the Loan Term ("**Repayment Date**").

6.2 Prepayment

The Borrower may prepay the Loan in whole or in part at any time in accordance with the express terms of this Agreement. Prepayments may occur upon five (5) Business Days' notice. A prepayment shall have no impact on the Premium or any costs or fees, which – subject to the provisions of this Agreement - will remain due in full regardless of such prepayment or the date thereof.

7. PREMIUM AND INTEREST

7.1 Premium

On the Repayment Date, the Borrower shall pay to the Lender, in addition to the principal amount, a US $500,000.00 (five hundred thousand U.S. dollars) premium (the "**Premium**") (but no other interest).

The Premium is not applicable, and no amounts will be due by the Borrower in relation thereof, if the Investor Senior Loan is agreed on by the Parties in one or several Long-Form Agreement(s) prior to the Repayment Date, which Long-Form Agreement(s) will include the interest then applicable, or if the Lender converts the Loan Amount under Section 9.1.

7.2 Interest

If the Investor Senior Loan is agreed on by the Parties in one or several Long-Form Agreement(s) prior to the Repayment Date, and therefore the Premium is not applicable, the interest to be applied on the Loan as from the Effective Date will be agreed in the Investor Senior Loan agreement.

8. PAYMENTS – GROSS-UP, SET-OFF OR COUNTERCLAIM

The Borrower shall indemnify the Lender against any increase in lending costs which might occur due to withholding tax.

All payments to be made by the Borrower to the Lender under this Agreement shall be made in full without set-off or counterclaim and (except to the extent required by law) free and clear of, and without deduction for, or on account of, any Taxes. If the Borrower shall be required by applicable law to make any deduction or withholding from any payment under this Agreement, it shall increase any payment due hereunder to such amount as may be necessary to ensure that the Lender receives a net amount equal to the full amount which it would have received had payment not been made subject to such Taxes or any other deduction. In the event that any of these taxes or other levies will be refundable, the Lender and Borrower will cooperate to get them refunded.

9. CONVERSION OPTION

9.1 On the date falling six calendar months from the Effective Date and on the conditions that (i) the Investor Senior Loan is not entered into by the Borrower and the Lender

and (ii) the Borrower does not repay the Loan Amount and the Premium, the Lender may, at its sole discretion and upon 30 days' written notice to the Borrower, elect to convert the outstanding Loan Amount by requiring the Borrower to terminate the Loan in exchange for issuance of additional shares of the Borrower allowing the Lender to be holder of 38,30% of the share capital of the Borrower.

9.2 Any shares arising as a result of a conversion pursuant to this clause shall, as from conversion, rank *pari passu* in all respects with the other ordinary shares of the Borrower for the time being in issue save that any entitlement to dividend attributable to such new ordinary shares in respect of the financial year of the Borrower in which the conversion date falls shall accrue on a daily basis as from (but excluding) the conversion date. Upon conversion, each of the VDA Group Share Pledge Agreement and the VDA Holding Share Pledge Agreement shall terminate and any shares pledged thereunder released from pledge, and the Subordination Agreement shall terminate.

10. BORROWER COVENANTS

10.1 Negative pledge

(a)The Borrower shall not create or permit to subsist any security interest over any of its assets and shall procure that the Guarantor does not create any new security interest.

(b) The Borrower shall not:

(i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by the Borrower;

(ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;

(iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or

(iv) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising financing for its operations or of financing the acquisition of an asset.

(c) Paragraphs (a) and (b) above do not apply to any security, listed below:

(i) the Security Documents;

(ii) any statutory lien existing as of the date hereof;

(iii) any lien arising in the ordinary course of business;

(iv) any security that is released prior to the Drawdown;

(v) any lien arising by operation of law.

10.2. Disposals

(a) The Borrower shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any material asset.

(b)It is understood between the Parties that in case the Investor Senior Loan is not entered into by the Borrower and the Lender by February 26, 2022, or the different day mutually agreed in writing by the Parties, the Borrower will need to repay the Loan Amount and the Premium, therefore the Borrower and VDA Group will not be restricted in carrying out any transaction (including but not limited to, disposal, sale, transfer, pledge, encumber or otherwise disposal of any shares of capital stock or any other instruments representing the capital or giving access to the shares of VDA Group or the Borrower) under the conditions that such transaction (i) effectively ensures the repayment of the Loan Amount and the Premium; and (ii) will not decrease or deprive until the repayment of the Loan and the Premium, the security interest granted to the Lender by the Security Documents; and (iii) until the Loan Amount and the Premium is repaid, will not create any Financial Indebtedness unsubordinated to the Loan, the Premium and any other claims of the Borrower under this Agreement; and (iv) until and as from the Loan Amount and the Premium being repaid, not have a Material Adverse Effect on the going concern prospective of the Borrower.

(c)Without prejudice to the provisions under paragraph (b) above, paragraph (a) above does not apply to any disposal made in the ordinary course of business, and on arm's length terms to an unrelated third party.

(d)Without prejudice to the provisions under paragraph (b) above, the Borrower specifically undertakes not to sell, transfer, pledge, encumber or otherwise dispose of any shares of capital stock or any other instruments representing the capital or giving access to the shares of VDA Group, save for the VDA Group Share Pledge Agreement.

(d) VDA Group specifically undertakes not to sell, transfer, pledge, encumber or otherwise dispose of any shares of capital stock or any warrants issued by TKOI.

10.3 Financial Indebtedness

(a) The Borrower may not incur or permit to be outstanding any Financial Indebtedness.

(b) Paragraph (a) above does not apply to:

(i) any Financial Indebtedness incurred under the Loan;

(ii) any debt subordinated under the Subordination Agreement;

(iii) any Financial Indebtedness repaid prior to the Drawdown;

(iv) any Financial Indebtedness existing as of the date hereof listed in **Appendix 6**;

(v) any Financial Indebtedness incurred in the normal course of business.

(vi) any Financial Indebtedness of VDA Group to the Borrower in relation to the Loan Amount lent by Borrower to VDA Group.

10.4 Lending and guarantees

The Borrower shall not give or allow to be outstanding any guarantee or indemnity to or for the benefit of any person in respect of any obligation of any other person relating to Financial Indebtedness or enter into any document under which the Borrower assumes any liability of any other person other than any guarantee or indemnity given under the Loan or the Security Documents.

10.5 Merger

(a) The Borrower shall not enter into any amalgamation, merger, demerger, or corporate reconstruction other than on terms approved by the Lender (acting reasonably).

10.6 Change of business

(a) The Borrower may not carry on any material business other than its current activities exercised in the normal course of business.

(b) The Borrower may not acquire, incorporate or create any new subsidiary or branch without approval by the Lender (acting reasonably).

10.7 Acquisitions

The Borrower may not make any acquisition or investment other than as permitted under this Agreement or the acquisition of any other assets in connection with the ordinary course of its business.

10.8 Other agreements

The Borrower may not enter into any Material Agreement other than:

(a) the Loan and the documents contemplated therein;

(b) any other agreement expressly allowed under any other term of this Agreement; or

(c) any other agreement entered into by the Borrower in the ordinary course of its business.

10.9 Shares, dividends and share redemption

(a)The Borrower shall not issue any further shares unless provided for in this Agreement or amend any rights attaching to its issued shares in a manner which could be reasonably expected to be materially prejudicial to the Lender.

(b) The Borrower shall not:

(i)declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital);

(ii) repay or distribute any dividend or share premium reserve;

(iii) pay any management, advisory or other fee to the shareholders of the Borrower; or

(iv) redeem, repurchase, defease, retire or repay any of its share capital or resolve to do so.

10.10 Taxes

(a) The Borrower must pay all taxes due and payable by it prior to the accrual of any fine or penalty for late payment, unless (and only to the extent that):

(i) payment of those taxes is being contested in good faith and adequate reserves are being maintained for those taxes and the costs required to contest them; or

(ii)such payment can be lawfully withheld and failure to pay those taxes is not reasonably likely to have a Material Adverse Effect and provided that the Borrower shall take all reasonable steps to ensure that such taxes are paid and discharged as soon as reasonably practicable.

(b)The Borrower must ensure that its residence for tax purposes is in its jurisdiction and that it does not have a branch, agency or permanent establishment or permanent representative in any other jurisdiction.

(c) The Borrower must comply with all tax filing and reporting obligations.

10.11 Information and Reporting

From the date of this Agreement and for so long as any amount is outstanding under this Agreement:

(a)the Borrower shall provide the Lender, out of its own initiative and promptly upon becoming aware of it, with information on all material events related to the Borrower, its assets or its business, that are likely to affect its capacity to honor its obligations towards the Lender, or that are likely to have another Material Adverse Effect for the Lender, and in particular the details of any litigation, arbitration or administrative proceedings or investigations which are current, threatened or pending against the Borrower or any member of the Borrower's group;

(b)the Borrower shall provide the Lender with a copy of its statutory and customary filings and reports, including in particular its financial statements, intermediary balance sheets, quarterly reports etc., and at the same time as they are dispatched, copies of all documents dispatched by the Borrower to its shareholders generally or its creditors generally (or any class of them);

(c)the Borrower shall promptly provide the Lender with all information and documents reasonably requested by the Lender regarding the financial condition, business and operations of the Borrower or any member of the Borrower's group;

(d)the Borrower shall allow the Borrower to have any information provided by or on behalf of it to the Lender verified, as the case may be on location, by an independent auditor sworn to professional secrecy and shall provide such auditor with full access to its premises, books, records and data.

(e)The Borrower shall provide within 15 January 2022 the Lender with a copy (certified by a director) of (i) the agreement executed between the Borrower and the Guarantor in respect of the Loan amount lent by the Borrower to VDA Group and (ii) the resolution of the board of directors of the Guarantor held on December 30, 2021.

10.12 Term Sheet

The Borrower shall respect the Binding Terms (as defined in the Term Sheet) of the Term Sheet, and any breach by the Borrower of the Binding Terms of the Term Sheet shall also be a breach of this Agreement.

10.13 VDA Group

VDA Group undertakes to respect, and the Borrower shall procure that VDA Group shall equally respect, *mutatis mutandis*, the provisions in this Clause 10.

11. TERMINATION BY LENDER AND EVENTS OF DEFAULT

The Lender may terminate this Agreement upon one month's written notice to the Borrower in an Event of Default. Each of the following constitutes an "**Event of Default**" with respect to the Loan. The Lender may accelerate the Loan during a continuation of any of the following events:

11.1 Failure to pay principal, and/ or Premium and/or interests when due.

11.3 Failure by the Borrower or VDA Group to satisfy when due any material liens, claims, or judgments against the Borrower or VDA Group, in any event each individually for an amount not lower than EUR 10,000.00 and in the aggregate EUR 50,000.00, unless its failure to pay is caused by (i) an administrative or technical error; or (ii) a Disruption Event; and payment is made within three (3) Business Days of its due date.

11.4 Any material misrepresentation or material breach of any covenant in any documents or submissions made by the Borrower in this Agreement, in any Security Document or in the Subordination Agreement.

11.5 Failure to cure defaults not detailed above within the applicable cure periods.

11.6 The Borrower defaults in the performance or observance of any of its obligations under or in respect of this Agreement (other than a payment obligation in respect to the principal, and/ or Premium and/or interests) and/or the Security Documents and/ or any other Finance Document and such default (if capable of being remedied) is not remedied within thirty (30) days.

11.7 Filing or action for VDA Group to be declared in a state of insolvency or any similar proceedings affecting the rights of creditors generally, including any proceedings provided for by Italian Royal Decree of 16 March 1942, No. 267, as amended, supplemented or replaced from time to time also by Italian Legislative Decree of 12 January 2019, No. 14.

11.8 Filing or action against the Borrower to obtain the bankruptcy (*faillite*), insolvency, moratorium (*moratoire*), controlled management (*gestion contrôlée*), suspension of payments (*sursis de paiement*), court-ordered liquidation (*liquidation judiciaire*), voluntary liquidation (*liquidation volontaire*) or reorganization or any similar proceedings affecting the rights of creditors generally.

11.9 If the Borrower or VDA Group (i) is unable or admits inability to pay its debts as they fall due; or (ii) is deemed to, or is declared to, be unable to pay its debts under applicable law; or (iii) suspends or threatens to suspend making payments on any of its debts; or (iv) by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors (excluding the Lender in its capacity as such) with a view to rescheduling any of its indebtedness.

11.10 Any attachment, sequestration, distress or execution or any analogous process in any jurisdiction that affects any asset or assets of the Borrower or VDA Group and is not discharged within twenty (20) Business Days.

11.11 The Borrower or VDA Group ceases to carry on (or threatens to cease to carry on) all or a substantial part of its business except as a result of any disposal allowed under this Agreement.

11.12 It is or becomes unlawful for the Borrower or VDA Group to perform any of its obligations under this Agreement or a Security Document created or expressed to be created or any subordination created under the Subordination Agreement is or becomes unlawful.

11.13 Any obligation or obligations of the Lender or VDA Group under this Agreement or a Security Document are not or cease to be legal, valid, binding or enforceable and the cessation individually or cumulatively materially and adversely affects the interests of the Lender.

11.14 The Loan or a Security Document ceases to be in full force and effect or any subordination created under the Subordination Agreement ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to it (other than the Lender) to be ineffective.

11.15 The Borrower or VDA Group rescinds or purports to rescind or repudiates or purports to repudiate all or part of this Agreement, a Security Agreement or the Subordination Agreement.

10.16 Any other material change that may adversely affect the Borrower's ability to fulfill its obligations under this Agreement.

11.ACCELERATION

At any time after the occurrence of an Event of Default which is continuing, the Lender may, by written notice to the Borrower:

11.1 declare all or part of the Loan, accrued by the Premium as well as all accrued interest thereon and any other sum then payable under this Agreement to be immediately due and payable, whereupon such amounts shall become so due and payable; and/or

11.2 declare all or part of the Loan to be payable on demand whereupon the same shall become payable on demand.

12. REPRESENTATIONS AND WARRANTIES

12.1 Each of the Parties hereby represents, warrants and undertakes to the other that:

a) it has the legal right, full power and authority to execute and deliver, and to exercise its rights and perform its obligations under this Agreement;

b) all corporate action required by it to validly and duly authorise the execution and delivery of, and the exercise of its rights and the performance of its obligations under this Agreement has been duly taken;

c) the execution and performance of this Agreement does not and will not breach its articles of incorporation or other constitutional documents or any agreement or obligation by which it is bound or violate any applicable law;

d) this Agreement (when executed) will constitute its valid and binding obligations, enforceable in accordance with its terms;

12.2 The Borrower further gives the Warranties and makes the Representations in**Appendix 5** to this Agreement.

12.3 Lender represents and warrants to, and agrees with, the Borrower that the following is true and complete as of the Closing:

a) Purchase for Own Account. The Lender understands that the Note has not been registered, and will not be registered, under the Securities Act of 1933, as amended (the "**Act**") on the basis of the exemption provided by Section 4(a)(2) of the Act and Regulation D promulgated thereunder. The Lender represents that it is acquiring the Loan and as the case may be, the Conversion Shares solely for its own account and beneficial interest for investment and not for sale or with a view to distribution of the Loan or Conversion Shares or any part thereof.

b) Information and Sophistication. The Lender hereby: (a) acknowledges that it has received certain information it has requested from the Borrower, but that due to the time constraints on the Borrower's side it has not been able to perform a comprehensive due diligence on the Borrower, its assets and its business, so that the Lender has decided whether to make the Loan and as the case may be acquire the Conversion Shares based on the information received from the Borrower, and the representations, warranties and covenants of the Borrower; and (b) further represents that it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risk of this investment.

c) Ability to Bear Economic Risk. The Lender acknowledges that investment in the Loan or Conversion Shares involves a degree of risk, and represents that it is able, without materially impairing its financial condition, and without being obliged to do so, to hold the Loan or Conversion Shares for an indefinite period of time.

d) Restricted Securities. The Lender is aware that the Loan and Conversion Shares or any portion thereof are deemed "restricted securities" (as defined under Rule 144(a)(3) under the Act) and may not be sold unless an applicable exemption exists under applicable US and/or non-US securities laws.

e) Accredited Investor Status. The Lender is an "Accredited Investor" as such term is defined in Rule 501(a) under the Act.

f) Further Limitations on Disposition. Without in any way limiting the representations set forth above, the Lender further agrees not to make any disposition of all or any portion of the Loan or Conversion Shares unless and until:

(i) There is then in effect a Registration Statement under the Act covering such proposed disposition and such disposition is made in accordance with such Registration Statement; or

(ii) The Lender shall have notified the Borrower of the proposed disposition and if reasonably requested by the Borrower, Lender shall have furnished the Borrower with an opinion of counsel, reasonably satisfactory to the Borrower, that such disposition will not require registration under the Act or any applicable state securities laws.

g) No Bad Actor Disqualification. No "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) of the Act (a "Disqualification Event") is applicable to the Lender or, to the Lender's knowledge, any Lender Covered Person (as defined below), except for a Disqualification Event as to which Rule 506(d)(2)(ii-iv) or (d)(3), is applicable.

"**Lender Covered Person**" means, with respect to the Lender as an "issuer" for purposes of Rule 506 promulgated under the Act, any Person listed in the first paragraph of Rule 506(d)(1).

13. GUARANTEE:

13.1. VDA Group as Guarantor irrevocably and unconditionally, jointly and severally (*solidairement et indivisiblement*) as a principal obligor and not merely as a surety and on the basis of obligations directly enforceable against it:

a) guarantees to the Lender punctual performance by each other Obligor of all that Obligor's obligations under this Agreement or any other Finance Document;

b) undertakes with the Lender that whenever an Obligor does not pay any amount when due under or in connection with any Finance Document, it shall immediately on demand pay that amount as if it was the principal obligor; and

c) agrees with the Lender that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Lender immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under a Finance Document on the date when it would have been due.

13.2 Continuing Guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under Finance Document regardless of any intermediate payment or discharge in whole or in part.

13.3 Reinstatement

If any payment by any Obligor or any discharge, release or arrangement given by the Lender (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided or reduced for any reason whatsoever (including, without limitation, as a result of insolvency, business rescue proceedings, administration, liquidation, winding-up or otherwise):

d) the liability of each Obligor shall continue as if the payment, discharge, avoidance or reduction had not occurred; and

e) the Lender shall be entitled to recover the value or amount of that security or payment from each Obligor, as if the payment, discharge, avoidance or reduction had not occurred.

13.4 Waiver of Defences

The obligations of the Guarantor under this Clause 13 will not be affected by any act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Clause 13 (without limitation and whether or not known to it or to the Lender) including:

a) any time, waiver or consent granted to, or composition with, any Obligor or other person;

b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor;

c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;

e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;

f) any unenforceability, illegality, invalidity suspension or cancellation of any obligation of any person under any Finance Document or any other document or security;

g) any insolvency, liquidation, winding-up, business rescue or similar proceedings (including, but not limited to, receipt of any distribution made under or in connection with those proceedings);

h) this Agreement or any other Finance Document not being executed by or binding against any other Guarantor or any other party; or

i) any other fact or circumstance arising on which a Guarantor might otherwise be able to rely on a defence based on prejudice, waiver or estoppel.

13.5 Guarantor intent

Without prejudice to the generality of Clause 13.4 (*Waiver of defences*), the Guarantor - also in derogation to article 1956 of the Italian Civil Code - expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

13.6 Immediate Recourse

The Guarantor waives any right it may have of first requiring the Lender to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Guarantor under this Clause 13. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

13.7 Appropriations

Until the full discharge of the obligations of the Borrower and any other Obligor or Guarantor, the Lender may:

a) refrain from applying or enforcing any other moneys, security or rights held or received by it in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Guarantor shall be not entitled to the benefit from the same; and

b) hold in an interest-bearing suspense account any moneys received from any Guarantor or on account of any Guarantor's liability under this Clause 13.

13.8 Deferral of Guarantors' Rights

Until the full discharge and unless the Lender otherwise directs, the Guarantor will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Clause 13:

a) to be indemnified by an Obligor;

b) to claim any contribution from any other guarantor of or provider of security for any Obligor's obligations under the Finance Documents;

c) to take the benefit (in whole or in part and whether by way of subrogation, cession of action or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;

d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Guarantor has given a guarantee, undertaking or indemnity under Clause 13.1 (*Guarantee and Indemnity*);

e) to exercise any right of set-off against any Obligor; and/or

f) to claim, rank, prove or vote as a creditor or shareholder of any Obligor in competition with any Finance Party.

g) If the Guarantor receives any benefit, payment or distribution in relation to such rights, it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Lender by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for, or otherwise for the benefit of, the Lender and shall promptly pay or transfer the same to the Lender.

13.9 Additional Security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently granted to the benefit or held by the Lender.

13.10 Limitation

a) In any event and independent of provisions to the contrary in this Agreement, the Parties agree, including pursuant to Article 1938 of the Italian Civil Code, that the maximum amount that VDA Group must pay under its obligations as Guarantor pursuant to this Agreement shall not exceed the total of:

(i) the aggregate amount of any loan made available to the Guarantor by the Borrower on the basis of the on-lending referred to in Recital F;

(ii) any shareholder loan in favor of the Guarantor; and

(iii) any other credit granted from time to time under a documentary letter of credit, a guarantee, or any other transaction establishing a financial obligation by the Borrower or another member of its group from which the Guarantor or one of its subsidiaries receives a direct advantage;

PROVIDED THAT the maximum liability of the Guarantor pursuant to this Agreement shall not exceed, in any case, USD 6,700,000 (six million seven hundred thousand United States Dollars).

b) Obligations of the Guarantor shall not include, and shall not extend to any indebtedness (if any) incurred by the Borrower in respect of any amounts of the Loan the purpose or actual use of which is:

(i) the acquisition of the Guarantor (and/or of any entity controlling it), including any related costs and expenses; or

(ii) a subscription for any shares in the Guarantor (and/or any entity controlling it), including any related costs and expenses; or

(iii) the refinancing thereof.

c) With respect to the fulfilment of mandatory requirements under Italian law, with reference to (A) the maximum allowable interest rate (namely Italian Law no. 108 of 7 March 1996, as amended, transposed, or supplemented from time to time, as well as Article 1815 of the Italian Civil Code) and (B) the capitalization of interest (namely Article 1283 of the Italian Civil Code and Article 120 of the Italian Legislative Decree No. 385 of 1 September 1993), the Parties agree that the obligations of the Guarantor under this section do not contain or include (1) any interest that, pursuant to Italian Law no. 108 of 7 March 1996, as amended, transposed, or supplemented from time to time, is to be classified as usurious and (2) any compound interest on amounts in arrears which violate the provisions of Article 1283 of the Italian Civil Code and Article 120 of the Italian Legislative Decree No. 385 of 1 September 1993 and any relevant implementing regulation, each as amended, supplemented or implemented from time to time.

14. GENERAL

14.1 Waivers

No failure to exercise and no delay in exercising, on the part of the Lender or the Borrower, any right, power or privilege hereunder and no course of dealing between the Borrower and the Lender shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof, or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by applicable law.

14.2 Notices

All notices, requests, demands or other communication to or upon the respective parties hereto shall be given or made in the English language in writing and shall be deemed to have been duly given or made at the time of delivery, if delivered by hand or courier, or if sent by facsimile, at the time of transmission (in each case, if given during normal business hours of the recipient, and on the Business Day during which such normal business hours next occur if not given during such hours on any day), to the party to which such notice, request, demand or other communication is required or permitted to be given or made under this Agreement addressed as follows:

If to the Lender:

Address: NOMADIX HOLDINGS LLC, 1209 Orange St., New Castle, WILMINGTON, DE 19801

Email: jack@gatewh.com

Attention: Jack Brannelly

if to the Borrower:

Address: VDA HOLDING S.A., 26, Boulevard Royal, L-2449 LUXEMBOURG

Email: gbianchi@essedi.lu

Attention: Giorgio BIANCHI

If to the Guarantor:

Address: VDA GROUP S.P.A., Pordenone, Via Lino Zanussi 3, CAP 33170, Italy

Email: piercarlo.gramaglia@vdagroup.com

Attention: Piercarlo GRAMAGLIA

or to such other address or Email as any party may hereafter specify in writing to the other.12.3 Bank Accounts.

14.3.1 Any payment made by the Lender to TKOI will be done to the following bank account:

Bank: Heritage Bank of Commerce 224 Airport Pkwy, San Jose, CA 95110, USA;

Beneficiary Acct#: 501059612

ABA#: 12114 (the "**TKOI Bank Account**")

14.3.2 Any payment made by the Borrower or VDA Group to the Lender will be done to the following bank account:

Bank: _Chase Bank Account #516328686

Routing #021000021 (Wire Transfers only)

(the "**Lender Bank Account**").

Each Party may inform the other Parties on a different bank account opened in its name for paymants under this Agreement by giving at least five (5) business days' notice.

14.4 Assignment

This Agreement shall inure to the benefit of and be binding upon the Parties, their respective successors and any permitted assignee or transferee of some or all of a party's rights or obligations under this Agreement. The Borrower shall not assign, novate or transfer all or any part of its rights or obligations hereunder to any other party. The Lender may freely assign its rights under this Agreement.

14.5 Governing law

This Agreement and all matters arising from or connected with it are governed by, and shall be construed in accordance with, Luxembourg law.

14.6 Luxembourg courts

The courts of Luxembourg-City have exclusive jurisdiction to settle any dispute (a '**Dispute**") arising from or connected with this Agreement (including a Dispute regarding the existence, validity or termination of this Agreement) or the consequences of its nullity.

14.7 Language

The language which governs the interpretation of this Agreement is the English language.

14.8 Amendments

Save as otherwise provided herein, this Agreement may not be varied or otherwise modified except by an agreement in writing signed by both Parties.

14.9 Partial Invalidity

The illegality, invalidity or unenforceability to any extent of any provision of this Agreement under the law of any jurisdiction shall affect its legality, validity or enforceability in such jurisdiction to such extent only and shall not affect its legality, validity or enforceability under the law of any other jurisdiction, nor the legality, validity or enforceability of any other provision.

14.10 Costs

Each Party shall bear its own costs in respect of this Agreement.

[**Signature page follows**]

IN WITNESS WHEREOF this Agreement has been executed on the date first mentioned above in two original versions, one for each Party.

For **NOMADIX HOLDINGS LLC**, as Lender

/s/
Name: Ted HELVEY
Title: Manager

For **VDA HOLDING S.A.**, as Borrower

/s/
Name: Giorgio BIANCHI
Title: Director (*Administrateur*)

/s/
Name: Marco GOSTOLI
Title: Director (*Administrateur*)

For **VDA GROUP S.P.A.**, as Guarantor

/s/
Name: Piercarlo GRAMAGLIA
Title: CEO (*Presidente del Consiglio di Amministrazione*)

LIST OF APPENDICES

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Appendix 2 – Share Pledge Agreement

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Appendix 4 – Subordination Agreement

Appendix 5– Borrower Warranties and Representations

Appendix 6 – Financial Indebtedness at the date of this Agreement

Appendix 7 – Term Sheet

Appendix 1: Drawdown Request

VDA HOLDING S.A.
26, Boulevard Royal
L-2449 LUXEMBOURG
RCSL B239150,

To: **NOMADIX HOLDINGS LLC**
1209 Orange St., New Castle,
WILMINGTON, DE 19801, USA
Attention: Ted HELVEY

Date: [DATE]

VDA Holding S.A.

$5,000,000.00 (five million U.S. dollars) convertible loan agreement dated [DATE] between (1) NOMADIX HOLDINGS LLC as the Lender and (2)VDA HOLDING S.A. as the Borrower (the "Agreement")

We refer to the Agreement. This is a Drawdown Request. Words and expressions defined in the Agreement have the same meaning in this Drawdown Request unless given a different meaning in this Drawdown Request.

We give you notice that we wish to draw down the following Loan on [DATE]:

Amount: U.S. dollars $5,000,000.00 (five million U.S. dollars)

Drawdown Date: DATE – not later than 20 January 2022

Account to be credited: By wire transfer directly to the Bank Account of Telkonet, Inc., 20800 SWENSON DRIVE STE 175 WAUKESHA, WI 53186, Beneficiary Acct#: 501059612, ABA#: 12114, with Heritage Bank of Commerce, 224 Airport Pkwy, San Jose, CA 95110, USA (the "**TKOI Bank Account**").

Communication: Payment on behalf of VDA GROUP S.p.A. in exchange for title to 162,900,947 shares of Telkonet Common Stock, a Warrant for 105,380,666 additional shares of Telkonet Common Stock, the right to appoint 3 of 5 directors of Telkonet and other rights enumerated in the SPA.

We confirm that, on today's date and the proposed Drawdown Date:

1 The representations and warranties are true and correct, and will be true and correct immediately after the proposed Loan.

2. No Event of Default or Potential Event of Default is continuing or would result from the proposed Loan.

This Drawdown Request is irrevocable.

For and on behalf of
VDA Holding S.A.`

/s/	/s/
Name:	Name:
Title:	Title:

Appendix 2: VDA HOLDING Share Pledge Agreement

Appendix 3: VDA Group Share Pledge Agreement

Appendix 4 – Subordination Agreement

Appendix 5 – Borrower Warranties and Representations

The Borrower makes the representations and warranties set out in this Appendix5 to the Lender on the date of this Agreement.

For the purpose of this Schedule 6, "**Transaction Documents**" shall mean this Agreement, the Security Documents and the Subordination Agreement, as well as any ancillary documents thereto.

1. Status

(a)It is a joint stock company (*société anonyme*), initially incorporated under Italian law, then migrated to Luxembourg and now validly existing under the laws of Luxembourg.

(b) It has the power to own its assets and carry on its business as it is being conducted.

2. Binding obligations

The obligations expressed to be assumed by it in the Transaction Documents are legal, valid, binding and enforceable obligations.

3. Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, the Transaction Documents do not and will not conflict with:

(a) any law or regulation applicable to it;

(b) its constitutional documents; or

(c) any Material Agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument, in each case in any material respect.

4. Power and authority

(a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Transaction Documents to which it is or will be a party and the transactions contemplated by those Transaction Documents.

(b) No limit on its powers will be exceeded as a result of the borrowing, grant of security or giving of guarantees or indemnities contemplated by the Transaction Documents to which it is a party.

5. Validity and admissibility in evidence

(a) All authorisations required or desirable:

(i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party; and

(ii) to make the Transaction Documents to which it is a party admissible in evidence in all relevant jurisdictions,

have been obtained or effected and are in full force and effect.

(b) All authorisations necessary for the conduct of the business, trade and ordinary activities of the Borrower have been obtained or effected and are in full force and effect if failure to obtain or effect those authorisations has or is reasonably likely to have a Material Adverse Effect.

6. Deduction of Tax

It is not required to make any deduction for or on account of Tax from any payment it may make under any Transaction Document to the Lender.

7. Taxes

(a)It has duly and punctually paid and discharged all taxes imposed upon it or its assets within the time period allowed without incurring interest or penalties save to the extent that (i) payment is being contested in good faith and it has maintained adequate reserves for the payment of such taxes or (ii) payment can be lawfully withheld and failure to pay those taxes is not reasonably likely to have a Material Adverse Effect and provided that the Borrower has taken all reasonable steps to ensure that such Taxes are paid and discharged as soon as reasonably practicable.

(b) It is not materially overdue in the filing of any tax returns.

(c) No claims or investigations are being, or are reasonably likely to be, made or conducted against it with respect to taxes.

(d)It is not treated for any tax purposes as resident in a country or jurisdiction other than Luxembourg and it does not have a branch, agency, permanent establishment or permanent representative in any other jurisdiction.

8. No Default

(a)No Event of Default and, as at the date of this Agreement and the Drawdown date, no default is continuing or is reasonably likely to result from the making of the Drawdown or the entry into, or the performance of, or any transaction contemplated by, any Transaction Document.

(b)No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or a termination event (however described) under any other agreement or instrument which is binding on it or to which any of its assets are subject which has or is reasonably likely to have a Material Adverse Effect.

9. Information

(a)All information supplied in writing by it or on its behalf to the Lender in connection with the Transaction Documents was true and accurate in all material respects as at the date it was provided or as at any date at which it was stated to be given.

(b)Any financial projections contained in the information referred to in paragraph (a) above have been prepared as at their date on the basis of recent historical information and on the basis of reasonable assumptions.

(c)It has not omitted to supply any information which, if disclosed, would make the information referred to in paragraph (a) above untrue or misleading in any material respect.

(d)As at the Drawdown, nothing has occurred since the date of the information referred to in paragraph (a) above which, if disclosed, would make that information untrue or misleading in any material respect.

10. Financial statements

(a) Its annual financial statements were prepared in accordance with Luxembourg GAAP consistently applied.

(b)There has been no material adverse change in its business or financial condition (or the business or consolidated financial condition of its group) since the preparation and filing of the last annual financial statements.

(c) Its financial statements give a true and fair view of its financial condition.

(d) Its most recent interim financial statements prepared as at 18 October 2021:

(i) have been prepared in accordance with Luxembourg GAAP as applied to the annual financial statements; and

(ii) fairly present its financial condition as at the date of Drawdown.

(e)Since the date of the most recent financial statements delivered as at 18 October 2021 there has been no material adverse change in its business, assets or financial condition, or the business, assets or financial condition of its group.

11. Pari passu ranking

Its payment obligations under the Finance Documents rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying generally.

12. No proceedings

(a)No litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency which are reasonably likely to be adversely determined against it and, if so adversely determined, are reasonably likely to have a Material Adverse Effect have (to the best of its knowledge and belief (having made due and careful enquiry)) been started or threatened against it.

(b)No judgment or order of a court, arbitral body or agency which is reasonably likely to have a Material Adverse Effect has (to the best of its knowledge and belief (having made due and careful enquiry)) been made against it.

13. No other business

(a)The Borrower has not traded or carried on any business since the date of its incorporation other than the business described in its corporate object and related ancillary activities.

(c) As at the date of this Agreement the Borrower does not hold any direct Subsidiaries other than VDA Group.

(d) The Borrower:

(i) does not have, or has not had, any employees; and

(ii) has no obligation in respect of any retirement benefit or occupational pension scheme.

14. Centre of main interests and establishments

For the purposes of Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast) (the "Regulation"), its centre of main interest (as that term is used in Article 3(1) of the Regulation) is situated in Luxembourg and it has no "establishment" (as that term is used in Article 2(10) of the Regulation) in any other jurisdiction.

15. Ranking of Security

Subject to the perfection requirements, the security conferred by each Security Document constitutes a first ranking and priority security interest of the type described, over the assets referred to, in that Security Document and those assets are not subject to any prior or *pari passu* security interest.

16. Ownership

(a)The Borrower's entire issued share capital is legally and beneficially owned and controlled by its shareholders being METI HOLDING SARL and Mr Arturo Iossa FASANO.

(b) The shares in the capital of the Borrower are fully paid and are not subject to any option to purchase or similar rights.

(c)The constitutional documents of the Borrower do not and could not restrict or inhibit any transfer of the shares of the Borrower or on creation or enforcement of the security conferred by the Security Documents.

17. Financial Assistance

None of the proceeds of the Loan or other credit which is the subject matter of the Transaction Documents have been used or are being used, nor will they be used at any time in any way which would constitute "financial assistance" as referred to by Articles 430-19 and 430-21 of the amended law of 10 August 1915 on commercial companies (the "**Law of 1915**") or which would result in the Transaction Documents or the transactions thereby contemplated (including without limitation the guarantees and indemnities thereby created) contravening the Law of 1915.

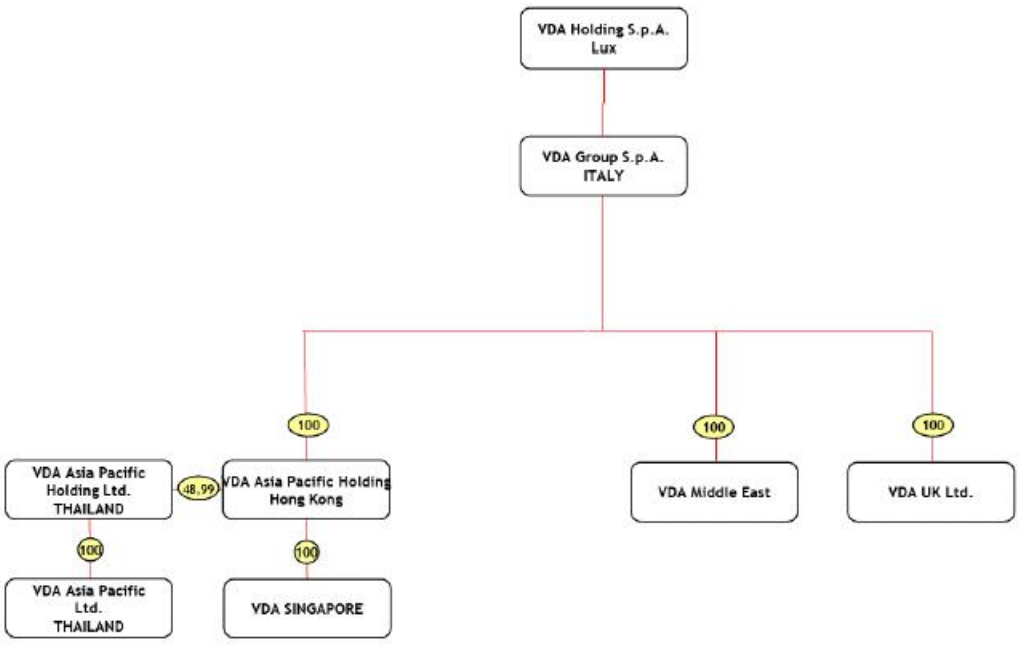
18. Loans to directors and connected persons

The Transaction Documents and the transactions contemplated by the Transaction Documents do not constitute loans, quasi-loans, guarantees, security or credit transactions entered into by the Borrower to or for the benefit of any of the directors of the Borrower or of the Borrowers shareholders (or any person connected to such persons).

19. VDA Group

The Warranties and Representations in this Appendix 5 will apply mutatis mutandis to VDA Group, with the premise that VDA Group:

(i) is a joint stock limited company (*società per azioni*) duly incorporated and existing under the laws of Italy;
(ii) has its registered office and corporate seat in Italy;
(iii) prepares its financial statements under Italian GAAP;
(iv) employs staff in Italy;
(v) has the direct and indirect subsidiaries as shown in the following graph (note: in the structure chart "VDA Holding S.p.A." in fact designates VDA Holding S.A.):



Appendix 6 – Financial Indebtedness at the date of this Agreement

Appendix 7 – Term Sheet

6 January 2022

PLEDGE OVER SHARES AGREEMENT

BETWEEN

(1) METI HOLDING S.à r.l.
As Pledgor 1
And

(2) Mr Arturo Iossa FASANO
As Pledgor 2
And

(3) NOMADIX HOLDINGS LLC
As pledgee

IN THE PRESENCE OF

(4) VDA Holding S.A.
The Company

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THIS PLEDGE AGREEMENT has been entered into on the 5th day of January 2022

BETWEEN

(1) **METI HOLDING S.à r.l.**, a private limited company (*société à responsabilité limitée*), incorporated and existing under the laws of Luxembourg, with registered office at 26, Boulevard Royal, L-2449 LUXEMBOURG, registered with the Register of Commerce and Companies of Luxembourg (*Registre de Commerce et des Sociétés, Luxembourg*) ("**RCSL**"), Section B under no. B217383, represented by Flavio DE PAULIS and Giorgio BIANCHI acting in their capacity as managers (*gérants*) with the right to joint signature (the "**Pledgor 1**");

And

(2) **Mr. Arturo Iossa FASANO**, with address at 15, Piazzale Segesta, I-20148 MILAN (the "**Pledgor 2**" and defined together with the Pledgor 1 as the "**Pledgors**");

And

(3) **NOMADIX HOLDINGS LLC,** a limited liability company duly organized and existing under the laws of Delaware (USA), with registered address at 1209 Orange St., New Castle, WILMINGTON, DE 19801, with File Number 7506079, represented by Ted HELVEY, acting in his capacity as manager (the **Pledgee**");

IN THE PRESENCE OF:

(4) **VDA Holding S.A.**, a public limited company (*société anonyme*) incorporated and existing under the laws of Luxembourg, with registered office at 26, Boulevard Royal, L-2449 LUXEMBOURG, registered with the RCSL, Section B under no. 239150, represented by Giorgio BIANCHI and Marco GOSTOLI, acting in their capacity as directors (*administrateurs*) with the right to joint signature (the "**Company**");

The Pledgors and the Pledgee being referred to as the '**Parties**".

RECITALS:

(A) By a convertible loan agreement dated6 January 2022 (the "**Convertible Loan Agreement**") made by and between the Company acting as borrower and the Pledgee acting as lender, it was agreed that the Pledgee shall lend to the Company a loan in the amount of $5,000,000.00 (five million U.S. dollars) (the "**Loan**").

(B) The Pledgor 1 and the Pledgor 2 are the sole shareholders of the Company. The Pledgor 1 is the holder of 212,637 (two hundred twelve thousand six hundred thirty-seven) shares with a nominal value of EUR 1 (one euro) each, representing approximately 82.76% of the outstanding shares of the Company. The Pledgor 2 is the holder of 44,295 (forty-four thousand two hundred ninety-five) shares with a nominal value of EUR 1 (one euro) each, representing approximately 17.24% of the outstanding shares of the Company.

(C) As a condition precedent under the Convertible Loan Agreement, the Pledgors have agreed, for the purpose of creating a security for the payment of all the Secured Obligations (as defined below), to enter into this Pledge Agreement.

IT IS AGREED AS FOLLOWS:

1. **DEFINITIONS AND INTERPRETATION**

1.1 Terms defined in the Agreements shall bear the same meaning herein, unless the context requires otherwise or unless expressly provided to the contrary.

1.2 In this Pledge Agreement:

"**Convertible Loan Agreement**" has the meaning conferred to it in the Recitals point A. A copy of the Convertible Loan Agreement is attached hereto under Appendix 1.

"**Event of Default**" has the meaning ascribed to such term in the Convertible Loan Agreement;

"**Financial Collateral Law"** means the Luxembourg law of 5 August 2005 on financial collateral arrangements (*Loi du 5 août 2005 sur les contrats de garantie financière*), as amended from time to time;

"**Pledge**" means the pledge over the Pledged Shares as provided for by this Pledge Agreement;

"**Pledge Agreement**" means this pledge agreement;

"**Pledged Shares**" means the Shares and the Related Assets pertaining thereto;

"**Related Assets**" means all present and future dividends (the "**Dividends**"), interest and other monies payable in respect of the Shares and all other rights, benefits and proceeds (including the proceeds from any sale of the Shares following an enforcement of this Pledge and, in particular, any proceeds that may not immediately be used to discharge Secured Obligations) in respect of or derived from the Shares (whether by way of redemption, capital increase, withdrawal of a shareholder, liquidation, bonus, preference, option, substitution, conversion or otherwise) except to the extent these constitute Shares;

"**Rights of Recourse**" means all and any rights, actions and claims the Pledgors may have against any person having granted security or given a guarantee for the Secured Obligations, arising under or pursuant to the enforcement of the present Pledge including, in particular, the Pledgors' right of recourse against any such entity under the terms of Article 2028 *et seq.* of the Luxembourg Civil Code (including, for the avoidance of doubt, any right of recourse prior to enforcement), or any right of recourse by way of subrogation or any other similar right, action or claim under any applicable law;

"**Secured Obligations**" means all obligations which the Company may at any time owe to the Pledgee under or pursuant to the Convertible Loan Agreement.

"**Shares**" means all of the shares (*actions*) in the share capital of the Company held by, to the order or on behalf of each of the Pledgors at any time, including for the avoidance of doubt any shares which shall be issued to the Pledgors from time to time, regardless of the reason of such issuance, whether by way of substitution, replacement, dividend or in addition to the shares held on the date hereof, whether following an exchange, division, free attribution, contribution in kind or in cash or for any other reason (the "**Future Shares**"), in which case such Future Shares shall immediately be and become subject to the security interest created hereunder;

1.3 In this Pledge Agreement, any reference to (a) a "Clause" is, unless otherwise stated, a reference to a Clause hereof and (b) to any agreement (including this Pledge Agreement or any of the Agreements) is a reference to such agreement as amended, varied, modified or supplemented (however fundamentally) from time to time. Clause headings are for ease of reference only;

1.4 This Pledge Agreement may be executed in any number of counterparts and by way of facsimile exchange of executed signature pages, all of which together shall constitute one and the same Pledge Agreement.

2. **PLEDGE OVER SHARES (*ACTIONS*)**

2.1 The Pledgors pledge (*gage*) the Pledged Shares in favour of the Pledgee, who accepts, as a first ranking security interest(*sûreté de premier rang*) (the "**Pledge**") for the due and full payment and discharge of all of the Secured Obligations.

2.2 The Pledgors and the Pledgee request the Company and the Company, by signing hereunder for acceptance, undertakes to register the Pledge in its register of shareholders and to provide to the Pledgee a certified copy of the register of shareholders evidencing such registration on the date hereof.

2.3 The following wording shall be used for the registration:

"*All shares owned from time to time by [METI HOLDING S.à r.l. / Mr. Arturo Iossa FASANO] (the "**Pledgor**") and, in particular, the [*212,637 (two hundred twelve thousand six hundred thirty-seven)] *[44,295 (forty-four thousand two hundred ninety-five)] shares of VDA Holding S.A. (the "**Company**") on the date of the present registration, have been pledged in favor of NOMADIX HOLDINGS LLC acting as pledgee (the "**Pledgee**"), pursuant to a pledge agreement dated 6 January 2022, between the Pledgor as pledgor, the Pledgee as pledgee and the Company as the Company."*

2.4 The Pledgors and the Pledgee hereby give power to any director of the Company with full power of substitution to register the Pledge in the register of shareholders of the Company.

2.5 Without prejudice to the above provisions, the Pledgors hereby irrevocably authorise and empower the Pledgee to take, or to cause any formal steps to be taken, by the directors or other officers of the Company for the purpose of perfecting the Pledge and, for the avoidance of doubt, undertake to take any such steps themselves if so directed by the Pledgee. In particular, should any such steps be required in relation to Future Shares, the Pledgors undertake to take any such steps and procure that any such steps be taken simultaneously to the issuance or receipt of Future Shares.

2.6 The Pledgors undertake that during the subsistence of this Pledge Agreement it will not grant any lower ranking pledge without the prior approval of the Pledgee.

3. VOTING RIGHTS AND DIVIDENDS

3.1 Following the occurrence of an Event of Default which is continuing, the Pledgee shall be entitled to receive all Dividends and to apply them to the Secured Obligations at its discretion.

3.2 Until the occurrence of an Event of Default which is continuing, the Pledgors shall be entitled to exercise all voting rights attached to the Shares in a manner which, except as otherwise provided in the Convertible Loan Agreement, does not (i) adversely affect this Pledge, cause an Event of Default to occur, vary the rights attaching to or conferred by all or any part of the Pledged Shares; (ii) increase the issued share capital of the Company; or (iii) issue or permit the issuing of any security or instrument (in particular the issuing of any debt security or instrument and/ or any security or instrument directly or indirectly allowing for a subscription of shares in the Company). After the occurrence of an Event of Default, the Pledgors shall not, without the prior written consent of the Pledgee, exercise any voting or other rights in relation to the Shares.

3.3 After an Event of Default which is continuing has occurred, the Pledgee shall be entitled to exercise the voting rights attached to the Shares in accordance with Article 9 of the Financial Collateral Law in any manner the Pledgee deems fit. The Pledgors shall do whatever is necessary to ensure that the exercise of the voting rights in these circumstances is facilitated and becomes possible for the Pledgee, including the issuing of a written proxy in any form or any other document that the Pledgee may require for the purpose of exercising the voting rights.

4. PLEDGORS' REPRESENTATIONS AND UNDERTAKINGS

4.1 Each of the Pledgors hereby represents to the Pledgee that during the subsistence of this Pledge Agreement:

4.1.1 it is, and will be, the sole owner of the Pledged Shares free from any encumbrance (other than deriving from this Pledge Agreement);

4.1.2 the Shares represent the entire issued share capital of the Company;

4.1.3 the Company has not declared any dividends in respect of the Shares that are still unpaid at the date hereof;

4.1.4 it has not sold or disposed of all or any of its rights, title and interest in the Pledged Shares;

4.1.5 it has the necessary power to enable it to enter into and perform its obligations under this Pledge Agreement;

4.1.6 this Pledge Agreement constitutes its legal, valid and binding obligations and the Pledge, once perfected in accordance with Clause 2 (*Pledge over Shares*), creates an effective first priority security over the Pledged Shares enforceable in accordance with its terms.

4.2 Without the Pledgee's prior written consent and in any event save as otherwise provided in the Convertible Loan Agreement, the Pledgors shall not:

4.2.1 sell or otherwise dispose of all or any of the Shares or of its rights, title and interest in the Pledged Shares;

4.2.2 create, grant or permit to exist any (a) encumbrance or security interest over, or (b) restriction on the ability to transfer or realise all or any part of the Pledged Shares (other than, for the avoidance of doubt, the Pledge); or

4.2.3 approve an increase of share capital unless the Pledgors subscribes for all such Future Shares.

4.3 Each of the Pledgors hereby undertakes that, during the subsistence of this Pledge Agreement:

4.3.1 it shall cooperate with the Pledgee and sign or cause to be signed all such further documents and take all such further action as the Pledgee may from time to time reasonably request to perfect and protect this Pledge or to exercise its rights under this Pledge Agreement;

4.3.2 as shareholder of the Company, it shall act in good faith to maintain and exercise its rights in the Company, and in particular shall neither knowingly take any steps nor do anything which could adversely affect the existence of the security interest created hereunder or the value thereof; and

4.3.3 without prejudice to Clause 3 (*Voting Rights and Dividends*), it shall inform the Pledgee at least five (5) business days prior to any resolution or meeting of the shareholders of the Company, as well as of the agenda thereof.

5. POWER OF ATTORNEY

5.1 Each of the Pledgors irrevocably appoints the Pledgee to be its attorney and in its name and on its behalf to execute, deliver and perfect all documents (including any share transfer forms and other instruments of transfer) and do all things that the Pledgee may consider to be requisite for (a) carrying out any obligation imposed on the Pledgors under this Pledge Agreement, or (b) exercising any of the rights conferred on the Pledgee by this Pledge Agreement or by law, it being understood that the enforcement of the pledge over the Pledged Shares must be carried out as described in Clause 6 (*Remedies upon Default*) hereunder.

5.2 The Pledgors shall ratify and confirm all things done and all documents executed by the Pledgee in the exercise of that power of attorney, provided that such power of attorney shall not be exercisable prior to the occurrence of an Event of Default which is continuing save for such power of attorney necessary for the perfection of this Pledge Agreement.

6. REMEDIES UPON DEFAULT

Following the occurrence of an Event of Default if the Secured Obligations are due and payable and remain unpaid the Pledgee shall be entitled to realise the Pledged Shares in the most favourable manner provided for by Luxembourg law and may, in particular, but without limitation:

7.1 appropriate the Pledged Portfolio in which case the Pledged Portfolio will be valued at its market value, as determined by the Pledgee in its sole, commercially reasonable discretion. The Pledgee may, at its discretion, appoint a third party to make (or to assist the Pledgee in making) such valuation;

7.2 if applicable, appropriate the Pledged Shares at its list price (if the Pledged Shares is admitted to the official list of a stock exchange located in Luxembourg or abroad, or if it is traded on a regulated market functioning regularly, recognised and open to the public);

7.3 sell the Pledged Shares in a private sale on normal commercial terms, in a sale organised by a stock exchange (to be chosen by the Pledgee) or in a public sale (organised at the discretion of the Pledgee and which, for the avoidance of doubt, does not need to be made by or within a stock exchange);

7.4 request a judicial decision that the Pledged Shares be attributed to the Pledgee in discharge of the Secured Obligations following a valuation of the Pledged Shares made by a court- appointed expert; or

7.5 establish a set off between the Secured Obligations and the Pledged Shares.

The Pledgee shall apply the proceeds of the sale in paying the costs of that sale or disposal and in or towards the discharge of the Secured Obligations, in accordance with the terms of the Facility Agreement.

8. EFFECTIVENESS OF COLLATERAL

8.1 The Pledge shall be a continuing security and shall not be considered as satisfied or discharged or prejudiced by any intermediate payment, satisfaction or settlement of any part of the Secured Obligations and shall remain in full force and effect until it has been discharged by the express written release thereof granted by the Pledgee.

8.2 The Pledge shall be cumulative, in addition to, and independent of every other security which the Pledgee may at any time hold as security for the Secured Obligations or any rights, powers and remedies provided by law and shall not operate so as in any way to prejudice or affect or be prejudiced or affected by any security interest or other right or remedy which the Pledgee may now or at any time in the future have in respect of the Secured Obligations.

8.3 This Pledge shall not be prejudiced by any time or indulgence granted to any person, or any abstention or delay by the Pledgee in perfecting or enforcing any security interest or rights or remedies that the Pledgee may now or at any time in the future have from or against the Pledgors or any other person.

8.4 No failure on the part of the Pledgee to exercise, or delay on its part in exercising, any of its rights under this Pledge Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right preclude any further or other exercise of that or any other rights.

8.5 For the avoidance of doubt, the Pledgors hereby waive any rights arising for it now or in the future (if any) under Article 2037 of the Luxembourg Civil Code.

8.6 The Pledgee or any of its agents shall not be liable by reason of (a) taking any action permitted by this Pledge Agreement; (b) any neglect or default in connection with the Pledged Shares; or (c) the realisation of all or any part of the Pledged Shares, except in the case of gross negligence or wilful misconduct on their part.

9. INDEMNITY

9.1 The Pledgee shall not be liable for any loss or damage suffered by the Pledgors, save in respect of such loss or damage which is suffered as a result of wilful misconduct or gross negligence.

9.2 The Pledgee shall be indemnified on first demand for any costs or damages of any nature whatsoever relating to the enforcement of the pledge over all or part of the Pledged Shares that are incurred by the Pledgee.

10. RIGHTS OF RECOURSE

10.1 The Pledgors irrevocably agree to waive their Rights of Recourse if the relevant person against whom the Rights of Recourse are to be exercised has come under the direct or indirect control of the Pledgee or any third party following or in connection with, the enforcement of the Pledge.

10.2 Without prejudice to Clause 10.1 above, this Clause shall remain in full force and effect notwithstanding any discharge, release or termination of this Pledge (whether or not in accordance with Clause 8.1 of this Pledge Agreement).

11. PARTIAL ENFORCEMENT

Subject to Clause 7 (*Remedies upon Default*), the Pledgee shall have the right, to request enforcement of all or part of the Pledged Shares in its most absolute discretion. No action, choice or absence of action in this respect, or partial enforcement, shall in any manner affect the Pledge created hereunder over the Pledged Shares, as it then shall be (and in particular those Shares which have not been subject to enforcement). The Pledge shall continue to remain in full and valid existence until enforcement, discharge or termination hereof, as the case may be.

12. ARTICLES OF ASSOCIATION OF THE COMPANY; WAIVER BY PLEDGORS

The Pledgors agree that all restrictions, prohibitions, mechanisms concerning the transfer of shares of the Company, as stated in the articles 7, 8 and 9 of the articles of association of the Company will not apply to the Pledgee in the event of an enforcement of the Pledge so that the Pledgee became a new shareholder of the Company. In particular, to the extent necessary, the Pledgors hereby unconditionally and irrevocably waive any and all rights of preference, drag-along or tag along under the articles 7, 8 and 9 of the articles of association of the Company with respect of a transfer of shares of the Company to the Pledgee in an enforcement of the Pledge.

13. **COSTS AND EXPENSES**

All the Pledgee's reasonable costs and expenses (including legal fees, stamp duties and any value added tax) incurred in connection with (a) the execution of this Pledge Agreement or otherwise in relation to it; (b) the perfection of the collateral hereby constituted; or (c) the exercise of its rights, shall be reimbursed to the Pledgee.

14. **CURRENCY CONVERSION**

For the purpose of, or pending the discharge of, any of the Secured Obligations the Pledgee may convert any money received, recovered or realised or subject to application by it under this Pledge Agreement from one currency to another, as the Pledgee may see fit and any such conversion shall be effected at the Pledgee's spot rate of exchange for the time being for obtaining such other currency with the first currency.

14. **NOTICES**

Any notice or demand to be served by one person on another pursuant to this Pledge Agreement shall be served by registered mail with acknowledgement of receipt.

15. **SUCCESSORS**

15.1 This Pledge Agreement shall remain in effect despite any amalgamation or merger (however effected) relating to the Pledgee, and references to the Pledgee shall be deemed to include any assignee or successor in title of the Pledgee and any person who, under any applicable law, has assumed the rights and obligations of the Pledgee hereunder or to which under such laws the same have been transferred or novated or assigned in any manner.

15.2 For the purpose of Articles 1278 *et seq.* of the Luxembourg Civil Code and any other relevant legal provisions, to the extent required under applicable law and without prejudice to any other terms hereof and in particular Clause 15.1 hereof, the Pledgee hereby expressly reserves and the Pledgors agree to the preservation and assignment of this Pledge and the security interest created thereunder in case of assignment, novation, amendment or any other transfer of the Secured Obligations or any other rights arising under the Facility Agreement.

15.3 To the extent a further notification or registration or any other step is required by law to give effect to the above, such further registration shall be made and the Pledgors hereby give power of attorney to the Pledgee to make any notifications and/or to require any required registrations to be made in the register of shareholders of the Company, or to take any other steps, and undertake to do so themselves if so requested by the Pledgee.

16. **AMENDMENTS AND PARTIAL INVALIDITY**

16.1 Changes to this Pledge Agreement and any waiver of rights under this Pledge Agreement shall only be valid if made in writing.

16.2 If any provision of this Pledge Agreement is declared by any judicial or other competent authority to be void or otherwise unenforceable, that provision shall be severed from this Agreement and the remaining provisions of this Pledge Agreement shall remain in full force and effect. The Pledge Agreement shall, however, thereafter be amended by the Parties in such reasonable manner so as to achieve, without illegality, the intention of the parties with respect to that severed provision.

17. **GOVERNING LAW AND JURISDICTION**

17.1 This Pledge Agreement is governed by and shall be construed in accordance with the laws of Luxembourg.

17.2 The courts of Luxembourg have exclusive jurisdiction to settle any dispute arising from or connected with this Pledge Agreement including a dispute regarding the existence, validity or termination of this Pledge Agreement or the consequences of its nullity. The Parties agree that the courts of Luxembourg are the most appropriate and convenient courts to settle any dispute arising from or connected with this Pledge Agreement and, accordingly, that they will not argue to the contrary.

[*Signature page to follow*]

This Pledge Agreement has been duly executed by the Parties and the Company in four (4) originals on6 January 2022, each Party and the Company declaring having received one original.

For the Pledgee

NOMADIX HOLDINGS LLC

/s/

Name: Ted HELVEY

Title: Manager

For the Pledgor 1

METI HOLDING S.à r.l.

/s/ /s/

Name: Flavio DE PAULIS

Title: Manager (*gérant*)

Name: Giorgio BIANCHI

Title: Manager (*gérant*)

The Pledgor 2

/s/

Name: Arturo Iossa FASANO

By signing hereunder for acceptance, the Company acknowledges and accepts the existence of this Pledge Agreement and security interest created hereunder over the Pledged Shares for the purposes of the Financial Collateral Law, takes notice of the terms thereof, undertakes to duly register forthwith this Pledge in its register of shareholders and to provide the Pledgee with a certified copy of the register, evidencing the registration of the present Pledge on the date hereof.

For the Company

VDA Holding S.A.

/s/

Name: Giorgio BIANCHI

Title: Director (*administrateur*)

/s/

Name: Marco GOSTOLI

Title: Director (*administrateur*)

LIST OF APPENDICES:

Appendix 1: Convertible Loan Agreement

Appendix 1: Convertible Loan Agreement

Exhibit 99.8

To:

VDA Group S.p.A.
Viale Lino Zanussi,3
33170 Pordenone (Italy)
Attention: Piercarlo Gramaglia
Attention: Alberto Nogarotto

VDA Holding S.A.
26, Boulevard Royal
L-2449 Luxembourg
Attention: Giorgio Bianchi

6 January 2022

Ref: VDA Group S.p.A. - Pledge over shares - acceptance

Dear Sirs,

We hereby acknowledge receipt of the proposal of VDA Holding S.A. relating to entering into a deed of pledge over shares, which we reproduce herein below duly signed and initialized on each page for unconditional and irrevocable acceptance.

"To:

Nomadix Holdings LLC
1209 Orange St., New Castle,
WILMINGTON, DE 19801
USA
Attention: Jack Brannelly

VDA Group S.p.A.
Viale Lino Zanussi,3
33170 Pordenone (Italy)
Attention: Piercarlo Gramaglia
Attention: Alberto Nogarotto

6 January 2022

Ref: VDA Group S.p.A. - Pledge over shares - proposal

Dear Sirs,

Following our recent discussions, please find attached hereunder our proposal concerning the terms and conditions of the deed of pledge over shares:

****

THIS DEED OF PLEDGE OVER SHARES is made between:

(1) **VDA Holding S.A.**, a public limited company (*société anonyme*) incorporated and existing under the laws of Luxembourg, with registered office at 26, Boulevard Royal, L-2449 Luxembourg, corporate capital Euro 256,932.00, registered with the Register of Commerce and Companies of Luxembourg (*Registre de Commerce et des Sociétés, Luxembourg*), Section B under no. 239150, represented by Giorgio Bianchi and Marco Gostoli, acting in their capacity as directors (*administrateurs*) with the right to joint signature

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hereinafter being referred to as the "**Pledgor**";

- on one side, and

(2) **NOMADIX HOLDINGS LLC**, a limited liability company duly organized and existing under the laws of Delaware (USA), with registered address at 1209 Orange St., New Castle, WILMINGTON, DE 19801, with the Delaware Business Registry File Number 7506079, represented by Edward L. Helvey, acting in his capacity as manager as secured creditor

hereinafter being referred to as the "**Pledgee**"; or as the "**Secured Creditor(s)**";

- on the other side, and

(3) **VDA Group S.p.A.**, a company incorporated under the laws of Italy with registered office in Pordenone, Via Lino Zanussi 3, CAP 33170, corporate capital of Euro 172,233.50, registered under the Companies Registry of Pordenone under no. 00976420307, only for the purpose of acknowledgement and acceptance of the provisions set forth hereunder

hereinafter being referred to as the "**Company**"

The Pledgor and the Pledgee being hereinafter referred to as the '**Parties**" or, individually, a "**Party**".

BACKGROUND:

(A) On or about the date hereof, the Pledgor as borrower and the Secured Creditors, as lender, entered into a loan agreement (the "**Loan Agreement**"), whereby the Secured Creditors undertook to grant a loan amounting to US Dollar $5,000,000 to the Pledgor (the "**Loan**"); a description of the main terms of the Loan is enclosed herewith in **Schedule 1** (**Description of the Secured Obligations**);

(B) In relation to the above, the Pledgor is required, *inter alia*, to grant a pledge over the Shares (as defined below) in order to secure the fulfilment by the Pledgor of all the obligations vis-à-vis the Secured Creditors (as defined below) under the Loan;

(C) At the date hereof, the Pledgor has full and unencumbered title to (*detiene*, *in piena e libera proprietà*) no. 6,499 ordinary shares of the Company, which are issued in book-entry form (*form dematerializzata*) and registered in the name of the Pledgor in the securities account no. LU55 2981 0000 0005 6707 opened by the Pledgor with the Depositary (as defined below) (the "**Securities Account**"), representing in aggregate a stake equal to 100% of the share capital of the Company (the "**Shares**");

(D) The Pledgor hereby intends to secure all its obligations vis-à-vis the Secured Creditors under the Loan by granting a first ranking pledge, in favour of the Secured Creditors, over the Shares of the Company in accordance with the terms set forth below;

IT IS AGREED as follows.

1. INTERPRETATION

1.1 Definitions

(a) Save as otherwise provided herein defined terms shall have the same meaning attributed to them in the Loan Agreement, as applicable.

(b) Unless expressly provided to the contrary in this Deed, in this Deed:

"**Bankruptcy Law**" means the Italian Royal Decree of 16 March 1942, No. 267, as amended, supplemented or replaced from time to time also by the New Bankruptcy Law.

"**Borrower**" means the Pledgor as borrower under the Loan.

"**Business Day**" has the meaning ascribed to it in the Loan Agreement.

"**Collateral**" means the Shares and the Related Assets.

"**Deed**" means this deed of pledge over Shares.

"**Decree 170**" means Italian Legislative Decree No. 170 of 21 May 2004 (*Attuazione della direttiva 2002/47/CE, in materia di contratti di garanzia finanziaria).*

"**Depositary**" means BPER Bank Luxembourg SA.

"**Dividends**" means all the dividends (*dividendi*) and accounts on dividends (*acconti sui dividendi*) relating to the Shares.

"**Event of Acceleration**" means the occurrence of one or more Events of Default following which the Secured Creditors have given to the Borrower the notice set out in Clause 9 of the Loan Agreement.

"**Event of Default**" means the occurrence of any Event of Default under Clause 8 of the Loan Agreement.

"**Italian Civil Code**" means the Italian *codice civile.*

"**Law on Financial Collateral**" means Luxembourg Law of 5 August 2005 on financial collateral arrangements.

"**Italian Financial Act**" means the Italian Legislative Decree no. 58 / 1998, as amended from time to time.

"**New Bankruptcy Law**" means Legislative Decree of 12 January 2019, No. 14.

"**New Shares**" means all the shares in the Company, of any class (*categoria*), which the Pledgor may subscribe to or otherwise acquire after the execution of this Deed, including, without limitation, the shares subscribed to following a share capital increase of the Company, whether for consideration or without consideration (*aumento del capitale a titolo oneroso* or *aumento del capitale a titolo gratuito*).

"**Party**" means a party to this Deed.

"**Pledge**" means the security interests referred to in Clause 2 (Pledge), created for the benefit of the Secured Creditors in accordance with Italian law. It is understood that the term "Pledge" also includes any and all security interests pursuant to Clause 5 (Extension of the Pledge).

"**Related Administrative Rights**" means any and all administrative rights (*diritti amministrativi*) relating to the Shares referred to under article 2352, paragraph 6, of the Italian Civil Code, including, without limitation, the right to intervene in the meetings of the shareholders of the Company, the right to request the adjournment of the meeting, the right to challenge the resolution pursuant to article 2377 of the Italian Civil Code, the right to ask the directors to call the meeting pursuant to article 2367, paragraph 1, of the Italian Civil Code, and the right to withdraw from the Company pursuant to article 2437 of the Italian Civil Code.

"**Related Assets**" means:

(a) all securities, financial instruments (including, without limitation, warrants for the subscription or the purchase of shares, of any class (*categoria*), of the Company, as well as any bond convertible into shares of the Company, whether issued by the Company or by any other person) or negotiable instruments of any nature, distributed or to be distributed by the Company, or subscribed to or otherwise acquired by the Pledgor, in relation to the Shares or to the New Shares;

(b) all the assets, securities or rights, of whatever nature, attributed or to be attributed to the Pledgor in relation to the Shares or to the New Shares following the winding-up (*liquidazione*) of the Company, transformation (*trasformazione*) of the Company, reduction in the share capital of the Company (including, without limitation, any reduction following the withdrawal, even in part, of the Pledgor or the demerger of the Company), merger by incorporation of the Company into another entity, or merger by amalgamation of the Company with another entity;

(c) the consideration paid or to be paid to the Secured Creditors following any disposal, pursuant to article 2352, paragraph 2, of the Italian Civil Code, of the option rights (*diritti di opzione*) relating to the Shares or to the New Shares, which are not exercised by the Pledgor;

(d) the consideration paid or to be paid to the Secured Creditors following any disposal, pursuant to article 2352, paragraph 4, of the Italian Civil Code, of the shares of the Company not entirely released (*non interamente liberate*) and pledged pursuant to this Deed; and

(e) the consideration paid or to be paid to the Secured Creditors following the early sale (*vendita anticipata*), pursuant to article 2795 of the Italian Civil Code, of the Shares, of the New Shares or of any assets referred to in this definition.

"**Relevant Entity**" means any person that has made a payment to discharge the Secured Obligations;

"**Secured Creditor(s)**" means NOMADIX HOLDINGS LLC and any of its successors or assignees (*successori a titolo particolare*, *successori a titolo universale* or *aventi causa*) under the Note.

"**Secured Obligations**" has the meaning given to it pursuant to Clause 3 (Secured Obligations).

"**Secured Period**" means the period included between the date of execution of this Deed and the date when:

(a) any and all the Secured Obligations are fully discharged (including by complete conversion of the Loan) and each payment made by any Relevant Entity is not subject to the terms for claw-back (*revoca*) or ineffectiveness (*inefficacia*) referred to under articles 65 and 67 of the Bankruptcy Law or pursuant to articles 164 and 166 of New Bankruptcy Code (as from its date of entry into force) or under any other law applicable to the Relevant Entity, it being understood that where a Relevant Entity is subject to insolvency proceedings before the expiry of the terms referred to above, the Secured Period shall be deemed to have been extended until the earlier date between:

(i) the date of closure of the insolvency proceedings;

(ii) the date of issue of a final judgment rejecting any action to revoke any payment (*azione revocatoria*) made to fulfil the Secured Obligations and/or any action under article 65 of the Bankruptcy Law or article 164 of the New Bankruptcy Code (as from the relevant date of entry into force) or other similar provision applicable in the jurisdiction in which the Relevant Entity has been subject to such insolvency proceedings, concerning any of the above payments; and

(iii) the date of prescription, pursuant to article 69-bis of the Bankruptcy Law or article 170 of the New Bankruptcy Code (as from the date of its entry into force), or other similar provision applicable in the jurisdiction in which the Relevant Entity has been subject to such insolvency proceedings, any revocatory action (*azione revocatoria*) concerning any payment made to fulfil the Secured Obligations and/or any action pursuant to article 65 of the Bankruptcy Law or Article 164 of the New Bankruptcy Code (as from the relevant date of entry into force) or any other similar provision applicable in the jurisdiction in which the Relevant Entity has been subject to such insolvency proceedings, concerning any of the above payments, or, in alternative to paragraph (a) above;

(b) the following conditions have been fulfilled:

(i) any Secured Obligation is fully and unconditionally discharged;

(ii) no Event of Default has occurred and persists;

(iii) the Pledgor has provided the Secured Creditors, with reference to any Relevant Entity, with the documents indicated below that, with the sole exception of the documents under (A) below, shall not be dated earlier than 5 (five) Business Days prior to the date when the condition under paragraph (i) has occurred:

(A) copy of the last two yearly financial statements, evidencing that its corporate capital has not been reduced for losses according to article 2482-bis of the Italian Civil Code (or any corresponding law provision applicable in the jurisdiction where the Relevant Entity has its registered office);

(B) a certificate (*certificato di vigenza*) issued by the competent chamber of commerce that confirms that no insolvency proceedings have been initiated in relation to the Relevant Entity (or any corresponding document available in the jurisdiction where the Relevant Entity has its registered office, if existing);

(C) a declaration by the chairman of the board of directors or by the sole director (or other competent management body) of the Relevant Entity, confirming that:

(aa) as of the date of the declaration, no insolvency proceeding is pending in relation to the Relevant Entity, nor it has been requested by third parties or by the Relevant Entity itself that an insolvency proceeding is initiated;

(bb) as of the date of the declaration, the Relevant Entity is not insolvent, nor, as long as the Relevant Entity is aware of, is in a situation provided in articles 2482-bis or 2482-ter or 2446 or 2447 of the Italian Civil Code, as the case may be (or any corresponding law provisions applicable in the jurisdiction where the Relevant Entity has its registered office);

(cc) the Relevant Entity has not become insolvent, nor it will become insolvent following the payment made under the Note;

(dd) as of the date of the declaration, the Relevant Entity is not in a situation of crisis, nor it has difficulties in fulfilling its payment obligations; and

(D) a *visura protesti* confirming that the Relevant Entity is not subject to any legal proceeding for a*protesto* (or the corresponding document, if any, available in the jurisdiction where the Relevant Entity has its registered office, if existing).

"**Securities Account**" has the meaning given to that term in Recital (C).

"**Shares**" has the meaning given to that term in Recital (C).

"**Voting Rights**" means the voting rights relating to the Shares.

1.2 Construction

In this Deed, a reference to a Recital and Schedule is to a recital and schedule of this Deed.

2. PLEDGE

The Pledgor grants herewith a first ranking pledge over the Shares in favour of the Secured Creditors (the "**Pledge**") as security for the full and unconditional performance of the Secured Obligations (as defined below) for a maximum amount equal to $10,000,000.00 (ten million U.S. dollars).

3. SECURED OBLIGATIONS

3.1 The Pledge secures for its entire value, and without the obligation of prior enforcement of the principal obligation or any other guarantee securing the Secured Obligations all present and future obligations, monies and indemnities (whether direct or indirect, absolute or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Pledgor towards the Secured Creditors (or any of them) pursuant to the Loan, in each case whether on account of:

(a) principal, any premium and interest (including default interests);

(b) fees, indemnities, costs (including legal costs), charges, taxes, compensation for damages, expenses or otherwise;

(c) the payment obligations and the commitments undertaken by the Pledgor pursuant to this Deed; and

(d) reimbursement obligations arising from the invalidity, ineffectiveness or unenforceability of the obligations referred to under paragraph (a) to (c) or from clawback or revocation of any payment to discharge any of such obligations.

3.2 The credits and the rights of the Secured Creditors and the relative obligations of the Pledgor as specified in the Clause 3.1 above, in security of which the Pledge under this Deed is created, are defined collectively as "**Secured Obligations**".

3.3 It is understood that, if one or more of the Secured Obligations described in Clause 3.1 above is declared invalid or unenforceable for whatever reason, this shall not affect the validity and enforceability of this Deed, which shall continue to secure the full and unconditional performance of all the other Secured Obligations referred to in this Clause 3 (Secured Obligations).

4. FORMALITIES FOR THE CREATION OF THE PLEDGE

(a) The Parties hereby acknowledge that the Shares are dematerialized and deposited in the Securities Account.

(b) Upon execution of this Deed, the Parties shall jointly inform the Depositary, with a notice in the form set out in Schedule 2 (Notice to Depositary), that the Shares have been pledged to the benefit of the Secured Creditors, and that according to the agreement of the Parties the Depositary shall act in compliance with the Secured Creditors' instructions relating to the Shares and without any further agreement or confirmation by the Pledgor.

By no later than 20 January 2022, the Pledgor shall also ensure that the Depositary delivers to the Secured Creditors an account statement of the Securities Account in authentic form or under private seal (A) showing that the Shares are deposited therein, (B) showing that that the formalities of registration of the Pledge in favour of the Secured Creditors have been duly carried out and (C) acknowledging the instructions contained in the Notice to Depositary.

5. EXTENSION OF THE PLEDGE

5.1 Extension

The Pledge shall extend to any New Shares and the Related Assets.

5.2 New Shares

(a) With reference to any New Shares subscribed to by the Pledgor, the Pledgor shall:

(i) execute and deliver to the Secured Creditors, a deed substantially in the form of this Deed;

(ii) procure that the Company ensures that the Depositary:

promptly carries out the formalities described under Article 4(a) above in relation to the New Shares;

(b) delivers to the Secured Creditors the account statement set forth under Article 4(c) above in relation to the New Shares. In addition to the actions specified at paragraph (a) above, the Pledgor shall promptly take (and procure that the Company takes) all actions and shall execute (and procure that the Company executes) all documents reasonably requested by the Secured Creditors, for the valid and enforceable extension of the Pledge to the New Shares.

5.3 Related Assets

With reference to each of the Related Assets, the Pledgor shall promptly:

(a) take all actions and execute all documents, including, without limitation, a deed substantially in the form of this Deed, requested by the Secured Creditors, for the valid and enforceable extension of the Pledge to each of the Related Assets; and

(b) procure that the Company takes all actions and execute all documents requested by the Secured Creditors, in connection with the extension of the Pledge to each of the Related Assets.

5.4 Provisions governing the New Shares and the Related Assets

To the extent applicable and as this Deed may be supplemented by the documents referred to in Clause 5.2 (New Shares) or Clause 5.3 (Related Assets), the provisions of this Deed shall apply to the security created over any New Shares (and, for this purpose, references to the Shares in this Deed shall include the New Shares) and to the security created over each of the Related Assets (and, for this purpose and to the extent applicable, references to the Shares in this Deed shall include each of the Related Assets).

6. VOTING RIGHTS AND DIVIDENDS

6.1 Voting Rights and Related Administrative Rights

Except as set out in Clause 6.2 (Exercise of the Voting Rights and Related Administrative Rights by the Secured Creditors), the Pledgor shall be entitled to exercise the Voting Rights and the Related Administrative Rights, provided that the Pledgor undertakes not to exercise the Voting Rights and the Related Administrative Rights in a manner which could adversely affect the validity or enforceability of the Pledge.

The Pledgor undertakes to submit to the Secured Creditors in timely fashion – as reasonably practicable - a copy of any notice of calling of any shareholders' meeting or other notice which it receives with regard to the Shares and which may be considered relevant for the purposes of the security created herein, at least 5 (five) Business Days prior to the date established for the meeting, and in any case within 5 (five) Business Days of the receipt of the notice or communication; also copy of the minutes shall be delivered, within 7 (seven) Business Days of the meeting.

For so long that the Pledgor is entitled to exercise the Voting Rights and the Related Administrative Rights, the Secured Creditors, upon request of the Pledgor, shall do whatever may be reasonably expected by them to allow the Pledgor to exercise such rights.

6.2 Exercise of the Voting Rights and Related Administrative Rights by the Secured Creditors

(a) If an Event of Default has occurred and is continuing, the Secured Creditors shall be entitled (but not obliged) to exercise the Voting Rights and the Related Administrative Rights.

(b) For the purposes of paragraph (a) above, the Secured Creditors shall send a notice to the Company and the Pledgor informing the latter that the Secured Creditors intend to exercise the Voting Rights and the Related Administrative Rights and, as a result of such notice:

(i) the Pledgor shall automatically lose their right to exercise the Voting Rights and the Related Administrative Rights; and

(ii) only the Secured Creditors, also pursuant to article 2352, paragraph 1, of the Italian Civil Code, shall have the right to exercise the Voting Rights and the Related Administrative Rights.

6.3 Dividends

Except as set out in Clause 6.4 (Dividends to the Secured Creditors), the Pledgor shall have the right to collect and retain the Dividends.

6.4 Dividends to the Secured Creditors

(a) Only if an Event of Default has occurred and is continuing, the Secured Creditors shall send a notice to the Company and the Pledgor informing them that an Event of Default has occurred and, as a result of such notice:

(i) the Pledgor shall automatically lose their right to receive the Dividends; and

(ii) only the Secured Creditors, pursuant to article 2791 of the Italian Civil Code, shall have the right to receive the Dividends.

(b) Therefore, in any case the Pledgor shall have the right to collect and retain the Dividends, prior to receipt by the Pledgor of a notice sent by the Secured Creditors, under paragraph (a) above.

7. ENFORCEMENT OF THE PLEDGE

(a) Upon occurrence of an Event of Acceleration and at any time thereafter, the Secured Creditors, without prejudice to any other right, action or power to which they may be entitled under the applicable provisions of law, may:

(i) pursuant to article 2797 of the Italian Civil Code, proceed to the sale of the Shares provided that after serving on the Pledgor an injunction (*intimazione*) requiring discharge of the Secured Obligations, no full and unconditional performance of the obligations which are the object of the injunction occurs within 5 (five) days of the serving of the injunction. in relation to the sale referred to under this paragraph (a)(i), the Parties expressly agree that the Secured Creditors may carry out the sale of the Shares, in whole or in part, in one lump or in several instalments, against payment in cash or in kind, by auction or by private agreement, against bullet payment or an advance of part of the price. The Secured Creditors shall pay the Pledgor any amount remaining and outstanding after the full discharge of the Secured Obligation; and

(ii) under article 4 of Decree 170:

(A) seize (*appropriarsi delle*) the Collateral up to the value of the Secured Obligations in accordance with article 4, paragraph 1(b), of Decree 170; and/or, at their sole discretion

(B) proceed to the sale of the Collateral in accordance with article 4, paragraph 1(a), of Decree 170 and apply the proceeds of such sale in satisfaction of the Secured Obligations.

(b) In relation to any enforcement action taken by the Secured Creditors under paragraph (a)(ii) above, the Secured Creditors, under article 4, paragraph 2, of Decree 170, will promptly notify the Pledgor (or, if applicable, the competent bodies of the reorganisation or liquidation proceedings, as the case may be) of the enforcement actions actually taken and of the proceeds of any such enforcement action.

(c) The Parties expressly acknowledge and agree that, in relation to the Pledge, any Event of Acceleration shall constitute an "*evento determinante l'escussione della garanzia*" under and for the purposes of Decree 170.

(d) Nothing in this Clause 7 (Enforcement of the Pledge) shall prejudice any other form of enforcement of the Pledge provided by applicable law (including Luxembourg law), including, without limitation, the possibility for the Secured Creditors to request the assignment of the Shares, in whole or in part, in compliance with article 2798 of the Italian Civil Code or any corresponding Luxembourg law provision, provided that the Secured Creditors shall pay the Pledgor any amount remaining and outstanding after the full discharge of the Secured Obligations.

8. REPRESENTATIONS AND WARRANTIES

(a) The Pledgor represents and warrants to the Secured Creditors as follows:

(i) the Pledgor is the only owner of the Shares, which are not subject to any security interest,*diritto reale di godimento*, or other personal or real right *(diritto di credito* or *diritto reale*) other than, and except for, the Pledge under this Deed;

(ii) the Shares have been issued, subscribed and fully paid-up, in full compliance with the applicable provisions of Italian law;

(iii) the Shares are not subject to attachment, seizure or to any other measure restraining the capacity to dispose of or benefit from them;

(iv) subject to the perfection of the formalities provided herein as well as under the applicable law and regulations, pursuant to this Deed the Pledgor creates over the Shares a first priority security interest (*causa legittima di prelazione*) in favour of the Secured Creditors as security for the full and unconditional performance of the Secured Obligations;

(v) the creation of the Pledge is not in breach of the applicable law and does not violate any terms of the constitutional documents of the Pledgor or of the Company, and the Pledgor has duly complied with all the obligations provided for under the applicable law and its constitutional documents for the execution of this Deed;

(vi) the Company is a *società per azioni* duly incorporated and validly existing under the laws of Italy, is not subject to any insolvency proceedings (*procedure concorsuali*) or winding-up (*procedura di liquidazione*), and has not disposed or is going to dispose of its assets to its creditors pursuant to article 1977 of the Italian Civil Code. There is no ground for the dissolution (*scioglimento*) of the Company;

(vii) neither the Pledgor nor the Company are insolvent (*in stato di insolvenza*);

(viii) no circumstance exists which could legitimate the withdrawal (recesso) of the Pledgor from the Company, nor is the Company in the situation described, respectively, in articles 2446 and 2447 of the Italian Civil Code;

(ix) the execution by the Pledgor of this Deed complies with the Pledgor's interest and corporate benefit.

(b) The representations and warranties made in paragraph (a) above are made on the date hereof and shall be understood as having been repeated, with reference to circumstances which may exist from time to time, on the last day of every calendar month.

9. UNDERTAKINGS

Until the date of release of the Shares from the Pledge and in any event save as otherwise provided in the Loan Agreement, the Pledgor shall:

(a) promptly upon becoming aware of them, notify the Secured Creditors, of:

(i) any claim or legal action, by whoever it was brought and of whatever nature, whether in Italy or abroad, in relation to the Shares; and

(ii) the filing of a request or application aimed at subjecting the Company to an insolvency proceeding (*procedura concorsuale*) or at obtaining the invalidity (*nullità*) of the Company;

(b) except as provided for in this Deed, not create, and not undertake to create, over the Shares, any security interest, *diritto reale di godimento* or other personal or real right (*diritto di credito* or *diritto reale*);

(c) if it is entitled to exercise the Voting Rights, unless authorised in writing by the Secured Creditors, abstain from voting in favour of proposals for shareholders' resolutions (*proposte di delibere assembleari*) that relate to a capital increase in kind (*aumento del capitale in natura*) by the Company;

(d) also pursuant to article 1379 of the Italian Civil Code refrain from selling, exchanging or in any way disposing of the Shares in any manner whatsoever, and refrain from undertaking to sell, exchange or in any way dispose of the Shares in any manner whatsoever;

(e) execute (and procure that the Company executes) each deed, agreement, document, act or certificate, and take (and procure that the Company takes) all the actions, which, in the reasonable opinion of the Secured Creditors, are either necessary or useful for a valid and enforceable:

(i) creation of the Pledge, in compliance with the provisions of this Deed;

(ii) extension of the Pledge to the New Shares and to each of the Related Assets, in compliance with the provisions of this Deed; and

(iii) continuation of the Pledge upon the occurrence of one or more situations described in Clause 12 (Continuation of the Pledge), in compliance with the provisions of this Deed;

(f) co-operate with the Secured Creditors in order to protect their rights in relation to the Shares against any claims made by any third parties;

(g) promptly inform the Secured Creditors in relation to any event described in articles 2446 and 2447 of the Italian Civil Code;

(h) obtain the prior written consent of the Secured Creditors in relation to the amendments to the by-laws (*statuto*) of the Company which could have a material adverse effect on the Pledge and promptly send to the Secured Creditors a copy of the by-laws (*statuto*) of the Company in force from time to time;

(i) procure that the Company abstains from exercising the powers provided for under article 2447-bis, paragraph 1, sub-paragraphs (a) and (b), of the Italian Civil Code;

(j) at its own expense, promptly send to the Secured Creditors copies of all the communications and any other documents received from or sent to the Company, or relating to the Collateral, which affect the Collateral or the rights of the Secured Creditors under this Deed;

(k) procure that the Company does not amend and does not undertake to amend the rights and powers, whether of administrative or of financial nature, relating to the Shares, and does not issue or undertake to issue any shares of any other type (*azioni di altre categorie*) other than ordinary shares (*azioni ordinarie*) or any bonds (*obbligazioni*) or other financial instruments of any nature whatsoever.

10. NOTICES

(a) All the communications and notices relating to or in any way connected with this Deed or the Pledge shall be made by registered letter with return receipt, e-mail, *Piego Raccomandato*, (in such case, the relevant communication shall be made in the body of the certified email or attached thereto, as long as the attachment is autonomously bearing a certified date, pursuant to and in accordance with article 2800 of the Italian Civil Code) and, without prejudice to the provisions of paragraph (d) of this Clause 10 (Notices), shall be sent to the addresses specified in paragraph (b) below.

(b) Without prejudice to the provisions of paragraph (d) of this Clause 10 (Notices), all the notices relating to or in any way connected with this Deed or the Pledge shall be sent as follows:

(c) if to the Pledgor:

VDA Holding S.A.
26, Boulevard Royal
L-2449 Luxembourg
Attn: Giorgio Bianchi
Attn: Tiffany Halsdorf
Email: gbianchi@essedi.lu
Email: thalsdorf@essedi.lu

With a copy to:

Moses & Singer LLP
405 Lexington Ave.
New York, N.Y. 10174

USA
Attn: Allan Grauberd, Esq.
Attn: Francesco DiPietro, Esq.
Email: agrauberd@mosessinger.com
Email: fdipietro@mosessinger.com

With a copy to:

Gianni & Origoni
Via delle Quattro Fontane, 20
I-00184 Roma (Italy)
Attention of: Avv. Raimondo Premonte
Email: rpremonte@gop.it

if to the Secured Creditors:

Nomadix Holdings LLC
1209 Orange St., New Castle,
WILMINGTON, DE 19801
USA
Email: jack@gatewh.com

With a copy to:
CBA Studio Legale
Corso Europa 15
I-20122 Milan
Email: francesco.dialti@cbalex.com

With a copy to
DSM Avocats à la Cour
55-57, rue de Merl
L-2146 Luxembourg
Attn. Mario Di Stefano
Email: mdistefano@dsm.legal

if to the Company:

VDA Group S.p.A.

Viale Lino Zanussi,3
33170 Pordenone (Italy)
Attn: Piercarlo Gramaglia
Attn: Alberto Nogarotto
Email: piercarlo.gramaglia@vdagroup.com
Email: alberto.nogarotto@vdagroup.com

With a copy to:

Moses & Singer LLP
405 Lexington Ave.
New York, N.Y. 10174
Attn: Allan Grauberd, Esq.
Attn: Francesco DiPietro, Esq.
Email: agrauberd@mosessinger.com
Email: fdipietro@mosessinger.com

With a copy to:

Gianni & Origoni
Via delle Quattro Fontane, 20
00184 Roma (Italy)
Attention of: Avv. Raimondo Premonte
Email: rpremonte@gop.it

(d) Each Party and as the case may be the Company may notify the other Party and as the case may be the Company, with at least a 5 (five) Business Days' advance notice, of the different address where it wishes to receive all the communications and notices relating to or in any way connected with this Deed or the Pledge, provided that, for the purpose of any notices and communications to be served in the context of judicial proceedings in Italy relating to the Pledge, the Pledgor hereby irrevocably elects its domicile at the registered office of the Company at Viale Lino Zanussi, 3, 33170 Pordenone (Italy).

11. EXPENSES AND INDEMNITIES

(a) All the reasonable expenses, charges and costs of whatever nature, including, without limitation, legal and notarial expenses (if any) (up to a pre-agreed cap, other than (i) those fees related only to the creation of the Pledge and (ii) in case of enforcement of the Pledge), relating to or in any way connected with this Deed or the Pledge shall solely be borne by the Pledgor.

(b) The Secured Creditors, when exercising their rights or powers pursuant to each provision of this Deed, as well as when performing its obligations pursuant to each provision of this Deed, shall be liable towards the Pledgor for any liability or costs that are unjustly caused to the Pledgor only in case of wilful misconduct or gross negligence.

(c) Since it has been executed as an exchange of commercial correspondence, this Agreement is not subject to registration tax in Italy upon execution and a registration tax shall be due only (i) "in caso d'uso" event pursuant to the provisions of Article 6 of Presidential Decree No. 131 of 26 April 1986 ("**Decree No. 131**"), (ii) in case of "*enunciazione*" pursuant to the provisions of Article 22 of Decree No. 131 or (iii) in case of voluntary submission to the Italian tax authorities for registration. Such being the cases the registration tax will be borne by the Pledgor.

12. CONTINUATION OF THE PLEDGE

(a) In case of *successione a titolo particolare* into the Secured Obligations in accordance with the terms and the conditions of the Loan Agreement, at the request of the Secured Creditors and at costs and expenses of the Secured Creditors and in the manner and at the time specified by the Secured Creditors, the Pledgor shall execute (and procure that the Company and the Depositary – as applicable - execute) any deed, agreement, document, act or certificate, and shall take (and procure that the Company takes) all the steps and actions, which are necessary or appropriate, in the opinion of the Secured Creditors, to maintain the Pledge, including, without limitation:

(A) procuring that the Depositary carries out the formalities described under Article 4(a) above for the valid perfection and continuation of the Pledge in favour of the Secured Creditors; and

(B) procuring that the Depositary delivers to the Secured Creditors, within 10 (ten) Business Days of the formalities set out in paragraph (A) above, an account statement as set forth under Article 4(b) above.

(b) In the event of one or more changes, of whatever nature and for whatever reason, in one or more terms of the Secured Obligations, including in case of execution of Long-Form Agreement(s), if the Secured Creditors deem it appropriate, the Pledgor shall execute at its own costs and expenses (and procure that the Company executes) any deed, agreement, document, act or certificate, and shall take at its own costs and expenses (and procure that the Company takes) all the steps and actions, which are necessary or appropriate, in the reasonable opinion of the Secured Creditors, to preserve the rights of the Secured Creditors under this Deed.

13. RELEASE OF THE PLEDGE

(a) The Pledge which will be established under this Deed, as well as any and all rights and faculties of the Secured Creditor arising out of this Deed, shall remain in existence until the expiration of the Secured Period. For such purposes, upon the expiration of the Secured Period, the Pledge shall be released by the Secured Creditors, at the request and at the cost and expenses of the Pledgor.

(b) On the date of release of the Shares from the Pledge, the Secured Creditors shall immediately authorise and instruct the Depositary to carry out the formalities for the cancellation of the Pledge in favour of the Secured Creditors and, in general, agree on and execute any deed, agreement, document, act or certificate, and take all steps and actions, which are necessary or proper, in the Pledgor's reasonable opinion, to cancel the Pledge.

14. MISCELLANEA

(a) Any waiver by the Secured Creditors of their rights and powers provided herein shall produce no effect, unless such waiver is made by the Secured Creditors in writing.

(b) The rights and powers provided in this Deed for the benefit of the Secured Creditors are in addition to, and do not exclude, any further rights or powers which the Secured Creditors have or might become entitled to under the law.

(c) The security interests referred to in this Deed have and shall have full effect irrespective of any other security or guarantee granted by the Pledgor or by any third parties in relation to the Secured Obligations or any of them, and are in addition and without prejudice to any further security interests or guarantees which the Secured Creditors already have or to which they shall become entitled in relation to each of the Secured Obligations.

(d) The invalidity or the unenforceability of one of the provisions contained in this Deed shall not affect, to the extent allowed by the law, the validity and the enforceability of the other provisions of this Deed. The Parties hereby undertake to conduct negotiations in good faith so as to reach an agreement on the terms of a provision which would be acceptable to all the Parties and which would have a commercial effect as similar as possible to that of the invalid or unenforceable provision to be replaced.

(e) The Parties acknowledge that this Deed has been specifically negotiated (*costituisce oggetto di trattativa individuale*) between the Pledgor and the Secured Creditors and therefore is not subject to the requirements set out under Section II of the "*Disposizioni in materia di trasparenza delle operazioni e dei servizi bancari e finanziari. Correttezza delle relazioni tra intermediari e clienti*" issued by the Governor of the Bank of Italy on 9 February 2011, as amended from time to time.

15. GOVERNING LAW AND JURISDICTION

(a) This Deed (save for Clause 4 (Formalities for the creation of the Pledge) is governed by Italian law and shall be construed in compliance with it. Clause 4 (*Formalities for the creation of the Pledge*) is governed by Luxembourg law and shall be construed in compliance with it, as the Securities Account is opened with BPER Bank Luxembourg S.A..

(b) The Courts of Milan have jurisdiction to settle any dispute arising from this Deed, without prejudice to the fulfilment of the preventive tentative of reconciliation (*preventivo tentativo di conciliazione*) pursuant to article 5 of the Italian Legislative Decree No. 28 of 4th March, 2010 (*Attuazione dell'articolo 60 della legge 18 giugno 2009, n. 69, in materia di mediazione finalizzata alla conciliazione delle controversie civili e commerciali*), if applicable, and to the right of the Secured Creditors to seek interim measures (*provvedimenti cautelari*) or the enforcement (*esecuzione*) before any other competent court, including the Luxembourg courts.

SCHEDULE 1

DESCRIPTION OF THE SECURED OBLIGATIONS

Save as otherwise provided herein defined terms shall have the same meaning attributed to them in the Loan Agreement, as applicable.

Loan Amount: USD 5,000,000.00 (United States Dollars five million/00).

Purpose of the Loan: the Loan will be used solely to allow VDA Group to purchase TKOI Shares.

Repayment: the Borrower shall repay the Loan in full, including the principal amount, the Premium and any outstanding interest, at the expiration of the Loan Term.

Expiration of Loan: a period of six (6) months commencing on the Effective Date.

Effective Date: the date of the Drawdown.

Premium: on the Repayment Date, the Borrower shall pay to the Lender, in addition to the principal amount, a US $500,000.00 (five hundred thousand U.S. dollars) premium (but no other interest; however, if Premium is applicable but is not repaid on the Repayment Date, an additional interest rate as determined by Luxembourg law of April 18, 2004 regarding actions against late payments for commercial transactions will also apply).

The Premium is not applicable if the Investor Senior Loan is agreed on by the Parties in one or several Long-Form Agreement(s) prior to the Repayment Date, which Long-Form Agreement(s) will include the interest then applicable.

Interest: if the Investor Senior Loan is agreed on by the Parties in one or several Long-Form Agreement(s) prior to the Repayment Date, and the Premium is not applicable, the interest to be applied on the Loan as from the Effective Date will be agreed in the Investor Senior Loan agreement.

SCHEDULE 2

NOTICE TO DEPOSITARY

[Details of Depositary]

(the "**Depositary**")

[●],[●] 2022

Dear Sirs,

VDA Group S.p.A. – Notice of Pledge

We hereby give you notice that all of the shares of VDA Group S.p.A. owned by VDA Holding S.A. and deposited in the name of VDA Holding S.A. with you in the account LU55 2981 0000 0005 6707 (the "**Account**"), have been pledged in favour of **Nomadix Holdings LLC** pursuant to a share pledge agreement entered into by exchange of commercial correspondence on [●] 2022 between **Nomadix Holdings LLC** on the one part, and **VDA Holding S.A.,** on the other part (the "**Pledge Agreement**")**.** The Pledge Agreement is hereby attached for your ease of reference.

The full data of the beneficiary of the pledge (the "**Pledgee**") for your records are as follows:

- Nomadix Holdings LLC, a limited liability company duly organized and existing under the laws of Delaware (USA), with registered address at 1209 Orange St., New Castle, WILMINGTON, DE 19801, with the Delaware Business Registry File Number 7506079.

We hereby irrevocably instruct you to proceed with the update of your records and, also in accordance with Article 5 of the Law on Financial Collateral, make all and every registration on the Account and in relation to the shares in order to perfect the pledge.

We irrevocably instruct you, in accordance with Article 5 of the Law on Financial Collateral, to act in compliance with the Pledgee's instructions relating to the Shares and without any further agreement or confirmation by the Pledgor.

The pledge secures the Secured Obligations (as defined in the above mentioned Pledge Agreement).

The rights to vote and receive dividends are regulated by Clause 6 (*Voting Rights and Dividends*) of the abovementioned Pledge Agreement. In particular, until the occurrence of an Event of Default (as notified by the Pledgee), the voting rights relating to the pledged shares in the shareholders' meetings of the Company and the rights to dividends, to distribution and to interests relative to the above shares shall continue to be vested into the Pledgor, all pursuant to Clause 6 (*Voting Rights and Dividends*) of the Pledge Agreement. Occurrence of an Event of Default will be promptly notified in writing to you by email from the following address: jack@gatewh.com by the Pledgee, in the person of Mr. Jack Brannelly in his capacity as General Counsel of the Pledgee, or by any other person(s) indicated to you from time to time by the Pledgee as its authorized representative(s). It remains agreed that a written communication by the Pledgee shall be considered conclusive as between the Pledgor and the Depositary.

Upon notification of an Event of Default by the Pledgee, any rights to dividends, to distribution and to interests relative to the above shares shall be paid exclusively to the pledgee, on that bank account that the Pledgee shall indicate for such purpose.

We may dispose of the shares only by written consent of the Pledgee. As a consequence, failing such consent shown to you, no order for the sale of the shares may be carried out by you. Please acknowledge receipt of this notice confirming that the pledge over the mentioned shares in VD Group S.p.A. has been duly noted in your records and over the Account and please provide the Pledgee an excerpt therefrom.

Best regards,

/s/_____

VDA Holding S.A.

/s/

Nomadix Holdings LLC

*** *** ***

We would be grateful if you could please copy the text of this letter on your letterhead and return it back to us duly executed by you in sign of full acceptance.

Yours sincerely,

VDA Holding S.A.

/s/

Name:

Title:

/s/

Name:

Title: "

*** *** ***

In sign of our full and irrevocable acceptance.

Yours sincerely,

Nomadix Holdings LLC

/s/

Name: Edward L. Helvey

Title: Manager

Subject: Letter of appointment for Financial Advisory activities

(1) OBJECT OF THE ASSIGNMENT

Assuming that:

1. VDA Holding S.A., with registered office in Luxembourg, Rue de Beggen no. 8, Numéro d'immatriculation au R.C.S. Luxembourg no. B239150 (from now on for simplicity also "Holding"), is the holding company that controls 100% of VDA Group SpA, a company under Italian law with registered office in Pordenone, via Lino Zanussi 3, VAT no. 00976420307 (from now on for simplicity also "VDA" or the "Company").

2. In October 2019, Scouting SpA (from now on also "Scouting") and VDA Group SpA, following several meetings between the CEO of VDA Group SpA, Piercarlo Gramaglia and the Director of Scouting, Roberto Francani, in which VDA's willingness to grow through external lines emerged, and subsequently together with Flavio De Paulis, representing the Holding and the Scouting Partner Filippo Bratta, signed a confidentiality agreement.

3. During the first quarter of 2020 Scouting supported VDA, directly contacting the management and shareholders of several companies, including the American Telkonet Inc. based in Wisconsin (from now on also "Target" or "Telkonet").

4. In order to successfully implement the approach with Target's representatives, Scouting has worked with its partner Michael Blitzer, Founder & Principal of the Corporate Finance boutique Blitzer Clancy & Company based in New York (hereinafter also "BC&C").

5. Following contact with Target, Scouting and BC&C:

    a. managed an initial exchange of information with Telkonet on behalf of VDA,

    b. organized a meeting in New York in the USA with Jason Tienor, C.E.O. of Telkonet in which participated Dino Orlandini for Scouting together with Michael Blitzer for Blitzer Clancy & Company,

    c. managed a pre-negotiation with Telkonet advisors, ROTH Capital Partners in the person of Brian Kremer, the CEO himself and the board of directors of Target.

6. At the end of the meeting between VDA and Target in the USA, the directors and shareholders of VDA (from now on, for the sake of simplicity, VDA Group SPA and VDA Holding SA will also be jointly referred to as "Clients") expressed to Scouting their interest and willingness to evaluate possible scenarios of acquisition of control of Target by VDA or aggregation between VDA and Target through, for example, the contribution of 100% of VDA's capital in Telkonet Inc, through a dedicated capital increase, payable in shares and/or money (the "Transaction").

7. In view of the above, Scouting with the exclusive support of BC&C is available to perform on behalf of the Principal the activities described below in this assignment, aimed at defining the optimal structure of the transaction for the Company and the Holding Company, supporting the negotiation and execution of the same with Target and its Shareholders and the Fund Raising.

8. With these premises the Principals grant Scouting S.p.A. the role of exclusive financial advisor, according to the terms contained in this agreement (from now on Scouting together with the Principals will also be identified as the "Parties").

(2) SCOUTING ROLE

By accepting this assignment (hereinafter the "Assignment"), Scouting with the exclusive support of BC&C undertakes to provide its professional assistance to Customers in the following activities divided into Phases A and B:

A. TELKONET TRANSACTION

a) Analysis and understanding of the current industrial project of VDA Group SpA and strategic lines of development of the Company over the next 3/5 years. The purpose of this activity is to

    i. understand and highlight the industrial, economic and financial assumptions underlying the Company's current operating model and industrial project;

    ii. assess the sustainability of the basic, qualitative and quantitative assumptions of the above project;

    iii. analyse the current strengths and weaknesses of the Company, in order to define the most effective "equity story" to represent to Target's shareholders in the negotiation process;

    iv. define the possible scenarios and the investment "Perimeter" that can be proposed and discussed with Target and its advisors in order to carry out the aggregation project between VDA and Telkonet (Contribution of shares to Target's assets through dedicated capital increase, merger, acquisition of targets with payment in shares, etc.)

    v. define and prepare some possible post-merger scenarios with Target that envisage other extraordinary operations such as, for example, raising capital, issuing debt instruments, finding new shareholders and future acquisitions/aggregations;

b) Analysis and review of Target's financial documentation (ie. Business Plan, 2020 Budget, etc.) provided by Target's advisors;

c) Definition and calculation of the Enterprise Value and Equity Value of VDA, analysis and review of the valuation at both Enterprise Value and Equity Value level proposed by the VDA advisors;

d) Assistance in negotiations with Telkonet and its advisors, including the definition of the main economic, financial and contractual negotiation aspects of the transaction preparatory to the signing of a non-binding preliminary letter of intent for the agreement;

e) Structuring of the possible exchange mechanism for the correct definition of the values of the shares of VDA and Target, in case a payment should be made by "card" (as well as in cash if foreseen);

f) Assistance and coordination of all professionals involved (financial, legal and fiscal) during the due diligence phase;

g) Coordination of external professionals, identified and involved by the Clients for the definition of the fiscal, corporate and legal impacts for the drafting of the final contractual texts;

h) Assistance in the negotiation and signing of a possible "Transaction Agreement", subsequent to the completion of the Due Diligence, which will collect and define in a binding manner between the parties the main corporate, financial and governance aspects of the transaction;

i) Assistance in the negotiation and signing of the final agreement (Sale & Purchase Agreement) and shareholders agreements, until the completion of the investment transaction and the signing of the final contractual texts;

j) Assistance and support in providing the data on VDAs requested by the advisors in charge of managing the post-signing compliance requirements of the OTCQB market, on which the Telkonet Inc. share is listed.

B. FUND RAISING

a) Structuring of financial sources to support consolidation and growth;

b) Assistance in the research, negotiation and management of a fund raising solution of a banking nature or alternative to banking finance, including possible equity/equity/debt partners of a non-banking nature, willing to finance the project of the clients linked to the M&A transaction and the future of VDA;

c) Assistance in the presentation of the project, in negotiations with third-party bank or non-bank lenders (both private debt and equity/semi-equity) and in defining the contractual agreements necessary to raise the funds (term sheets, loan agreements and related attachments, any shareholders' agreements with equity partners, bond issue regulations, etc.).

The Scouting and BC&C team will be composed of Filippo Bratta (Partner), Dino Orlandini (Managing Director), Roberto Francani (Director) and Michael Blitzer (Principal of BC&C).

It is understood that within the scope of the Engagement, Scouting and BC&C will not provide any legal, tax, industrial, environmental, technical, technical and/or due diligence consulting services, nor any broker or dealer in the United States.

(3) DURATION AND CHARACTERISTICS OF THE ENGAGEMENT

The Engagement lasts until 30.06.2021, with tacit extension of 3 months in 3 months, unless one of the Parties gives written notice of termination. It is understood that:

- The assignment is given exclusively to Scouting S.p.A. as financial advisor for the 2 phases (A) and (B) described in the previous point "(2) Scouting Role", for the entire duration of this agreement;

- In any case, the effects described in article (4) below and in Attachment 1 are acknowledged for the purposes of compensation for the activity carried out by Scouting if the Principal directly or indirectly completes the Transaction with Target or the Target Shareholders within the 18 months following the expiry of this Assignment.

(4) COMPENSATION

The remuneration paid to Scouting S.p.A. for the performance of the assignment is determined as detailed in Annex (1) of this letter of assignment, which is an integral and substantial part thereof.

(5) CONFIDENTIALITY OF INFORMATION

In relation to the request for information concerning the Transaction, Scouting, accepting the assignment, undertakes to maintain the confidentiality of information and processing made available and to ensure the respect of confidentiality by all third parties who through his intervention come to know the confidential information.

This commitment of confidentiality does not apply to information that is already or will become public domain not through Scouting's intervention or that of its employees or consultants.

On the other hand, the Purchasers undertake to make available all information and documents relating to the project, previously and duly agreed upon between the parties, guaranteeing the maximum confidentiality of the operation in order to avoid the disclosure of information to third parties, also through all professionals who through its intervention come to know confidential information.

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(6) DISCLAIMER

The Purchasers undertake to hold Scouting harmless from liability of any legal or fiscal nature deriving from the decisions taken in execution of the operation, or in any case to compensate for damages and reimburse any expenses it may incur as a result of legal or extra-judicial actions by third parties against it in relation to the specific tasks assigned.

(7) LIMITATION OF LIABILITY

Except for the case in which the activity carried out by Scouting involves the solution of technical problems of special difficulty, in which case article 2236 of the Italian Civil Code shall apply, the liability of the same shall be limited as provided below. The maximum liability that Scouting - depending on the respective competence - (including partners, associates, employees, consultants and sub-contractors) may incur as a result of any claims of the Customers in relation to the Engagement and for damages resulting from breach of contract shall not exceed the amount paid by the Customers for the execution of the specific part of the Engagement whose execution has given rise to Scouting's liability, except in cases of proven willful misconduct or gross negligence.

(8) POTENTIAL CONFLICTS OF INTEREST

Customers acknowledge that Scouting is engaged in a wide range of financial transactions, both on its own account and on behalf of its customers. It is therefore possible that

Scouting, or any of its clients, may have entered into agreements or hold interests or carry out transactions that may give rise to a potential conflict of interest with respect to the position held. The Customers therefore agree that Scouting can legitimately fulfil the assignment despite the potential existence of a situation of conflict of interest, undertaking in any case to allocate resources to the activities covered by this assignment that are not engaged in activities for which a conflict of interest may arise.

Within the Annex (4) of this assignment, Scouting represents the mandates taken on by clients that determine a potential situation of conflict of interest, as defined above.

Scouting will also update Attachment (4) if further mandates are stipulated with clients potentially in conflict of interest during the execution of this assignment, consequently informing the Principal.

(9) CIVIL LIABILITY

During the execution of this assignment and for a period of 18 months from the end of the services themselves, the Principals and Scouting undertake not to hire or contractually assign in any alternative form professional resources or employees currently used in the facility or subsequently intervened on the project.

(10) PRIVACY

We hereby authorize you to process your data in compliance with the Privacy Law in force on the date of the stipulation, as specified in the attached consent to the processing of personal data.

(11) JURISDICTION

Any and all disputes that may arise between the parties, their heirs and assigns, for whatever reason and title, however related to the validity, interpretation, application, execution and termination of this contract, shall be finally settled by the Court of Milan.

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(12) COMMUNICATIONS

The Parties take note that Scouting voluntarily adheres to the provisions of the law relating to anti-money laundering legislation provided for in Legislative Decree 231/2007 and the following provisions. Consequently, the assumption of this assignment will remain conditional on the acquisition of the information required for the activity of adequate verification.

All communications relating to this agreement and its execution will be in writing, in Italian language and sent by registered mail, fax or e-mail (followed by the original) to the addresses below:

ANNEX 1 - FEES RELATED TO THE ASSIGNMENT FOR SCOUTING S.P.A.

With reference to the advisory assignment - point (4) "Fees" - it is specified that the following fees are related to the following phases of the "scope of work" referred to in article (2) "Scouting role" in Phases A and B:

1. Retainer Fee Monthly (Phase A):

a) For the activities described in paragraph (2) "Scouting Role - Phase A" there is no fixed fee or Retainer Fee;

2. LOI Fee (Phase A):

b) Only in the case of subscription with the Target Representatives of a Letter of Intent, followed by the Due Diligence phase, a fixed "flat" fee (the "LOI Fee") equal to Euro 40,000= (forty thousand Euro) is provided;

3. Success Fee (Phase A):

a) The Success Fee shall accrue for Scouting at the time of signing the binding and enforceable agreements between the Principals, or VDA directly or indirectly, and Target and its Shareholders for the completion, directly or indirectly, in a single solution or in several phases, of the Transaction, in whatever way it is carried out and regulated (the "Closing", including, by way of indication only, acquisition of target shares, capital increase by issuing shares, convertible bonds or other financial instruments with share content, share exchange, merger, contribution of assets, establishment of joint ventures, purchase and sale of business units or other assets, call option in favour of the Industrial or Financial Partner or put option in favour of the Customers).

b) Only in the event of Closing of the transaction is a final success fee (the "Success Fee"), equal to Euro 250,000= (two hundred and fifty thousand Euro);

4. Fund Raising Fee (Phase B):

a) If at the same time as the Closing, or at a later stage, the Company, and/or Telkonet post-merger with VDA or post-capital increase subscribed by the Holding, should subscribe with a third financial investor/third party investor ("Equity Investor"), identified by Scouting and BC&C, the issuance aof a convertible bond (also "POC"), and/or a capital increase, an additional success fee (the "Equity Success Fee for Development"), equal to 4% (four percent) of the amount of the POC and/or the Capital Increase and/or the shares of any category of VDA and/or Telkonet acquired by the Equity Investor;

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b) If at the same time as the Closing, or at a later stage, the Company, and/or Telkonet post-merger with VDA or post-capital increase subscribed by the Holding, should subscribe with a third party Financial Sponsor of a banking and/or private nature identified by Scouting and BC&C ("Debt Investor") the issuance of a bond loan, or the subscription of a medium/long-term loan (ie. Senior Term Loan, Mezzanine, junior loan, unitranche, etc.), there is an additional success fee (the "Debt Success Fee for Development"), equal to 2% (two percent) of the amount of the loan subscribed by the Financial Sponsor;

c) Only in the case of acceptance and subscription by the Clients of a Term Sheet, prior to the Closing described in points b) and c) above and in which the structure of the Fund Raising operation proposed by the selected investor(s)/bank subscriber(s), a fixed "flat" fee (the "Termsheet Fee") equal to Euro 50,000= (fifty thousand Euro) is envisaged;

d) The amount of the Debt Success Fee for Development and/or the Equity Success Fee for Development may in no case be lower than:

i. Euro 150,000= (one hundred and fifty thousand Euro) for a total amount subscribed by Equity and/or Debt Investor of less than € 2,000,000= (two million Euro),

ii. Euro 200,000= (two hundred thousand Euro) for a total amount subscribed by Equity and/or Debt Investor between € 2,000,000= (two million Euro) and less than € 3,500,000= (three million five hundred thousand Euro)

iii. Euro 250,000= (two hundred fifty thousand Euro) for a total amount subscribed by Equity and/or Debt Investor equal to or greater than € 3,500,000 (three million five hundred thousand Euro).

It should be noted that the Fees indicated:

- include the professional services of our correspondent identified in the Corporate Finance Blitzer Clancy & Company boutique;
- with reference to the LOI Fee, this will be paid to Scouting upon presentation of an invoice at the time of signing the LOI by Target or Target Members (with payment RI.BA 30 days d.f.);
- with reference to the Success Fee will be paid to Scouting by bank transfer at the time of Closing and with the issue of the relative invoice at the time of payment;
    - The Success Fee may be invoiced to the Holding Company in case of transfer of 100% of VDA or alternatively of capital increase in Target with share exchange/transfer of business units or other assets, or to the Company in case of merger with Target or vehicles formed by Target Shareholders;
- with reference to the Term sheet Fee will be paid upon acceptance and subscription by the Clients of a Term Sheet showing the structure of the Fund Raising operation proposed by the selected investor(s)/bank/subscribing partners;
- with reference to the Equity Success Fee/Debt Success Fee shall be paid to Scouting by bank transfer at the time of subscription of the binding and enforceable contracts with the Equity Investor and/or Debt Investor, with issue of the relevant invoice at the time of payment;
- they do not include other professional costs for opinions (legal, fiscal, etc.) and third party affidavits, explicitly requested by the client within the company's evaluation process;
- they do not include any broker-dealer costs, if any, as part of the corporate fulfilments necessary to achieve the Closing and Fund Raising activities, which should be attributable to the Clients;
- are understood to be net of VAT;

- they do not include refunds for travel expenses from the offices of the consultants involved, which will be invoiced monthly at the foot of the list (€ 0.60/km in addition to motorway expenses, accommodation expenses, travel expenses abroad previously authorized) and reported by Scouting S.p.A. and BC&C for the performance of the assignment;
- do not include expenses for the acquisition of financial statements and other public information necessary for comparison and analysis activities.

DATED MAY 20, 2020

[SIGNATURES AND NOTICES INFORMATION DELETED]

WARRANT

Date of Issuance: January 7, 2022

THE SECURITIES EVIDENCED BY THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS AND ACCORDINGLY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OR TO A RESIDENT OF THE UNITED STATES, IN THE ABSENCE OF (i) AN EFFECTIVE REGISTRATION STATEMENT RELATING THERETO, (ii) AN OPINION OF COUNSEL FOR THE HOLDER, REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH REGISTRATION IS NOT REQUIRED OR (iii) RECEIPT OF A NO-ACTION LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION, AND OTHERWISE COMPLYING WITH THE PROVISIONS OF SECTION 8 OF THIS WARRANT.

Warrant to Purchase
Shares of Telkonet, Inc.
Common Stock

TELKONET, INC.

COMMON STOCK PURCHASE WARRANT

TELKONET, INC. a Utah corporation (the "Company"), hereby certifies that for value received, VDA Group S.p.A., an Italian joint stock company incorporated under the laws of the republic of Italy, or its successors or assigns ("VDA" or the "Holder"), is entitled to purchase, subject to the terms and conditions hereinafter set forth, 105,380,666 duly authorized, validly issued, fully paid and non-assessable shares of Common Stock, at an exercise price of $.001 per share, subject to adjustment as set forth in Section 3 below (as may be so adjusted, the "Purchase Price"), at any time beginning on the Effective Date and ending five (5) years after the date of issuance of this Warrant (the "Expiration Date"). Certain capitalized terms used herein are defined in Section 1 hereof.

This Warrant is issued pursuant to Section 2.2(b) of the Stock Purchase Agreement dated as of the date hereof, between the Company and VDA.

1. Definitions. For the purposes of this Warrant, the following terms shall have the meanings indicated:

"Affiliate" means with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such first Person with the meaning of the Securities Act, as amended, and the rules and regulations promulgated thereunder.

"Articles" means the Company's Articles of Incorporation, as amended, as filed with the Utah Division of Corporations and Commercial Code.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law or executive order to close.

"Change in Control" means (a) a transaction or series of transactions that results in both (i) VDA or any of its Affiliates ceasing to own or have voting control over at least 25% of the issued and outstanding Common Stock of the Company or any successor or acquiring entity or parent company thereof, and (ii) the shareholders holding Common Stock immediately prior to such transaction having shares exchanged, converted or cancelled for consideration provided in connection with such transaction; or (b) a sale of all or substantially all of the assets of the Company.

"Common Stock" means the voting common stock, par value $0.001 per share, of the Company or any class of stock resulting from successive changes or reclassification of such Common Stock.

"Company" has the meaning ascribed to such term in the first paragraph of this Warrant.

"Current Market Price" shall be determined in accordance with Subsection 2(b)(ii).

"Effective Date" means the date Target VWAP is first achieved, provided, however, that in no event shall this Warrant become exercisable on a date that is less than twelve months from the date of issuance. For the avoidance of doubt, if Target VWAP is achieved during the twelve month period following the date of issuance, the Warrant shall be exercisable on any date beginning on the 12 month anniversary from the date of issuance through the Expiration Date.

"Election to Purchase Shares" has he meaning ascribed to such term in Subsection 2(a).

"Exercise Date" has the meaning ascribed to such term in Subsection 2(c).

"Expiration Date" has the meaning ascribed to such term set forth in the first paragraph of this Warrant.

"Holder" has the meaning ascribed to such term in the first paragraph of this Warrant.

"Issuable Warrant Shares" means the shares of Common Stock issuable at any time upon exercise of the Warrant.

"Issued Warrant Shares" means any shares of Common Stock issued upon exercise of the Warrant.

"OTCQB" means the OTCQB Venture Market.

"Person" shall mean any individual, firm, corporation, limited liability company, partnership, trust, incorporated or unincorporated association, joint venture, joint stock company, government (or an agency or political subdivision thereof) or other entity of any kind, and shall include any successor (by merger or otherwise) of such entity.

"Purchase Price" has the meaning ascribed to such term in the first paragraph of this Warrant, as adjusted in accordance with the terms of Section 3.

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

"Target VWAP" means a VWAP of the aggregate outstanding Common Stock of at least $17,000,000, measured for a period of time consisting of sixty (60) consecutive Trading Days; provided, however, that such 60-day measurement period shall not apply, and such Target VWAP shall be deemed to be attained, in the event of a Change in Control in which the outstanding Common Stock in the associated Change in Control transaction has a valuation of not less than $17,000,000 (and in the case of a sale of all or substantially all assets, such valuation to be measured by the amount by the consideration received by the Company in such transaction), as reasonably determined by the Company's Board of Directors.

"Trading Day" means any day the NYSE MKT (or its successor) is open for trading equity securities.

"Trading Market" means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the New York Stock Exchange, NYSE MKT, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, OTCQB or OTCQX (or any successors to any of the foregoing).

"Transfer Agent" means Broadridge Corporate Issuer Solutions, Inc., the transfer agent of the Company, or any successor transfer agent.

"VDA" has the meaning ascribed to such term in the first paragraph of this Warrant.

"Volume Weighted Average Price ," or "VWAP" means, for any date, the price determined as follows: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), or if the foregoing measurement is unavailable, a reasonably comparable measurement consistent therewith, (b) if the Common Stock is not then listed or quoted for trading on a Trading Market and if prices for the Common Stock are then reported in the "Pink Sheets" published by OTC Markets Group, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (c) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Board of Directors and a committee of the Board of Directors that is comprised of directors not appointed by VDA, the fees and expenses of which shall be paid by the Company.

"Warrant" means this Warrant and any subsequent Warrant issued pursuant to the terms of this Warrant.

"Warrant Register" has the meaning ascribed to such term in Subsection 8(b).

2. Exercise of Warrant.

(a) Exercise. This Warrant may be exercised by the Holder, in whole or in part, at any time commencing on the Effective Date and ending on the Expiration Date, by surrendering to the Company at its principal office this Warrant, with the form of Election to Purchase Shares (the "Election to Purchase Shares") attached hereto as Exhibit A duly executed by the Holder and accompanied by payment of the Purchase Price for the number of shares of Common Stock specified in such form. If this Warrant shall have been exercised only in part, then, unless this Warrant has expired, the Company shall, at its expense, at the time of the registry of the Issued Warrant Shares in accordance with Section 2(b)(i) or 2(b)(ii) below, deliver to the Holder a new Warrant representing the number of shares with respect to which this Warrant shall not then have been exercised.

(b) Registry of Shares; Payment of Purchase Price.

(i) As soon as practicable after surrender of this Warrant and receipt of the Election to Purchase Shares and payment of the Purchase Price, the Company shall promptly register with the Transfer Agent, the number of shares of Common Stock set forth in the Election to Purchase Shares, in such name or names as may be designated by such Holder in the Election to Purchase Shares. Payment of the Purchase Price may be made in United States currency by cash or delivery of certified check, bank draft or postal or express money order payable to the order of the Company.

(ii) Alternative Cashless Exercise. Notwithstanding any provision herein to the contrary, in lieu of exercising this Warrant as set forth in Section 2(b)(i) above, the Holder may exercise this Warrant, in whole or in part, by electing to receive that number of shares of Common Stock as determined below by surrendering to the Company at its principal office this Warrant along with the applicable Election to Purchase Shares duly executed by the Holder and the number of shares of Common Stock set forth therein, without payment of any cash consideration, in which event the Company shall issue to the Holder the number of shares of Common Stock computed using the following formula:

$$CS = \frac{WCS \times (MP-PP)}{MP}$$

where:

CS equals the number of shares of Common Stock to be issued to the Holder.

WCS equals the Issuable Warrant Shares the Holder has elected to purchase under this Warrant.

MP equals the Common Stock Current Market Price per share (on the Exercise Date).

PP equals the Purchase Price per share.

Current Market Price on any date shall be deemed to be the average VWAP of the Common Stock for the ten (10) consecutive Trading Days commencing fifteen (15) Trading Days before the cashless Exercise Date.

Following the surrender of this Warrant and the number of shares of Common Stock set forth in the Election to Purchase Shares pursuant to this Section 2(b)(ii), the Company shall promptly register with the Transfer Agent, the number of Issued Warrant Shares, as calculated above, in such name or names as may be designated by the Holder.

(c) When Exercise is Effective. The exercise of this Warrant shall be deemed to have been effective (each of (i) and (ii) below, an "Exercise Date"):

(i) pursuant to Section 2(b)(i) herein, immediately prior to the close of business on the Business Day on which this Warrant is surrendered to the Company with the applicable Election to Purchase Shares and the Purchase Price is received by the Company as provided in this Section 2, at which time the Holder shall be deemed to be the record holder of the Issued Warrant Shares for all purposes on the Exercise Date, or

(ii) pursuant to Section 2(b)(ii) herein, immediately prior to the close of business on the Business Day in which this Warrant is surrendered to the Company along with the applicable Election to Purchase Shares electing cashless exercise pursuant to such section, duly executed by the Holder, and the number of shares of Common Stock set forth therein, at which time the Holder shall be deemed to be the record holder of the Issued Warrant Shares for all purposes on the Exercise Date.

(d) Issued Warrant Shares Fully Paid, Non-assessable. The Company shall take all actions necessary to ensure that following exercise of this Warrant in accordance with the provisions of this Section 2, the Issued Warrant Shares issued hereunder shall, without further action by the Holder, be fully paid and non-assessable.

3. Adjustment of Purchase Price and Number of Shares. The Purchase Price and the Issuable Warrant Shares shall be adjusted from time to time in the following manner upon the occurrence of the following events:

(a) If the Company shall, at any time or from time to time while this Warrant is outstanding, pay a dividend or make a distribution on its Common Stock in shares of Common Stock, subdivide its outstanding shares of Common Stock into a greater number of shares or combine its outstanding shares of Common Stock into a smaller number of shares, then the number of Issuable Warrant Shares purchasable upon exercise of the Warrant immediately prior to the date upon which such change shall become effective, shall be adjusted by the Company so that the Holder thereafter exercising the Warrant shall be entitled to receive the number of shares of Common Stock which, if the Warrant had been exercised immediately prior to such event, (i) the Holder would have owned upon such exercise and been entitled to receive by virtue of such dividend, distribution or subdivision, or (ii) in the case of a combination, equals the lower number of shares the Holder would have owned upon such exercise as a result of such combination. Whenever the number of shares of Common Stock purchasable upon exercise of this Warrant is adjusted as provided in this Section 3(a), then the Purchase Price shall also be adjusted by multiplying the Purchase Price in effect immediately prior to such adjustment, by a fraction, the numerator of which shall equal the number of Issuable Warrant Shares subject to this Warrant immediately prior to such adjustment, and the denominator of which shall equal the number of shares subject to this Warrant immediately after such adjustment. Such adjustments shall be made successively whenever any event listed above shall occur. The Company will, in any adjustment made hereunder, also adjust the par value of the Common Stock proportionally (for example, in a 1 for 2 reverse split, the par value shall be doubled, and in a 2 for 1 forward split, the par value shall be reduced by half). The Company shall not otherwise adjust the par value of the Common Stock without consent of the Holder.

(b) In case the Company shall reorganize its capital, reclassify its capital stock (other than as provided in Section 3(a) above), recapitalize, consolidate with, or merge with or into, another corporation (collectively, a "Reorganization"), and pursuant to the terms of such Reorganization, stock, securities, property or other assets is to be received by or distributed to the holders of Common Stock in lieu of or with respect to shares of Common Stock, then in each such case, the Holder, upon exercise of this Warrant, shall be entitled to receive in lieu of the Issuable Warrant Shares or other securities and property receivable upon exercise of this Warrant prior to the consummation of such Reorganization, or if the Common Stock is not changed, exchanged or extinguished in such Reorganization transaction then in addition to the rights specified herein, the stock or other securities, property or assets to which the Holder would have been entitled had it exercised this Warrant immediately prior to the consummation of such Reorganization, by a holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such event. In case of any such Reorganization, the successor or acquiring corporation (if other than the Company) shall expressly assume the due and punctual observance and performance of each and every covenant and condition of this Warrant to be performed and observed by the Company and all the obligations and liabilities of the Company hereunder, subject to such modifications as may be deemed appropriate (as determined in good faith by resolution of the Board of Directors of the Company) in order to provide for adjustments of shares of Common Stock for which this Warrant is exercisable which shall be as nearly equivalent as practicable to the adjustments provided for in this Section 3(b). The foregoing provisions of this Section 3(b) shall similarly apply to successive Reorganizations. Notwithstanding anything herein to the contrary, nothing in this Warrant shall grant the Holder any protection for dilution in the event of an issuance of Common Stock or other equity interests by the Company other than as set forth in Section 3(a) and this Section 3(b).

(c) An adjustment to the Purchase Price or the number or type of securities issuable upon exercise of this Warrant shall become effective immediately after the payment date in the case of each dividend or distribution and immediately after the effective date of each other event which requires an adjustment.

(d) In the event that, as a result of an adjustment made pursuant to Section 3(b), the Holder shall become entitled to receive any shares of capital stock of the Company other than shares of Common Stock, the number of such other shares so receivable upon exercise of this Warrant shall be subject thereafter to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Issuable Warrant Shares contained in this Warrant.

4. Certificate as to Adjustments. Whenever the Purchase Price or the Issuable Warrant Shares, or the securities or other property deliverable, upon the exercise of this Warrant shall be adjusted pursuant to the provisions hereof, the Company shall promptly give written notice thereof to the Holder, in accordance with Section 13, in the form of a certificate signed by the Chairman of the Board, President or one of the Vice Presidents of the Company, and by the Chief Financial Officer, Treasurer or one of the Assistant Treasurers of the Company, stating the adjusted Purchase Price, the Issuable Warrant Shares, or the securities or other property deliverable, upon exercise of the Warrant and setting forth in reasonable detail the method of calculation and the facts requiring such adjustment and upon which such calculation is based. Each adjustment shall remain in effect until a subsequent adjustment is required.

5. Fractional Shares. Notwithstanding an adjustment pursuant to Section 3 in the number of shares of Common Stock covered by this Warrant or any other provision of this Warrant, the Company shall not be required to issue fractions of shares upon exercise of this Warrant or to distribute certificates which evidence fractional shares. In the event of fractional shares the number of shares of Common Stock will be rounded up to the nearest whole share.

6. No Dilution or Impairment. The Company will not, by amendment of its Articles or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the Holder of this Warrant against dilution (to the extent required hereby) or other impairment. Without limiting the generality of the foregoing, the Company (a) will not increase the par value of any shares of stock receivable on the exercise of this Warrant above the amount payable therefor on such exercise, (b) will at all times reserve and keep available the maximum number of its authorized shares of Common Stock, free from all preemptive rights, right of first refusal, dissenter's rights of appraisal, anti-dilution adjustment or similar rights, which will be sufficient to permit the full exercise of this Warrant, and (c) will take all such action as may be necessary or appropriate in order that all shares of Common Stock

as may be issued pursuant to the exercise of this Warrant will, upon issuance, be duly and validly issued, fully paid and nonassessable, and free from all taxes (other than any taxes based on income to be imposed on the Holder in connection with the exercise of the Warrant and any tax or other charge imposed in connection with any transfer involved in the issue and delivery of shares of Common Stock in a name other than that of the Holder), liens and charges with respect to the issue thereof (and the Company shall be responsible for the payment of any such taxes, liens and charges; provided, that the Company shall not be required to pay any legal expenses incurred by the Holder in connection with the issuance hereunder.

7. Replacement of Warrants. On receipt by the Company of an affidavit of an authorized representative of the Holder stating the circumstances of the loss, theft, destruction or mutilation of this Warrant (and in the case of any such mutilation, on surrender and cancellation of such Warrant), the Company at its expense will promptly execute and deliver, in lieu thereof, a new Warrant of like tenor which shall be exercisable for a like number of shares of Common Stock. If required by the Company, such Holder must provide an indemnity bond or other indemnity sufficient in the judgment of the Company to protect the Company from any loss which it may suffer if a lost, stolen or destroyed Warrant is replaced.

8. Restrictions on Transfer.

(a) Subject to the provisions of this Section 8, this Warrant may be transferred or assigned, in whole or in part, by the Holder at any time, and from time to time. The term "Holder" as used herein shall also include any transferee of this Warrant whose name has been recorded by the Company in the Warrant Register (as hereinafter defined). Each transferee of the Warrant or the Common Stock issuable upon the exercise of the Warrant shall agree and acknowledge in writing that the Warrant or the Common Stock issuable upon the exercise of the Warrant has not been registered under the Securities Act and may be transferred only pursuant to an effective registration under the Securities Act or pursuant to an applicable exemption from the registration requirements of the Securities Act.

(b) The Company shall maintain a register (the "Warrant Register") in its principal office for the purpose of registering the Warrant and any transfer thereof, which register shall reflect and identify, at all times, the ownership of any interest in the Warrant. Upon the issuance of this Warrant, the Company shall record the name of the initial purchaser of this Warrant in the Warrant Register as the first Holder. Upon surrender for registration of transfer or exchange of this Warrant together with a properly executed Form of Assignment attached hereto as Exhibit B at the principal office of the Company, the Company shall, at its expense, execute and deliver one or more new Warrants of like tenor which shall be exercisable for a like aggregate number of shares of Common Stock, registered in the name of the Holder or a transferee or transferees.

9. No Voting Rights or Liability as a Shareholder. This Warrant does not entitle the Holder hereof to any voting rights or other rights as a shareholder of the Company, except for dividend rights as set forth in Section 10 below. No provisions hereof, in the absence of affirmative action by the Holder hereof to purchase Common Stock, and no enumeration herein of the rights or privileges of the Holder shall give rise to any liability of such Holder as a shareholder of the Company.

10. Dividend Right. Each time a cash dividend is paid on the Common Stock, the Holder will be entitled to receive (such entitlement, the "Dividend Right") an amount equal to the amount of the dividend paid per share multiplied by the maximum number shares of Common Stock that would be issued to Holder if this Warrant were exercised in full immediately prior to the record date for any such dividend, as provided in Sections 2 and 3 above, as if such shares of Common Stock had been issued to and held by Holder. Holder will receive any amount payable in respect of the Dividend Right in a lump sum cash payment as and when the dividend is paid to the Company's shareholders.

11. Representations, Warranties and Covenants. The Company represents, warrants and covenants to the Holder of this Warrant as follows:

(a) This Warrant has been duly authorized and executed by the Company and is a valid and binding obligation of the Company enforceable in accordance with its terms, subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and the rules of law or principles at equity governing specific performance, injunctive relief and other equitable remedies;

(b) The Issuable Warrant Shares have been duly authorized and, when issued in accordance with the terms hereof, the Issued Warrant Shares will be validly issued, fully paid and nonassessable;

(c) The execution and delivery of this Warrant are not, and the issuance of the Issued Warrant Shares upon exercise of this Warrant in accordance with the terms hereof will not be, inconsistent with the Company's Articles and by-laws, do not and will not contravene any law, governmental rule or regulation, judgment or order applicable to the Company, and do not and will not conflict with or contravene any provision of, or constitute a default under, any indenture, mortgage, contract or other instrument of which the Company is a party or by which it is bound or require the consent or approval of, the giving of notice to, the registration or filing with or the taking of any action in respect of or by, any Federal, state or local government authority or agency or other person, except for the filing of notices pursuant to federal and state securities laws, which filings will be effected by the time required thereby.

(d) The Company agrees during the term the rights under this Warrant are exercisable to reserve and keep available from its authorized and unissued shares of Common Stock for the purpose of effecting the exercise of this Warrant such number of shares of Common Stock as shall from time to time be sufficient to effect the exercise of rights under this Warrant; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient for purposes of the exercise of this Warrant in accordance with its terms, without limitation of such other remedies as may be available to the Holder, the Company will take all corporate action as may be necessary to increase its authorized and unissued shares of Common Stock to a number of Common Stock as shall be sufficient for such purposes; and

(e) There are no actions, suits, audits, investigations or proceedings pending or, to the knowledge of the Company, threatened against the Company in any court or before any governmental commission, board or authority which, if adversely determined, will have a material adverse effect on the ability of the Company to perform its obligations under this Warrant.

12. Amendment or Waiver. This Warrant and any term hereof may be amended, waived, discharged or terminated only by and with the written consent of the Company and the Holder.

13. Notices. All notices, requests and other communications provided for or permitted to be given under this Warrant must be in writing and shall be deemed given to a party when (a) delivered to a party at the appropriate address set forth below by personal delivery, by certified or registered United States mail (postage prepaid, return receipt requested), or by nationally recognized overnight courier service for next day delivery (costs prepaid), or (b) sent by e-mail with confirmation of transmission by the transmitting equipment and further confirmation by delivery of a copy to such party as provided in clause (a), in each case to the following addresses or e-mail addresses and marked to the attention of the Person (by name or title) designated below (or to such other address, e-mail address or Person as a party may designate by notice to the other party in accordance with the provisions hereof):

If to VDA:

V.D.A. Group S.p.A.
Viale L. Zanussi,
333170 Pordenone, Italy
Attention: Piercarlo Gramaglia
E-mail: piercarlo.gramaglia@vdagroup.com

with a copy to:

Moses & Singer LLP
Attention: Francesco Di Pietro, Esq.
Allan Grauberd, Esq.
The Chrysler Building
405 Lexington Avenue
New York, New York 10174-1299
Fax No.: (212) 554-7700
E-mail: fdipietro@mosessinger.com
agrauberd@mosessinger.com

If to the Shareholder, to the contact information for the Shareholder set forth on Schedule A hereto with a copy (which shall not constitute notice) to:

Husch Blackwell LLP
511 North Broadway, Suite 1100
Milwaukee, WI 53202
Fax No.: 414.223.5000
Attention: Kate Bechen
E-mail: kate.bechen@huschblackwell.com

14. Specific Performance; Remedies. The Company agrees that irreparable damage would occur in the event that any of the provisions of this Warrant were not performed in accordance with their specific terms or were otherwise breached. Accordingly, the Holder shall be entitled to seek specific performance of the terms hereof, including an injunction or injunctions to prevent breaches of this Warrant by the Company and to enforce specifically the terms and provisions of this Warrant in the United States District Court located in the Borough of Manhattan (unless the United States District Court located in the Borough of Manhattan shall decline to accept jurisdiction over a particular matter, in which case, in any state court of the State of New York within the Borough of Manhattan in the City of New York), this being in addition to any other remedy to which such party is entitled at law or in equity. The Company hereby further waives (a) any defense in any action for specific performance that a remedy at law would be adequate and (b) any requirement under any law to post security as a prerequisite to obtaining equitable relief.

15. Governing Law. This Agreement and all disputes or controversies arising out of or relating to this Agreement or the transactions contemplated hereby shall be governed by, and construed in accordance with, the internal laws of the State of New York, without regard to the laws of any other jurisdiction that might be applied because of the conflicts of laws principles of the State of New York, and except that the URBCA shall control to the extent such necessarily applies to any aspect of this Agreement.

16. Headings. The headings in this Warrant are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has caused this Warrant to be executed and delivered by its duly authorized representative as of the day and year first above written.

TELKONET, INC.

By: /s/_____

Name: Jason L. Tienor

Title: President and Chief Executive Officer

Exhibit A to Common Stock Purchase Warrant

[FORM OF ELECTION TO PURCHASE SHARES]

The undersigned hereby irrevocably elects to exercise the Warrant to purchase _____ shares of Common Stock, par value $[__] per share ("Common Stock"), of Telkonet, Inc. (the "Company") and hereby [makes payment of $_____ therefor] [or] [makes payment therefore by surrendering pursuant to Section 2(b)(ii) _____ shares of Common Stock of the Company]. The undersigned affirms that as of the date of exercise, it is an "accredited investor", as defined under Rule 501(a) under the Securities Act of 1933, as amended, and is acquiring the shares for investment purposes, and not for resale in a manner that would violate the Securities Act of 1933, as amended. The undersigned hereby requests that certificates for such shares be issued and delivered as follows:

ISSUE TO:

____

(NAME)

____

(ADDRESS, INCLUDING ZIP CODE)

____

(SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER)

DELIVER TO:____

(NAME)

____

(ADDRESS, INCLUDING ZIP CODE)

(NAME OF HOLDER)*

By:_____
Name:
Title:

_____

*Name of Holder must conform in all respects to name of Holder as specified on the face of the Warrant.

Exhibit B to Common

Stock Purchase Warrant

[FORM OF] ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto the Assignee named below the rights of the undersigned to purchase _____ shares of Common Stock, par value $[__] per share ("Common Stock"), of Telkonet, Inc. represented by the Warrant:

Name of Assignee	Address	Number of shares of Common Stock

and does hereby irrevocably constitute and appoint _____ Attorney to make such transfer on the books of Telkonet, Inc. maintained for that

purpose, with full power of substitution in the premises.

Dated:_____ [NAME OF HOLDER[1]]

By: _____
Name:
Title:

_____

1 Name of Holder must conform in all respects to name of Holder as specified on the face of the Warrant.