As confidentially submitted to the U.S. Securities and Exchange Commission on November 10, 2021 as Amendment No. 1 to the draft Registration Statement

Registration Statement No. 333-

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

FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

SIDUS SPACE, INC.

(Exact name of registrant as specified in its charter)

Delaware	**4812**	**46-0628183**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

150 N. Sykes Creek Parkway, Suite 200
Merritt Island, FL 32953
(321) 613-5620
(Address and telephone number of registrant's principal executive offices)

Carol Craig
Chief Executive Officer
Sidus Space, Inc.
150 N. Sykes Creek Parkway, Suite 200
Merritt Island, FL 32953
(321) 613-5620
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Jeffrey J. Fessler, Esq.
Sean F. Reid, Esq.
Sheppard, Mullin, Richter & Hampton LLP
30 Rockefeller Plaza
New York, NY 10112-0015
(212) 653-8700

Cavas S. Pavri
Johnathan Duncan
Schiff Hardin LLP
901 K Street NW, Suite 700
Washington, DC 20001
Telephone: (202) 778-6400
Facsimile: (202) 778-6460

Approximate date of commencement of proposed sale to the public:
As soon as practicable after the effective date of this registration statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box: ☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐	Non-accelerated filer ☒	Smaller reporting company ☒ Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided to Section 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price[1]	Amount of Registration Fee[2]
Class A Common Stock, par value $0.0001 per share	$	$
Representative's Warrant to purchase Class A Common Stock[3][4][5]		
Class A Common Stock underlying Representative's Warrant		
Class A Common Stock offered by the selling stockholders		

(1) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended. Includes shares of common stock that the underwriters have the option to purchase to cover over-allotments, if any.

(2) Calculated pursuant to Rule 457(o) based on an estimate of the proposed maximum aggregate offering price of the securities registered hereunder to be sold by the registrant.

(3) No fee required pursuant to Rule 457(g) under the Securities Act of 1933, as amended.

(4) Represents 7.0% of the shares to be sold in this offering, at an exercise price equal to 110% of the public offering price per share, including shares that may be sold upon exercise of the underwriters' over-allotment option.

(5) Pursuant to Rule 416, the securities being registered hereunder include such indeterminate number of additional securities as may be issuable to prevent dilution resulting from stock splits, stock dividends or similar transactions.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

EXPLANATORY NOTE

This Registration Statement contains two forms of prospectuses: one to be used in connection with the initial public offering of _____ shares of our common stock through the underwriters named on the cover page of this prospectus (the "IPO Prospectus") and one to be used in connection with the potential resale by certain selling stockholders of an aggregate amount up to 200,000 shares of our common stock (the "Selling Stockholder Prospectus"). The IPO Prospectus and the Selling Stockholder Prospectus will be identical in all respects except for the alternate pages for the Selling Stockholder Prospectus included herein which are labeled "Alternate Pages for Selling Stockholder Prospectus."

The Selling Stockholder Prospectus is substantively identical to the IPO Prospectus, except for the following principal points:

- they contain different outside and inside front covers;
- they contain different Offering sections in the Prospectus Summary section;
- they contain different Use of Proceeds sections;
- the Capitalization section is deleted from the Selling Stockholder Prospectus;
- the Dilution section is deleted from the Selling Stockholder Prospectus;
- a Selling Stockholder section is included in the Selling Stockholder Prospectus;
- the Underwriting section from the IPO Prospectus is deleted from the Selling Stockholder Prospectus and a Plan of Distribution is inserted in its place; and
- the Legal Matters section in the Selling Stockholder Prospectus deletes the reference to counsel for the underwriters.

We have included in this Registration Statement, after the financial statements, a set of alternate pages to reflect the foregoing differences of the Selling Stockholder Prospectus as compared to the IPO Prospectus.

While the selling stockholders have expressed an intent not to sell the shares of common stock registered pursuant to the Selling Stockholder Prospectus concurrently with the initial public offering, the sales of our common stock registered in the IPO Prospectus and the Selling Stockholder Prospectus may result in two offerings taking place concurrently, which could affect the price and liquidity of, and demand for, our common stock. This risk and other risks are included in "Risk Factors" beginning on page __ of the IPO Prospectus.

The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY PROSPECTUS SUBJECT TO COMPLETION DATED NOVEMBER 10, 2021

[ ] shares of Class A Common Stock

Sidus Space, Inc.

This is the initial public offering of shares of Class A Common Stock of Sidus Space, Inc. We are offering shares of our Class A common stock. No public market currently exists for our Class A common stock. We anticipate that the initial public offering price will be between $ and $ per share.

We have applied to list our Class A common stock on The Nasdaq Capital Market under the symbol "SIDU." Upon completion of this offering, we will be a "controlled company" as defined in the corporate governance rules of The Nasdaq Capital Market.

We have two classes of common stock: Class A common stock and Class B common stock. The rights of the holders of Class A common stock and Class B common stock are identical, except with respect to voting rights. Each share of Class A common stock is entitled to one vote. Each share of Class B common stock is entitled to ten votes and is convertible at any time into one share of Class A common stock. The holders of our outstanding Class B common stock will hold approximately % of the voting power of our outstanding capital stock following this offering.

In addition, we have registered an aggregate of 200,000 shares of our common stock for resale by certain selling stockholders by means of the Selling Stockholder Prospectus. While the selling stockholders have expressed an intent not to sell the shares of common stock registered pursuant to the Selling Stockholder Prospectus concurrently with the initial public offering, sales of the shares of our common stock registered in this prospectus and the Selling Stockholder Prospectus may result in two offerings taking place concurrently which might affect price, demand, and liquidity of our common stock.

We are an "emerging growth company" as that term is used in the Jumpstart Our Business Startups Act of 2012 and, as such, have elected to comply with certain reduced public company reporting requirements.

Investing in our Class A common stock involves risks. See "Risk Factors" beginning on page 9.

	Per Share	Total
Price to the public	$	$
Underwriting discounts and commissions	$	$
Proceeds to us (before expenses)[1]	$	$

(1) We refer you to "Underwriting" beginning on page 80 of this prospectus for additional information regarding underwriting compensation.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriter expects to deliver the shares of Class A common stock on or about , 2021.

Boustead Securities, LLC

The date of this prospectus is , 2021

TABLE OF CONTENTS

	Page
PROSPECTUS SUMMARY	1
RISK FACTORS	9
INFORMATION REGARDING FORWARD-LOOKING STATEMENTS	34
INDUSTRY AND MARKET DATA	35
USE OF PROCEEDS	35
DIVIDEND POLICY	36
CAPITALIZATION	36
DILUTION	37
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND PLAN OF OPERATIONS	39
BUSINESS	48
MANAGEMENT	60
EXECUTIVE AND DIRECTOR COMPENSATION	64
CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS	69
PRINCIPAL STOCKHOLDERS	71
DESCRIPTION OF CAPITAL STOCK	72
SHARES ELIGIBLE FOR FUTURE SALE	77
MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS OF OUR CLASS A COMMON STOCK	78
UNDERWRITING	82
LEGAL MATTERS	87
EXPERTS	87
WHERE YOU CAN FIND MORE INFORMATION	88
INDEX TO FINANCIAL STATEMENTS	F-1

We have not, and the underwriter has not, authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give to you. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of our Class A common stock.

You should rely only on the information contained in this prospectus. No dealer, salesperson or other person is authorized to give information that is not contained in this prospectus. This prospectus is not an offer to sell nor is it seeking an offer to buy these securities in any jurisdiction where the offer or sale is not permitted. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of these securities.

All trademarks, trade names and service marks appearing in this prospectus are the property of their respective owners. Solely for convenience, the trademarks and trade names in this prospectus are referred to without the ® and ™ symbols, but such references should not be construed as any indicator that their respective owners will not assert, to the fullest extent under applicable law, their rights thereto.

PROSPECTUS SUMMARY

The following summary highlights selected information contained elsewhere in this prospectus and is qualified in its entirety by the more detailed information and financial statements included elsewhere in this prospectus. It does not contain all the information that may be important to you and your investment decision. You should carefully read this entire prospectus, including the matters set forth under "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our financial statements and related notes included elsewhere in this prospectus. In this prospectus, unless context requires otherwise, references to "we," "us," "our," "Sidus Space" "Sidus," or "the Company" refer to Sidus Space, Inc.

Overview

Sidus Space is a space-as-a-service company focused on commercial satellite design, manufacture, launch, and data collection with a vision to demonstrate space operations for new technologies and deliver data and predictive analytics to both domestic and global customers. We have 9 years of commercial, military and government manufacturing experience combined with space qualification experience, existing customers and pipeline, and International Space Station (ISS) heritage hardware. We support commercial space, aerospace, defense, underwater marine and other commercial and government customers. Our services include multidisciplinary design engineering, precision Computer Numerical Control (CNC) machining and fabrication, Swiss screw machining, American Welding Society (AWS) certified welding and fabrication, electrical and electronic assemblies, wire cable harness fabrication, 3D composite and metal printing, satellite manufacturing, satellite payload integration and operations support, satellite deployment and microgravity testing and research. We have designed and manufactured many flight and ground components and systems for several government and commercial customers including large government contractors and space agencies. Specific efforts include:

- Manufacturing, assembling and testing space hardware components for the NASA Orion spacecraft which include the Ogive lifting fixture, crew module birdcage, heatshield shipping frame stanchions, service module lift station and Reefing Line cutters for the parachute deployment system
- Manufacturing, assembling and testing Flight and Ground ECS Quick Disconnects and the umbilical release mechanism for NASA's Space Launch System (SLS) Universal Stage Adapter (USA)
- Supporting the engineering design, specifications, and assembly of approximately 37 internal and external cable harness assemblies for ISS based Bishop Airlock
- Manufacturing and assembling an umbilical plate for NASA Centaur
- Supporting NASA's Launch Pad and Mobile Launcher 1 with testing for 13 umbilical systems, fabrication of wire harnesses (including procurement, assembly, molding and testing) and manufacture, assembly and testing of electronic and fluid/pneumatic control cabinets
- Manufacturing, assembling and testing over 50 ground support electrical control cabinets for NASA Mobile Launcher 2
- Manufacturing and assembling prototype trash compactor for proposed Lunar Orbital Gateway
- Manufacturing component parts for the Space & Airborne Systems division for L3Harris
- Manufacturing various underwater oil and gas components for Teledyne Marine
- Integrating and testing an X-Band antenna for the small satellite market in partnership with MTI Wireless Edge Ltd.

Significant milestones and events include but are not limited to:

2018
- Awarded IDIQ contract vehicle to support Orion Crewed Space Capsule is
- Manifested External Flight Test Platform for early 2019 launch
- Awarded IDIQ contract to provide payload integration and operations including satellite deployment support on International Space Station

2019
- External Flight Test Platform launch scheduled for October 2019 on Northrup Grumman's Cygnus NG-12
- External Flight Test Platform successfully launched

2020
- STPS at-4 successfully deployed from International Space Station using SSIKLOPS platform
- Partnership established with Indian Aerospace firm Dhruva Space

2021
- External Flight Test Platform successfully returned on SpaceX CRS-21 from ISS
- Winning team for NASA HEOMD AES Project Polaris awards for: Autonomous Satellite Technology for Real-time Applications (ASTRA)

We are Aerospace Basic Quality System Standard (AS) 9100D certified, International Traffic in Arms (ITAR) registered, and have received approval of International Telecommunications Union (ITU) spectrum licensing for both X-Band and S-Band frequencies. We filed for X-band and S-band radio frequencies licensing in February 2021 and were granted approval through a published filing by the ITU on April 4, 2021. Such licenses are held through Aurea Alas, Ltd., an Isle of Man company, a related party to our company. Our filing contains approved spectrum use for multiple X-Band and S-Band frequencies and five different orbital planes. The ITU is the specialized agency responsible for principles and licensing of the use of orbit and spectrum. Before a satellite can use the spectrum and orbital resources it needs to fulfil its mission, it requires an associated 'satellite filing'. The filing is a tool to obtain international recognition of these resources and it is a critical component to our product offering, enabling users to demonstrate, test, and operate new technologies in space.

Located in Cape Canaveral, Florida, also known as "The Space Coast," we operate from a 35,000 square foot manufacturing, assembly, integration, and testing facility and employ 26 individuals with plans for growth over the next year.

We continually invest in internal research and development and currently have ten space related patents approved or pending. Our patented technologies

include a print head for regolith-polymer mixture and associated feedstock; a heat transfer system for regolith; a method for establishing a wastewater bioreactor environment; vertical takeoff and landing pad and interlocking pavers to construct same; and high-load vacuum chamber motion feedthrough systems and methods. Regolith is a blanket of unconsolidated, loose, heterogeneous superficial deposits covering solid rock. It includes dust, broken rocks, and other related materials and is present on Earth, the Moon, Mars, some asteroids, and other terrestrial planets and moons.

Our strategy is to build an all-inclusive space-as-a-service platform for the global space economy. Our Founder and Chief Executive Officer, Carol Craig, has also built her namesake firm, Craig Technologies, into an aerospace and defense contracting company recognized throughout the U.S. government and commercial space industries, that is backed by proven experience in the design, development, and commercialization of new and innovative space technologies and services through aerospace and defense partnerships and collaborations. Ms. Craig's accomplishments as a seasoned CEO include the following awards:

- 2020 - U.S. Women's Chamber of Commerce "Innovation and Performance" Award.
- 2017 - "Making a Difference" award by The American Business Women's Association Oceanside Charter Chapter.
- 2016 - Special Congressional Recognition award from Congressman Bill Posey during Hispanic Heritage month for her outstanding and invaluable service to the local community.
- 2015 - Small Business Administration's Small Business Person of the Year for the State of Florida and South Florida District. (Recognized as the national first runner-up finalist in Washington, DC.)
- 2013 - The National Defense Industrial Association (NDIA), Kathleen P. Sridhar Small Business Executive of the Year
- 2013 - Hispanic Engineers National Achievement Awards Conference (HENAAC) Entrepreneur of the Year Award by the Great Minds in STEM.

We are developing and anticipating launching 100kg (220-pound) satellites with available space to rapidly integrate customer sensors and technologies. By developing a standardized operating system for space, we believe we can deliver customer payloads to orbit in months, rather than years. In addition, we anticipate delivering high-impact data for insights on aviation, maritime, weather, space services, earth intelligence and observation, financial technology (Fintech) and the Internet of Things (IoT).

Multiple Platforms

Over the last few years, we have designed, developed, and built hardware that has allowed us to provide potential clients with customizable, lightweight, low-cost satellite testing alternatives for one or multiple systems or subsystems including electronics, propulsion, optics, or communications, at what we believe to be a lower cost and more rapid deployment than other launch and test options. Our hardware solutions are in varying stages of development and include the following existing or planned products:

- **External Flight Test Platform (EFTP)** offers multiple industries the ability to develop, test, and fly experiments, hardware, materials, and advanced electronics on the ISS in an external space environment at a reduced cost and schedule. Potential payloads include optical communications, materials, satellite components, electroplating, and pharmaceutical testing. The EFTP includes integration and delivery to the ISS and has a typical deployment period of 15 weeks.

- **SSIKLOPS (Space Station Integrated Kinetic Launcher for Orbital Payload Systems)** is a deployment mechanism for satellites to be released from the ISS to be operated alongside the JEM Small Satellite Orbital Deployer (J-SSOD) and the NanoRacks CubeSat Deployer (NRCSD). But unlike J-SSOD and NRCSD that can only be used for CubeSats, SSIKLOPS can be used to deploy larger satellites of different shapes up to a mass of 100 kilograms – opening up a whole new market for satellite deployments from ISS.

- **Phoenix** is currently in development as a CubeSat deployer utilizing the SSIKLOPS deployment platform to deploy CubeSats from the ISS. Phoenix will offer a low-cost and high availability deployer option for CubeSats within the 3U to 12U range. U refers to the standard 'Cubesat' dimensions (Units or "U") of 10 cm x 10 cm x 10 cm which are used to describe space on spacecraft).

- **LizzieSat (LS)** is currently in development as a hybrid 3D manufactured Low Earth Orbit (LEO) microsatellite that focuses on rapid, cost-effective development and testing of innovative spacecraft technologies for multiple customers. LS is planned to combine static component testing and LEO spacecraft development and deployment to provide complete life cycle services to commercial and government customers for Internal Research & Development (IR&D), data analytics and/or proof of concept. We anticipate that LS will leverage our in-house low-cost additive manufacturing of satellites using the Markforged X7, an industrial 3D printer featuring a dual nozzle print system that supports continuous carbon fiber and Kevlar reinforcement, to provide rapid, agile development of spacecraft due to its modular design.

Sidus Constellation

We intend to offer our LEO constellation and mission-critical data analytics optimized to meet the detailed conditions of any commercial and government mission. Our Sidus Constellation is anticipated to be optimized to meet the precise conditions of commercial and governmental demands in our increasingly interconnected, cloud-based, and data-driven world by providing instant connectivity from anywhere to everywhere. We plan to work collaboratively with our consumers to deliver effective connectivity solutions that tackle the world's most complex information challenges providing powerful benefits that improve their operations and drive growth. We offer the following services to our customers:

- Vertically Integrated Satellite Services
- Precision Manufacturing & Integration
- Satellite-as-a-Service (LEO Constellation)
- Payloads for Test & Operational Missions
- Launch & Support Services
- Geospatial Data Imagery & Sensors
- Data Services & Analytics

We have generated space related manufacturing revenue since 2012 but have not yet generated revenue from our commercial constellation space offering. We expect to generate revenue in the fourth quarter of 2021 from our first LS satellites, and we continue to finalize customers for LizzieSat-1 (LS-1). LS-1 is anticipated to launch in the fourth quarter of 2022 using our SSIKLOPS platform from the ISS and is intended to provide test data regardless of the success of the mission.

The first set of satellites is planned to be deployed from the ISS under a current NASA contract utilizing the SSIKLOPS. We have been awarded a 5-year indefinite delivery indefinite quantity contract by NASA to provide services to manage and perform the work for the successful integration and on-orbit operations of the platform for U.S. government customers with the option to utilize the platform for commercial efforts as well. Although launching from the ISS is a very economical and valid option, we are currently negotiating with other small satellite launchers to accommodate additional batches of satellites.

Our plan to build a global constellation requires deploying many satellites in different orbits and inclinations. Our spectrum filing approval is for multiple inclinations and altitudes between 300 and 650 km to meet LS user needs. All proposed altitudes are in lower Earth orbit however, orbits include sun synchronous, elliptical, polar, and equatorial.

We plan to manufacture all production LS satellites in-house with backup manufacturers identified as needed. The design life of the satellites is 2-3 years, and we anticipate replenishing satellites as they reach end of life to maintain the overall scale of the Sidus Constellation.

The LS satellites are of an innovative design that combines additive manufactured material with traditional machined aluminum and allows for modular integration of payloads and technologies. Sidus Space standard subsystem components provide redundancy and the ability to collect data for subscription services. All satellites in the Sidus Constellation will be of similar design, although there may be differences in manufacturers, payloads and components over time.

Initial launches will be supported by cargo resupply missions to the ISS. As an implementation partner to the ISS, we have access to additional space on commercial resupply missions through the SpaceX Falcon 9/Dragon and the Northrop Grumman Antares/Cygnus rockets for spacecraft transportation to transport the satellite to the ISS. Deployment of the spacecraft from the ISS is accomplished using the SSIKLOPS deployer that we operate and maintain (currently residing on the ISS). As users with more diverse needs are identified, we anticipate finalizing agreements for rideshare rockets or dedicated small satellite rocket launchers to meet user requirements.

The LS satellites are designed to have two command and control systems and operate in a “store and forward” mode, meaning that all collected information is stored on board until the next downlink opportunity. Each satellite is expected to provide a separate data stream which is downlinked from the individual satellite and transferred via network backhaul to a terrestrially based cloud computing platform for processing to create products for sale to customers.

The Sidus Constellation is planned to be comprised of customized satellites that will utilize S- and X-band frequencies in a variety of orbital planes. This is due to the developmental and customized nature of the customer market. Potential users of the Sidus Constellation range from military to commercial, start-ups to mature firms, and domestic and global educational institutions, and will be testing new technologies to be integrated into military, NASA, and commercial satellite products.

Each LS satellite is anticipated to be individually operated and commanded from the ground, and all satellites are expected to be capable of ceasing radio emissions if required. The carrier frequency of each transmitter is planned to be maintained within 0.002% of the reference frequency and all emissions shall meet the out-of-band emission limits specified in the Federal Communications Commission (FCC) rules.

Our operation of any Earth stations within the US will comply with domestic FCC requirements.

For downlink operations in the 8025 – 8400 MHz band, LS satellites are planned to operate in a non-broadcast mode, only radiating when transmitting data to one or more of our planned earth stations; LS satellites will use on-board filtering to ensure no spillover into Deep Space Network operating regions; and LS satellites will operate well below the power flux density requirements.

Initially, the satellites are designed to meet the requirements of the ISS deployment platform described in SSIKLOPS and with a mass of up to 115 kg and an envelope of 20 x 20 x 30 inches. Sidus satellite buses are designed to be modular and customized to fit the needs of different customers on the same bus. The initial deployment phase is anticipated to consist of approximately 15 satellites at 410 km.

Subsequent satellites, including replenishment satellites, are planned to extend to polar, sun-synchronous orbit (SSO), mid-latitude and near-equatorial orbits, with exact inclinations depending on launch availability, user requirements and coverage needs. Additionally, all satellites must meet orbital debris guidelines.

Customer/Market Research

The need to provide commercial testing capabilities in space has been growing for many years and has become a requirement for many innovating companies. According to the Prospectus for the Small Satellite Market, 7th Edition released in April, 2021, Euroconsult anticipates that about 13,910 satellites <500 kg will be launched in the next ten years. This total represents a 38% increase over the 10,100 satellites that were expected in its previous edition. The smallsat industry is gearing up for significant expansion in terms of capabilities and demand, with the number of satellites to be launched growing four-fold over 2021-2030, citing growth in manufacturing, launch and operations, and increasing government budgets for space. As the small satellite market grows, the requirement for rapid flight proven testing is becoming more crucial. Although ground-based testing is available, it does not provide a mirrored testing environment for spacecraft and subcomponent testing. We intend to address this need with our Sidus Constellation. Furthermore, customization of the Sidus Constellation with appropriate technology can provide subscription data and imagery services for customers whose needs prompt consideration for a separate constellation. Currently, our core market corresponds most directly with satellite manufacturing and of offering LEO space-as-a-service solutions. However, we believe our addressable market can also continue to expand in similar and adjacent industries such as government and defense manufacturing. We have generated space-related manufacturing revenue since 2012, and we expect to generate revenue from our commercial constellation space offering in Q4 of 2021 as we continue to finalize customers for LizzieSat-1 (LS-1). LS-1 is currently slated to launch in the fourth quarter of 2022 utilizing our SSIKLOPS platform aboard the ISS.

Risks Associated with Our Business

Our business is subject to a number of risks and uncertainties, including those highlighted in the section titled “Risk Factors” immediately following this Prospectus Summary. These risks include, but are not limited to, the following:

Our limited operating history makes it difficult to evaluate our future prospects and the risks and challenges we may encounter.

We have incurred significant losses since inception, we expect to incur losses in the future, and we may not be able to achieve or maintain profitability

The success of our business will be highly dependent on our ability to effectively market and sell our commercial satellite manufacturing, launch, and data services for small LEO satellites

We have not yet delivered our 3D printed satellites into orbit, and any setbacks we may experience during our first commercial satellite launch planned for 2022 and other demonstration and commercial missions could have a material adverse effect on our business, financial condition and results of operation, and could harm our reputation.

The market for commercial satellite manufacturing, launch and data services for small LEO satellites is not well established, is still emerging and may not achieve the growth potential we expect or may grow more slowly than expected.

Our ability to grow our business depends on the successful development of our satellites and related technology, which is subject to many uncertainties, some of which are beyond our control.

We routinely conduct hazardous operations in testing of our satellite subsystems, which could result in damage to property or persons. Unsatisfactory performance or failure of our satellites and related technology at launch or during operation could have a material adverse effect on our business, financial condition and results of operation.

We may experience a total loss of our technology and products and our customers’ payloads if there is an accident on launch or during the journey into space, and any insurance we have may not be adequate to cover our loss.

Any delays in the development and manufacture of satellites and related technology may adversely impact our business, financial condition and results of operations.

Our customized hardware and software may be difficult and expensive to service, upgrade or replace.

Our satellites may collide with space debris or another spacecraft, which could adversely affect our operations.

If we are unable to adapt to and satisfy customer demands in a timely and cost-effective manner, or if we are unable to manufacture our products at a quantity and quality that our customers demand, our ability to grow our business may suffer.

We will need to raise substantial additional capital to fully develop and commercialize our satellite manufacturing, launch and data services business, and our failure to obtain funding when needed may force us to delay, reduce or eliminate our development programs or collaboration efforts. If we do not obtain adequate and timely funding, we may not be able to continue as a going concern.

If we are unable to maintain relationships with our existing launch partners or enter into relationships with new launch partners, we may be unable to reach our targeted annual launch rate, which could have an adverse effect on our ability to grow our business.

Our business is subject to a wide variety of extensive and evolving government laws and regulations. Failure to comply with such laws and regulations could have a material adverse effect on our business.

Craig Technical Consulting, Inc., or CTC, controls the direction of our business, and the concentrated ownership of our common stock will prevent you and other stockholders from influencing significant decisions.

We may be a "controlled company" within the meaning of the Nasdaq rules and, as a result, may qualify for, and may rely on, exemptions from certain corporate governance requirements that provide protection to stockholders of other companies.

The dual-class structure of our common stock as contained in our amended and restated certificate of incorporation, as amended, has the effect of concentrating voting control with those stockholders who held our capital stock prior to this offering, comprised of our Chief Executive Officer. This ownership will limit or preclude your ability to influence corporate matters, including the election of directors, amendments of our organizational documents, and any merger, consolidation, sale of all or substantially all of our assets, or other major corporate transactions requiring stockholder approval, and that may adversely affect the trading price of our Class A common stock.

Corporate Information

We were incorporated as a Delaware corporation on April 15, 2021. Our principal executive offices are located at 150 N. Sykes Creek Parkway, Suite 200, Merritt Island, FL 32953 and our telephone number is (321) 613-5620. Our website address is *www.sidusspace.com*. The information contained on our website is not incorporated by reference into this prospectus, and you should not consider any information contained on, or that can be accessed through, our website as part of this prospectus or in deciding whether to purchase our Class A common stock.

Implications of Being an Emerging Growth Company

As a company with less than $1.07 billion in revenues during our last fiscal year, we qualify as an emerging growth company as defined in the Jumpstart Our Business Startups Act ("JOBS Act") enacted in 2012. As an emerging growth company, we expect to take advantage of reduced reporting requirements that are otherwise applicable to public companies. These provisions include, but are not limited to:

- being permitted to present only two years of audited financial statements, in addition to any required unaudited interim financial statements, with correspondingly reduced "Management's Discussion and Analysis of Financial Condition and Results of Operations" disclosure in this prospectus;
- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as amended ("Sarbanes-Oxley Act");
- reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

We may use these provisions until the last day of our fiscal year following the fifth anniversary of the completion of this offering. However, if certain events occur prior to the end of such five-year period, including if we become a "large accelerated filer," our annual gross revenues exceed $1.07 billion or we issue more than $1.0 billion of non-convertible debt in any three-year period, we will cease to be an emerging growth company prior to the end of such five-year period.

The JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. As an emerging growth company, we intend to take advantage of an extended transition period for complying with new or revised accounting standards as permitted by The JOBS Act.

To the extent that we continue to qualify as a "smaller reporting company," as such term is defined in Rule 12b-2 under the Securities Exchange Act of 1934, after we cease to qualify as an emerging growth company, certain of the exemptions available to us as an emerging growth company may continue to be available to us as a smaller reporting company, including: (i) not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes Oxley Act; (ii) scaled executive compensation disclosures; and (iii) the requirement to provide only two years of audited financial statements, instead of three years.

THE OFFERING

Class A common stock offered by us	shares
Class A common stock to be outstanding immediately after this offering	shares
Class B common stock to be outstanding immediately after this offering	10,000,000 shares
Use of proceeds	We estimate that the net proceeds from this offering will be approximately $, at an assumed initial public offering price of $ per share, the midpoint of the range set forth on the cover page of this prospectus, after deducting the underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds from this offering for (i) sales and marketing, (ii) operational costs, (iii) product development, (iv) manufacturing expansion and (v) working capital and other general corporate purposes. We may also use a portion of the net proceeds to in-license, acquire or invest in complementary businesses or products, however, we have no current commitments or obligations to do so. See “Use of Proceeds” for a more complete description of the intended use of proceeds from this offering.
Voting rights	We have two classes of common stock: Class A common stock and Class B common stock. Shares of our Class A common stock are entitled to one vote per share. Shares of our Class B common stock are entitled to ten votes per share. Holders of our Class A common stock and Class B common stock will generally vote together as a single class, unless otherwise required by law or our amended certificate of incorporation that will become effective immediately prior to the closing of this offering. The holders of our outstanding Class B common stock will hold approximately % of the voting power of our outstanding capital stock following the completion of this offering and will have the ability to control the outcome of matters submitted to our stockholders for approval, including the election of our directors and the approval of any change in control transaction. See the sections titled “Principal Stockholders” and “Description of Capital Stock” for additional information.
Controlled company	Upon the completion of this offering, Craig Technical Consulting, Inc., or CTC, will beneficially own a controlling interest in us and we expect to be a "controlled company" under Nasdaq rules. As a controlled company, we may elect to avail ourselves of the controlled company exemption under the corporate governance requirements of the Nasdaq Capital Market.
Risk factors	See “Risk Factors” on page [·]·and other information included in this prospectus for a discussion of factors to consider carefully before deciding to invest in shares of our Class A common stock.
Proposed Nasdaq Capital Market symbol	“SIDU”

The number of shares of Class A common stock and Class B common stock that will be outstanding after this offering is based on ____ shares of Class A common stock and 10,000,000 shares of Class B common stock outstanding as of [ ], 2021, and excludes:

- 10,000,000 shares of Class A common stock issuable upon conversion of our Class B Common Stock;
- [ ] shares of Class A common stock reserved for future issuance under our 2021 Omnibus Equity Incentive Plan.

Summary Financial Data

The following tables set forth our summary financial data as of the dates and for the periods indicated. We have derived the summary statement of operations data for the years ended December 31, 2020 and 2019 from our audited financial statements included elsewhere in this prospectus. The summary statements of operations data for the nine months ended September 30, 2021 and 2020 and the summary balance sheet data as of September 30, 2021 have been derived from our unaudited financial statements included elsewhere in this prospectus. The following summary financial data should be read with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and related notes and other information included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results to be expected in the future and the results for the nine months ended September 30, 2021 are not necessarily indicative of the results that may be expected for the full fiscal year.

Statement of Operations Data:

(in thousands, except share and per share data)

	Years Ended December 31,		Nine Months Ended September 30,	
	2020	2019	2021	2020
Revenues	$ 1,807	$ 2,799	$ 885	$ 1,539
Cost of revenue	(1,786)	(3,010)	1,057	1,480
Gross profit (loss)	21	(211)	(172)	59
Operating costs and expenses:				
General and administrative	1,554	1,694	1,722	1,229
Other income (expenses)	(10)	(24)	574	(9)
Net loss	$ (1,543)	$ (1,929)	$ (1,320)	$ (1,179)
Basic and diluted loss per Common Share[1]	$ (18.15)	$ (22.69)	$ -	$ (13.86)
Basic and diluted loss per Common A Share[1]	$ -	$ -	$ (4.68)	$ -
Basic and diluted loss per Common B Share[1]	$ -	$ -	$ (0.78)	$ -
Basic and diluted weighted average number of common shares outstanding	85,000	85,000	-	85,000
Basic and diluted weighted average number of common A shares outstanding	-	-	281,841	-
Basic and diluted weighted average number of common B shares outstanding	-	-	1,684,982	-

(1) See Note 2 to our financial statements for an explanation of the method used to compute basic and diluted net loss per share.

Balance Sheet Data:

(in thousands)]

	September 30, 2021	
	Actual	As Adjusted[1] [2]
Cash	$ 2,234	$
Working capital	554	
Total assets	3,754	
Total liabilities	5,373	
Total stockholders' equity (deficit)	(1,618)	

(1) On an as adjusted basis to give effect to our (i) issuance and sale of shares of Class A common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the price range listed on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(2) Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share, the midpoint of the price range listed on the cover page of this prospectus, would increase (decrease) the as adjusted amount of each of cash, working capital, total assets and total stockholders' equity (deficit) by approximately $, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase (decrease) of 1,000,000 shares in the number of shares offered by us at the assumed initial public offering price per share, the midpoint of the price range listed on the cover page of this prospectus, would increase (decrease) the as adjusted amount of each of cash, working capital, total assets and total stockholders' equity (deficit) by approximately $.

RISK FACTORS

An investment in our securities involves a high degree of risk. You should carefully consider the risks described below as well as the other information included in this prospectus, including "Cautionary Note Regarding Forward-Looking Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and the related notes thereto included elsewhere in this prospectus, before making an investment decision. Our business, prospects, financial condition, or operating results could be harmed by any of these risks, as well as other risks not currently known to us or that we currently consider immaterial. The trading price of our securities could decline due to any of these risks, and, as a result, you may lose all or part of your investment.

Risk Factors Relating to Our Operations and Business

Our limited operating history makes it difficult to evaluate our future prospects and the risks and challenges we may encounter.

Our limited operating history makes it difficult to evaluate our future prospects and the risks and challenges it may encounter. Risks and challenges we have faced or expects to face include its ability to:

- forecast its revenue and budget for and manage its expenses;
- attract new customers and retain existing customers;
- effectively manage its growth and business operations, including planning for and managing capital expenditures for its current and future space and space-related systems and services, managing its supply chain and supplier relationships related to its current and future product and service offerings, and integrating acquisitions;
- anticipate and respond to macroeconomic changes and changes in the markets in which it operates;
- maintain and enhance the value of its reputation and brand;
- develop and protect intellectual property; and
- hire, integrate and retain talented people at all levels of its organization.

If we fail to address the risks and difficulties that it faces, including those associated with the challenges listed above as well as those described elsewhere in this "*Risk Factors*" section, our business, financial condition and results of operations could be adversely affected. Further, because we have limited historical financial data and operate in a rapidly evolving market, any predictions about its future revenue and expenses may not be as accurate as they would be if it had a longer operating history or operated in a more developed market. We have encountered in the past, and will encounter in the future, risks and uncertainties frequently experienced by growing companies with limited operating histories in rapidly changing industries. If our assumptions regarding these risks and uncertainties, which we use to plan and operate our business, are incorrect or change, or if we do not address these risks successfully, our results of operations could differ materially from its expectations and its business, financial condition and results of operations could be adversely affected.

We have incurred significant losses since inception, we expect to incur losses in the future, and we may not be able to achieve or maintain profitability.

We have incurred significant losses since our inception. We incurred net losses of $1,542,906 and $1,928,711 for the years ended December 31, 2020 and 2019, respectively. While we have generated limited revenue to date, we have not yet achieved production level satellite manufacturing, launch and data activities, and it is difficult for us to predict our future operating results. As a result, our losses may be larger than anticipated, and we may not achieve profitability when expected, or at all, and even if we do, we may not be able to maintain or increase profitability.

We expect our operating expenses to increase over the next several years as we commence production level satellite manufacturing and satellite launch activities, continue to refine and streamline our design and manufacturing processes, make technical improvements, increase our launch cadence, hire additional employees and continue research and development efforts relating to new products and technologies, including our space services business. These efforts may be more costly than we expect and may not result in increased revenue or growth in our business. Any failure to increase our revenue sufficiently to keep pace with our investments and other expenses could prevent us from achieving or maintaining profitability or positive cash flow. Furthermore, if our future growth and operating performance fail to meet investor or analyst expectations, or if we have future negative cash flow or losses resulting from our investment in acquiring customers or expanding our operations, this could have a material adverse effect on our business, financial condition and results of operations.

There is substantial doubt about our ability to continue as a going concern.

As of December 31, 2020 and 2019 and September 30, 2021, we had cash of $20,162, $57,325 and $2,234,312, respectively. We expect our existing cash as of September 30, 2021 together with proceeds from this offering will enable us to fund our operating expenses and capital expenditure requirements for at least 12 months from the date of this prospectus. In the event that we are unable to obtain additional financing, we may be unable to continue as a going concern. There is no guarantee that we will be able to secure additional financing, including in connection with this offering. Changes in our operating plans, our existing and anticipated working capital needs, costs related to legal proceedings we might become subject to in the future, the acceleration or modification of our development activities, any near-term or future expansion plans, increased expenses, potential acquisitions or other events may further affect our ability to continue as a going concern. Similarly, the report of our independent registered public accounting firm on our financial statements as of and for the year ended December 31, 2020 includes an explanatory paragraph indicating that there is substantial doubt about our ability to continue as a going concern. If we cannot continue as a viable entity, our stockholders may lose some or all of their investment in us.

The success of our business will be highly dependent on our ability to effectively market and sell our commercial satellite manufacturing, launch, and data services for small LEO satellites.

We expect that our success will be highly dependent, especially in the foreseeable future, on our ability to effectively forecast, market and sell our launch and data services for small LEO satellites. We have limited experience in forecasting, marketing and selling such services, and if we are unable to utilize our current or future sales organization effectively in order to adequately target and engage our potential customers, our business may be adversely affected.

Our success depends, in part, on our ability to attract new customers in a cost-effective manner. We expect that we will need to make significant investments in order to attract new customers. Our sales growth is dependent upon our ability to implement strategic initiatives, and these initiatives may not be effective in generating sales growth. In addition, marketing campaigns, which we have not historically utilized, can be expensive and may not result in the acquisition of customers in a cost-effective manner, if at all. Further, as our brand becomes more widely known, future marketing campaigns or brand content may not attract new customers at the same rate as past campaigns or brand content. If we are unable to attract new customers, our business, financial condition and results of operations will be harmed.

We have not yet delivered our 3D printed satellites into orbit, and any setbacks we may experience during our first commercial satellite launch planned for 2022 and other demonstration and commercial missions could have a material adverse effect on our business, financial condition and results of operation, and could harm our reputation.

The success of our launch and satellite services business will depend on our ability to successfully and regularly deliver customer satellites into orbit. In November 2019, we successfully launched CraigX, our on-orbit external experimental facility hosted on the NanoRacks International Space Station External Platform (NREP). Additionally, in January of 2020, a microsatellite was successfully launched from the ISS using our SSIKLOPS platform for the STP program office.

There is no guarantee that our planned commercial launches in 2022 or subsequent commercial launches thereafter will be successful. While we believe that our launch partners have built operational processes to ensure that the design, manufacture, performance and servicing of their launch vehicles and rockets meet rigorous performance goals, there can be no assurance that our launch partners will not experience operational or process failures and other problems during our first commercial launch or any planned launches thereafter. Any failures or setbacks, particularly on our first commercial launches, could harm our reputation and have a material adverse effect on our business, financial condition and results of operation.

The market for commercial satellite manufacturing, launch and data services for small LEO satellites is not well established, is still emerging and may not achieve the growth potential we expect or may grow more slowly than expected.

The market for in-space infrastructure services, in particular commercial satellite manufacturing, launch and data services for small LEO satellites, has not been well established and is still emerging. Our estimates for the total addressable launch market and satellite market are based on several internal and third-party estimates, including our contracted revenue, the number of potential customers who have expressed interest in our satellite launch and data services, assumed prices and production costs for our services, assumed flight cadence, our ability to leverage our current manufacturing and operational processes and general market conditions. While we believe our assumptions and the data underlying our estimates are reasonable, these assumptions and estimates may not be correct and the conditions supporting our assumptions or estimates may change at any time, thereby reducing the predictive accuracy of these underlying factors. As a result, our estimates of the annual total addressable market for our services, as well as the expected growth rate for the total addressable market for our services, may prove to be incorrect.

Our ability to grow our business depends on the successful development of our satellites and related technology, which is subject to many uncertainties, some of which are beyond our control.

Our current primary research and development objectives focus on the development of small satellites and integration capabilities and related technology. If we do not complete this development in our anticipated timeframes or at all, our ability to grow our business will be adversely affected. The successful development of our satellite capabilities and related technology involves many uncertainties, some of which are beyond our control, including, but not limited to:

- timing in making further enhancements to our product design and specifications;
- successful completion of our planned commercial satellite launches;
- our ability to obtain additional applicable approvals, licenses or certifications from regulatory agencies, if required, and maintaining current approvals, licenses or certifications;
- performance of our manufacturing facilities despite risks that disrupt productions, such as natural disasters and hazardous materials;
- performance of a limited number of suppliers for certain raw materials and supplied components;
- performance of our third-party contractors that support our research and development activities;
- our ability to maintain rights from third parties for intellectual properties critical to our research and development activities;
- our ability to continue funding and maintain our current research and development activities, particularly the development of various enhancements that increase the data transfer capacity of our satellite; and
- the impact of the COVID-19 pandemic on us, our customers, suppliers and distributors, and the global economy.

We routinely conduct hazardous operations in testing of our satellite subsystems, which could result in damage to property or persons. Unsatisfactory performance or failure of our satellites and related technology at launch or during operation could have a material adverse effect on our business, financial condition and results of operation.

We manufacture and operate highly sophisticated products for the commercial space, aerospace and defense industries and conduct activities that depend on complex technology. Although there have been and will continue to be technological advances in spaceflight, our operations remain an inherently hazardous and risky activity. Launch failures, explosions and other accidents on launch or during flight have occurred for others and will likely occur in the future.

While we have built operational processes to ensure that the design, manufacture, performance and servicing of our products and related technologies meet rigorous quality standards, there can be no assurance that we will not experience operational or process failures and other problems, including through manufacturing or design defects, cyber-attacks or other intentional acts, that could result in potential safety risks. We may experience a total loss of our customers' payloads and our own payloads if there is an accident or failure at launch or during the journey into space, which could have a material adverse effect on our results of operations and financial condition. For some missions, we or our customers can elect to buy launch insurance, which can reduce our monetary losses from any launch failure, but even in this case we will have losses associated with our inability to test our technology in space and delays with further technology development. Any insurance we or our customers have may not be adequate to cover our or their loss, respectively.

Any actual or perceived safety or reliability issues may result in significant reputational harm to our businesses, in addition to tort liability, maintenance, increased safety infrastructure and other costs that may arise. Such issues could result in delaying or cancelling planned launches, increased regulation or other systemic consequences. Our inability to meet our safety standards or adverse publicity affecting our reputation as a result of accidents, mechanical failures, damages to customer property or medical complications could have a material adverse effect on our business, financial condition and results of operation.

We may experience a total loss of our technology and products and our customers' payloads if there is an accident on launch or during the journey into space, and any insurance we have may not be adequate to cover our loss.

Although there have been and will continue to be technological advances in spaceflight, it is still an inherently dangerous activity. Explosions and other accidents on launch or during the flight have occurred and will likely occur in the future. If such incident should occur, we will likely experience a total loss of our systems, products, technologies and services and our customers' payloads. The total or partial loss of one or more of our products or customer payloads could have a material adverse effect on our results of operations and financial condition. For some missions, we can elect to buy launch insurance, which can reduce our monetary losses from the launch failure, but even in this case we will have losses associated with our inability to test our technology in space and delays with further technology development.

Any delays in the development and manufacture of satellites and related technology may adversely impact our business, financial condition and results of operations.

We have previously experienced, and may experience in the future, delays or other complications in the design, manufacture, launch, production, delivery and servicing ramp of satellites and related technology. If delays like this arise or recur, if our remediation measures and process changes do not continue to be successful or if we experience issues with planned manufacturing improvements or design and safety, we could experience issues in sustaining the ramp of our spaceflight system or delays in increasing production further.

If we encounter difficulties in scaling our delivery or servicing capabilities, if we fail to develop and successfully commercialize our satellites and related technologies, if we fail to develop such technologies before our competitors, or if such technologies fail to perform as expected, are inferior to those of our competitors or are perceived as less safe than those of our competitors, our business, financial condition and results of operations could be materially and adversely impacted.

Our customized hardware and software may be difficult and expensive to service, upgrade or replace.

Some of the hardware and software we use in operations is significantly customized and tailored to meet our requirements and specifications and could be difficult and expensive to service, upgrade or replace. Although we expect to maintain inventories of some spare parts, it nonetheless may be difficult, expensive or impossible to obtain replacement parts for the hardware due to a limited number of those parts being manufactured to our requirements and specifications. Also, our business plan contemplates updating or replacing some of the hardware and software in our network as technology advances, but the complexity of our requirements and specifications may present us with technical and operational challenges that complicate or otherwise make it expensive or infeasible to carry out such upgrades and replacements. If we are not able to suitably service, upgrade or replace our equipment, our ability to provide our services and therefore to generate revenue could be harmed.

Our satellites may collide with space debris or another spacecraft, which could adversely affect our operations.

Although we expect to comply with best practices and international orbital debris mitigation requirements to actively maneuver our satellites to avoid potential collisions with space debris or other spacecraft, these abilities are limited by, among other factors, uncertainties and inaccuracies in the projected orbit location of, and predicted collisions with, debris objects tracked and cataloged by governments or other entities. Additionally, some space debris is too small to be tracked and therefore its orbital location is unknown; nevertheless, this debris is still large enough to potentially cause severe damage or a failure of our satellites should a collision occur. If our satellites collide with space debris or other spacecraft, our products and services could be impaired. Also, a failure of one or more of our satellites or the occurrence of equipment failures, collision damage, or other related problems that may result during the de-orbiting process could constitute an uninsured loss and could materially harm our financial condition.

If we are unable to adapt to and satisfy customer demands in a timely and cost-effective manner, or if we are unable to manufacture our products at a quantity and quality that our customers demand, our ability to grow our business may suffer.

The success of our business depends in part on effectively managing and maintaining our space services, manufacturing our products, conducting a sufficient number of launches to meet customer demand and providing customers with an experience that meets or exceeds their expectations. Even if we succeed in developing our products and completing launches within our targeted timeline, we could thereafter fail to develop the ability to produce these products at quantity with a quality management system that ensures that each unit performs as required. Any delay in our ability to produce products or complete launches at rate and with a reliable quality management system could have a material adverse on our business.

If our current or future space services do not meet expected performance or quality standards, including with respect to customer safety and satisfaction, this could cause operational delays. Further, launching satellites within restricted airspace require advance scheduling and coordination with government agencies and range owners and other users, and any high priority national defense assets will have priority in the use of these resources, which may impact our cadence of our space operations or could result in cancellations or rescheduling. Any operational or manufacturing delays or other unplanned changes to our ability to conduct our launches could have a material adverse effect on our business, financial condition and results of operations.

We may be unable to manage our future growth effectively, which could make it difficult to execute our business strategy.

If our operations continue to grow as planned, of which there can be no assurance, we will need to expand our sales and marketing, research and development, customer and commercial strategy, products and services, supply, and manufacturing and distribution functions. We will also need to continue to leverage our manufacturing and operational systems and processes, and there is no guarantee that we will be able to scale the business and the manufacture of spacecraft as currently planned or within the planned timeframe. The continued expansion of our business may also require additional manufacturing and operational facilities, as well as space for administrative support, and there is no guarantee that we will be able to find suitable locations or partners for the manufacture and operation of our products.

Our continued growth could increase the strain on our resources, and we could experience operating difficulties, including difficulties in hiring, training and managing an increasing number of employees, finding manufacturing capacity to produce our products and related equipment, and delays in production and launches. These difficulties may result in the erosion of our brand image, divert the attention of management and key employees and impact financial and operational results. In addition, in order to continue to expand our presence around the globe, we expect to incur substantial expenses as we continue to attempt to streamline our manufacturing process, increase our launch cadence, hire more employees, and continue research and development efforts relating to new products and technologies and expand our business. If we are unable to drive commensurate growth, these costs, which include lease commitments, headcount and capital assets, could result in decreased margins, which could have a material adverse effect on our business, financial condition and results of operations.

Our prospects and operations may be adversely affected by changes in consumer preferences and economic conditions that affect demand for satellite services.

Because our business is currently concentrated on commercial satellite manufacturing, launch and data services, we are vulnerable to changes in consumer preferences or other market changes. The global economy has in the past, and will in the future, experience recessionary periods and periods of economic instability. During such periods, our potential customers may choose not to expend the amounts that we anticipate based on our expectations with respect to the addressable market for satellite services. There could be a number of other effects from adverse general business and economic conditions on our business, including insolvency of any of our third-party suppliers or contractors, decreased consumer confidence, decreased discretionary spending and reduced customer or governmental demand for satellites and other products we produce, which could have a material adverse effect on our business, financial condition and results of operations.

Adverse publicity stemming from any incident involving us or our competitors, could have a material adverse effect on our business, financial condition and results of operations.

We are at risk of adverse publicity stemming from any public incident involving our company, our people or our brand. If any of our launch partners' vehicles or our satellites or those of one of our competitors were to be involved in a public incident, accident or catastrophe, this could create an adverse public perception of satellite launch or manufacturing activities and result in decreased customer demand for launch and satellite services, which could cause a material adverse effect on our business, financial conditions and results of operations. Further, if our launch partners' vehicles or rockets were to be involved in a public incident, accident or catastrophe, we could be exposed to significant reputational harm or potential legal liability. Any reputational harm to our business could cause customers with existing contracts with us to cancel their contracts and could significantly impact our ability to make future sales. The insurance we carry may be inapplicable or inadequate to cover any such incident, accident or catastrophe. In the event that our insurance is inapplicable or not adequate, we may be forced to bear substantial losses from an incident or accident.

We will need to raise substantial additional capital to fully develop and commercialize our satellite manufacturing, launch and data services business, and our failure to obtain funding when needed may force us to delay, reduce or eliminate our development programs or collaboration efforts. If we do not obtain adequate and timely funding, we may not be able to continue as a going concern.

As of September 30, 2021, our cash and cash equivalents were approximately $2,234,312, and our working capital was approximately $554,004. Due to our recurring losses from operations and the expectation that we will continue to incur losses in the future, we will be required to raise additional capital to complete the development and commercialization of our satellite manufacturing, launch and data services business. We have historically relied upon private sales of our equity as well as debt financings to fund our operations. In order to raise additional capital, we may seek to sell additional equity and/or debt securities, obtain a credit facility or other loan or enter into collaborations or other similar arrangements, which we may not be able to do on favorable terms, or at all. Our ability to obtain additional financing will be subject to a number of factors, including market conditions, our operating performance and investor sentiment. If we are unable to raise additional capital when required or on acceptable terms, we may have to significantly delay, scale back or discontinue the development and/or commercialization of our satellite manufacturing and launch services business, restrict our operations or obtain funds by entering into agreements on unfavorable terms. Failure to obtain additional capital at acceptable terms would result in a material and adverse impact on our operations. As a result, there is substantial doubt about our ability to operate as a going concern.

Our financial statements have been prepared on a going concern basis and do not include any adjustments that may result from the outcome of this uncertainty. If we fail to raise additional working capital, or do so on commercially unfavorable terms, it would materially and adversely affect our business, prospects, financial condition and results of operations, and we may be unable to continue as a going concern. If we seek additional financing to fund our business activities in the future and there remains substantial doubt about our ability to continue as a going concern, investors or other financing sources may be unwilling to provide additional funding to us on commercially reasonable terms, if at all. If we are unable to continue as a going concern, we might have to liquidate our assets and the value we receive for our assets in liquidation or dissolution could be significantly lower than the values reflected in our financial statements, and our shareholders may lose their entire investment in our Class A common stock.

If we are unable to maintain relationships with our existing launch partners or enter into relationships with new launch partners, we may be unable to reach our targeted annual launch rate, which could have an adverse effect on our ability to grow our business.

We do not own or operate our own launch vehicles. We rely on third party launch partners to launch our and our customers' satellites. Part of our strategy involves increasing our launch cadence and reaching 120 satellites launched by 2026. Our ability to achieve such launch cadence targets will depend on our ability to maintain our relationships with our existing launch partners and add new launch partners in the future. We currently have agreements with the International Space Station and Vaya Space and expect to enter into a variety of arrangements to secure additional launch partners. We may in the future experience delays in our efforts to secure additional launch partners. Challenges as a result of regulatory processes or in the ability of our partners to secure the necessary permissions to establish launch sites could delay our ability to achieve our target cadence and could adversely affect our business.

We are dependent on third-party launch vehicles to deliver our systems, products, and technologies into space. If the number of companies offering launch services or the number of launches does not grow in the future or there is a consolidation among companies who offer these services, this could result in a shortage of space on these launch vehicles, which may cause delays in our ability to meet our customers' needs. Additionally, a shortage of space available on launch vehicles may cause prices to increase or cause delays in our ability to meet our customers' needs. Either of these situations could have a material adverse effect on our results of operations and financial condition.

Further, if a launch is delayed, our timing for recognition of revenue may be impacted depending on the length of the delay and the nature of the contract with the customers with payloads on such delayed flight. Such a delay in recognizing revenue could materially impact our financial statements or result in negative impacts to our earnings during a specified time period, which could have a material effect on our results of operations and financial condition.

We rely on a limited number of suppliers for certain raw materials and supplied components. We may not be able to obtain sufficient raw materials or supplied components to meet our manufacturing and operating needs, or obtain such materials on favorable terms, which could impair our ability to fulfill our orders in a timely manner or increase our costs of production.

Our ability to manufacture our products is dependent upon sufficient availability of raw materials and supplied components, which we secure from a limited number of suppliers. Our reliance on suppliers to secure these raw materials and supplied components exposes us to volatility in the prices and availability of these materials. We may not be able to obtain sufficient supply of raw materials or supplied components, on favorable terms or at all, which could result in delays in manufacture of our products or increased costs.

In addition, we have in the past and may in the future experience delays in manufacture or operation as we go through the requalification process with any replacement third-party supplier, as well as the limitations imposed by International Traffic in Arms Regulations and other restrictions on transfer of sensitive technologies. Additionally, the imposition of tariffs on such raw materials or supplied components could have a material adverse effect on our operations. Prolonged disruptions in the supply of any of our key raw materials or components, difficulty qualifying new sources of supply, implementing use of replacement materials or new sources of supply or any volatility in prices could have a material adverse effect on our ability to operate in a cost-efficient, timely manner and could cause us to experience cancellations or delays of scheduled launches, customer cancellations or reductions in our prices and margins, any of which could harm our business, financial condition and results of operations.

Failure of third-party contractors could adversely affect our business.

We are dependent on various third-party contractors to develop and provide certain of our components of and processes to our products. Should we experience complications with any of these components and services, we may need to delay our manufacturing activities or delay or cancel scheduled launches. We face the risk that any of our contractors may not fulfill their contracts and deliver their products or services on a timely basis, or at all. We have in the past experienced, and may in the future experience, operational complications with our contractors. The ability of our contractors to effectively satisfy our requirements could also be impacted by such contractors' financial difficulty or damage to their operations caused by fire, terrorist attack, natural disaster, or other events. The failure of any contractors to perform to our expectations could result in shortages of certain manufacturing or operational components for our spacecraft or delays in spaceflights and harm our business. Our reliance on contractors and inability to fully control any operational difficulties with our third-party contractors could have a material adverse effect on our business, financial condition, and results of operations.

We expect to face intense competition in the commercial space market and other industries in which we may operate.

We face intense competition in the commercial space market and amongst our competitors. Currently, our primary competitors in the commercial satellite market are Blacksky, Spire, Hawkeye 360, LoftOrbital, and IceEye. In addition, we are aware of a significant number of entities actively engaged in developing commercial launch capabilities for small and medium sized satellite payloads, including Virgin Orbit, Relativity, ABL, and Firefly, among others. Many of our current and potential competitors are larger and have substantially greater financial or other resources than we currently have or expect to have in the future, and thus may be better positioned to exploit the market need for small payloads and targeted orbital delivery, which is the focus of our business. They may also be able to devote greater resources to the development of their current and future technologies, which could overlap with our technologies, or the promotion and sale of their products and services. Our competitors could offer small launch vehicles at lower prices, which could undercut our business strategy and potential competitive edge. Our current and potential competitors may also establish cooperative or strategic relationships amongst themselves or with third parties that may further enhance their resources and offerings relative to ours. Further, it is possible that domestic or foreign companies or governments, some with greater experience in the aerospace industry or greater financial resources than we possess, will seek to provide products or services that compete directly or indirectly with ours in the future. Any such foreign competitor, for example, could benefit from subsidies from, or other protective measures by, its home country.

We believe our ability to compete successfully as a commercial provider of launch and satellite services does and will depend on a number of factors, which may change in the future due to increased competition, including the price of our products and services, consumer satisfaction for the experiences we offer, and the frequency and availability of our products and services. If we are unable to compete successfully, our business, financial condition and results of operations could be adversely affected.

We may in the future invest significant resources in developing new service offerings and exploring the application of our proprietary technologies for other uses and those opportunities may never materialize.

While our primary focus for the foreseeable future will be on commencing our commercial launch activities, increasing our launch cadence, and fully expanding our satellite operations center, we may also invest significant resources in developing new technologies, services, products, and offerings. However, we may not realize the expected benefits of these investments. These anticipated technologies, however, are unproven and these products or technologies may never materialize or be commercialized in a way that would allow us to generate ancillary revenue streams. Relatedly, if such technologies become viable offerings in the future, we may be subject to competition from our competitors within the commercial launch and satellite industries, some of which may have substantially greater monetary and knowledge resources than we have and expect to have in the future to devote to the development of these technologies. Such competition or any limitations on our ability to take advantage of such technologies could impact our market share, which could have a material adverse effect on our business, financial condition, and results of operations.

Such research and development initiatives may also have a high degree of risk and involve unproven business strategies and technologies with which we have limited operating or development experience. They may involve claims and liabilities (including, but not limited to, personal injury claims), expenses, regulatory challenges, and other risks that we may not be able to anticipate. There can be no assurance that customer demand for such initiatives will exist or be sustained at the levels that we anticipate, or that any of these initiatives will gain sufficient traction or market acceptance to generate sufficient revenue to offset any new expenses or liabilities associated with these new investments. Further, any such research and development efforts could distract management from current operations and would divert capital and other resources from our more established offerings and technologies. Even if we were to be successful in developing new products, services, offerings or technologies, regulatory authorities may subject us to new rules or restrictions in response to our innovations that may increase our expenses or prevent us from successfully commercializing new products, services, offerings, or technologies.

If we fail to adequately protect our proprietary intellectual property rights, our competitive position could be impaired and we may lose valuable assets, generate reduced revenue and incur costly litigation to protect our rights.

Our success depends, in part, on our ability to protect our proprietary intellectual property rights, including certain methodologies, practices, tools, technologies and technical expertise we utilize in designing, developing, implementing, and maintaining applications and processes used in our satellite systems and related technologies. To date, we have relied primarily on trade secrets and other intellectual property laws, non-disclosure agreements with our employees, consultants and other relevant persons and other measures to protect our intellectual property and intend to continue to rely on these and other means, including patent protection, in the future. However, the steps we take to protect our intellectual property may be inadequate, and we may choose not to pursue or maintain protection for our intellectual property in the United States or foreign jurisdictions. We will not be able to protect our intellectual property if we are unable to enforce our rights or if we do not detect unauthorized use of our intellectual property. Despite our precautions, it may be possible for unauthorized third parties to copy our technology and use information that we regard as proprietary to create technology that competes with ours.

Further, the laws of some countries do not protect proprietary rights to the same extent as the laws of the United States, and mechanisms for enforcement of intellectual property rights in some foreign countries may be inadequate. To the extent we expand our international activities, our exposure to unauthorized copying and use of our technologies and proprietary information may increase. Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon, misappropriating or otherwise violating our technology and intellectual property.

We rely in part on trade secrets, proprietary know-how and other confidential information to maintain our competitive position. Although we enter into non-disclosure and invention assignment agreements with our employees, enter into non-disclosure agreements with our customers, consultants, and other parties with whom we have strategic relationships and business alliances and enter into intellectual property assignment agreements with our consultants and vendors, no assurance can be given that these agreements will be effective in controlling access to and distribution of our technology and proprietary information. Further, these agreements do not prevent our competitors from independently developing technologies that are substantially equivalent or superior to our products.

Protecting and defending against intellectual property claims may have a material adverse effect on our business.

Our success depends in part upon successful prosecution, maintenance, enforcement and protection of our owned and licensed intellectual property.

To protect our intellectual property rights, we may be required to spend significant resources to monitor and protect these rights. Litigation may be necessary in the future to enforce our intellectual property rights and to protect our trade secrets. Such litigation could be costly, time consuming and distracting to management and could result in the impairment or loss of portions of our intellectual property. Furthermore, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims and countersuits attacking the validity and enforceability of our intellectual property rights. Our inability to protect our proprietary technology, as well as any costly litigation or diversion of our management's attention and resources, could disrupt our business, as well as have a material adverse effect on our financial condition and results of operations. The results of intellectual property litigation are difficult to predict and may require us to stop using certain technologies or offering certain services or may result in significant damage awards or settlement costs. There is no guarantee that any action to defend, maintain or enforce our owned or licensed intellectual property rights will be successful, and an adverse result in any such proceeding could have a material adverse impact on our business, financial condition, operating results, and prospects.

In addition, we may from time-to-time face allegations that we are infringing, misappropriating or otherwise violating the intellectual property rights of third parties, including the intellectual property rights of our competitors. We may be unaware of the intellectual property rights that others may claim cover some or all of our technology or services. Irrespective of the validity of any such claims, we could incur significant costs and diversion of resources in defending against them, and there is no guarantee any such defense would be successful, which could have a material adverse effect on our business, contracts, financial condition, operating results, liquidity, and prospects.

Even if these matters do not result in litigation or are resolved in our favor or without significant cash settlements, these matters, and the time and resources necessary to litigate or resolve them, could divert the time and resources of our management team, and harm our business, our operating results and our reputation.

The majority of our customer contracts may be terminated by the customer at any time for convenience as well as other provisions permitting the customer to discontinue contract performance for cause (for example, if we do not achieve certain milestones on a timely basis). If our contracts are terminated or if we experience any other contract-related risks, our results of operations may be adversely impacted. In addition, some of our customers are government entities, which subjects us to additional risks including early termination, audits, investigations, sanctions, and penalties.

We are subject to a variety of contract-related risks. Some of our existing customer contracts, including those with the government, include provisions allowing the customers to terminate their contracts for convenience, with a termination penalty for at least the amounts already paid, or to terminate the contracts for cause (for example, if we do not achieve certain milestones on a timely basis). Customers that terminate such contracts may also be entitled to a pro rata refund of the amount of the customer's deposit. In addition, some of our customers are pre-revenue startups or otherwise not fully established companies, which exposes us to a degree of counterparty credit risk.

Part of our strategy is to market our space and satellite manufacturing and launch and data services to key government customers. We expect we may derive limited revenue from contracts with NASA and the U.S. government and may enter into further contracts with the U.S. or foreign governments in the future, and this subjects us to statutes and regulations applicable to companies doing business with the U.S. government, including the Federal Acquisition Regulation. These U.S. government contracts customarily contain provisions that give the government substantial rights and remedies, many of which are not typically found in commercial contracts, and which are unfavorable to contractors. For instance, most U.S. government agencies include provisions that allow the government to unilaterally terminate or modify contracts for convenience, in which case the counterparty to the contract may generally recover only its incurred or committed costs and settlement expenses and profit on work completed prior to the termination. If the government terminates a contract for default, the defaulting party may be liable for any extra costs incurred by the government in procuring undelivered items from another source.

Our government contracts may be subject to the approval of appropriations being made by the U.S. Congress to fund the expenditures under these contracts. In addition, government contracts normally contain additional requirements that may increase our costs of doing business, reduce our profits, and expose us to liability for failure to comply with these terms and conditions. These requirements include, for example:

- specialized disclosure and accounting requirements unique to government contracts;
- financial and compliance audits that may result in potential liability for price adjustments, recoupment of government funds after such funds have been spent, civil and criminal penalties, or administrative sanctions such as suspension or debarment from doing business with the U.S. government;
- public disclosures of certain contract and company information; and
- mandatory socioeconomic compliance requirements, including labor requirements, non-discrimination and affirmative action programs and environmental compliance requirements.

Government contracts are also generally subject to greater scrutiny by the government, which can initiate reviews, audits, and investigations regarding our compliance with government contract requirements. In addition, if we fail to comply with government contract laws, regulations and contract requirements, our contracts may be subject to termination, and we may be subject to financial and/or other liability under our contracts, the Federal Civil False Claims Act (including treble damages and other penalties), or criminal law. In particular, the False Claims Act's "whistleblower" provisions also allow private individuals, including present and former employees, to sue on behalf of the U.S. government. Any penalties, damages, fines, suspension, or damages could adversely affect our ability to operate our business and our financial results. If any customer were to unexpectedly terminate, cancel, or decline to exercise an option to renew with respect to one or more of our significant contracts for any reason, including as a result of our failure to meet certain performance milestones, or if a government customer were to suspend or debar us from doing business with such government, our business, financial condition, and results of operations would be materially harmed.

If we commercialize outside the United States, we will be exposed to a variety of risks associated with international operations that could materially and adversely affect our business.

As part of our growth, we aim to establish offices and partnerships outside of the United States. We plan to continue to build our pipeline of global customers to include joint ventures and strategic partnerships. As we expand internationally, we expect that we would be subject to additional risks related to entering into international business relationships, including:

- restructuring our operations to comply with local regulatory regimes;
- identifying, hiring and training highly skilled personnel;
- unexpected changes in tariffs, trade barriers and regulatory requirements, including through the International Traffic in Arms Regulations, or ITAR, Export Administration Regulations, or EAR, and Office of Foreign Assets Control, or OFAC;
- economic weakness, including inflation, or political instability in foreign economies and markets;
- compliance with tax, employment, immigration, and labor laws for employees living or traveling abroad;
- foreign taxes, including withholding of payroll taxes;
- the need for U.S. government approval to operate our spaceflight systems outside the United States;
- foreign currency fluctuations, which could result in increased operating expenses and reduced revenue;
- government appropriation of assets;
- workforce uncertainty in countries where labor unrest is more common than in the United States; and
- disadvantages of competing against companies from countries that are not subject to U.S. laws and regulations, including the U.S. Foreign Corrupt Practices Act, or FCPA, OFAC regulations and U.S. anti-money laundering regulations, as well as exposure of our foreign operations to liability under these regulatory regimes.

Our business is subject to a wide variety of extensive and evolving government laws and regulations. Failure to comply with such laws and regulations could have a material adverse effect on our business.

We are subject to a wide variety of laws and regulations relating to various aspects of our business, including with respect to our satellite system operations, employment and labor, health care, tax, privacy and data security, health and safety, and environmental issues. Laws and regulations at the foreign, federal, state, and local levels frequently change, especially in relation to new and emerging industries, and we cannot always reasonably predict the impact from, or the ultimate cost of compliance with, current or future regulatory or administrative changes. We monitor these developments and devote a significant amount of management's time and external resources towards compliance with these laws, regulations and guidelines, and such compliance places a significant burden on management's time and other resources, and it may limit our ability to expand into certain jurisdictions. Moreover, changes in law, the imposition of new or additional regulations or the enactment of any new or more stringent legislation that impacts our business could require us to change the way we operate and could have a material adverse effect on our sales, profitability, cash flows and financial condition.

Failure to comply with these laws, such as with respect to obtaining and maintaining licenses, certificates, authorizations and permits critical for the operation of our business, may result in civil penalties or private lawsuits, or the suspension or revocation of licenses, certificates, authorizations or permits, which would prevent us from operating our business. For example, deploying space assets such as satellites in the United States require licenses and permits from certain agencies of the Department of Transportation, including the Federal Aviation Administration, or FAA, and review by other agencies of the U.S. Government, including the National Oceanic and Atmospheric Administration, or "NOAA", the Department of Defense, Department of State, NASA, Federal Communications Commission, or the "FCC" and the International Telecommunications Union, or the "ITU". License approval includes an interagency review of safety, operational, national security, and foreign policy and international obligations implications, as well as a review of foreign ownership. Delays in licensing and approvals allowing us to deploy our commercial satellites could adversely affect our ability to operate our business and our financial results.

Moreover, regulation of our industry is still evolving, and new or different laws or regulations could affect our operations, increase direct compliance costs for us or cause any third-party suppliers or contractors to raise the prices they charge us because of increased compliance costs. Application of these laws to our business may negatively impact our performance in various ways, limiting the collaborations we may pursue, further regulating the export and re-export of our products, services, and technology from the United States and abroad, and increasing our costs and the time necessary to obtain required authorization. The adoption of a multi-layered regulatory approach to any one of the laws or regulations to which we are or may become subject, particularly where the layers are in conflict, could require alteration of our manufacturing processes or operational parameters which may adversely impact our business. We may not be in complete compliance with all such requirements at all times and, even when we believe we are in complete compliance, a regulatory agency may determine that we are not. The timing of our satellite deployments may depend on the ability of our partners to secure regulatory licenses from the FAA and the FCC/ITU**.**

A component of our near-term strategy involves increasing our launch cadence by accelerating our development and production efforts and adding additional launch partners. Our ability to achieve this increased launch cadence within the timeframe in which we hope to do so will depend on the ability of our launch partners to secure the necessary regulatory licenses from the FAA, the FCC/ITU and other regulatory authorities. If our launch partners fail to obtain the licenses necessary to support our anticipated launch cadence, or any delays or hurdles that present in our interactions with the FAA, the FCC/ITU or other regulatory authorities, could impact our ability to grow our business, could delay our ability to execute on our existing and future customer contracts and could adversely affect our business and results of operations.

We are subject to stringent U.S. export and import control laws and regulations. Unfavorable changes in these laws and regulations or U.S. government licensing policies, our failure to secure timely U.S. government authorizations under these laws and regulations, or our failure to comply with these laws and regulations could have a material adverse effect on our business, financial condition, and results of operation.

Our business is subject to stringent U.S. import and export control laws and regulations as well as economic sanctions laws and regulations. We are required to import and export our products, software, technology, and services, as well as run our operations in the United States, in full compliance with such laws and regulations, which include the EAR, the ITAR, and economic sanctions administered by the Treasury Department's OFAC. Similar laws that impact our business exist in other jurisdictions. These foreign trade controls prohibit, restrict, or regulate our ability to, directly or indirectly, export, deemed export, re-export, deemed re-export or transfer certain hardware, technical data, technology, software, or services to certain countries and territories, entities, and individuals, and for end uses. If we are found to be in violation of these laws and regulations, it could result in civil and criminal, monetary and non-monetary penalties, the loss of export or import privileges, debarment, and reputational harm.

Pursuant to these foreign trade control laws and regulations, we are required, among other things, to (i) maintain a registration under the ITAR, (ii) determine the proper licensing jurisdiction and export classification of products, software, and technology, and (iii) obtain licenses or other forms of U.S. government authorization to engage in the conduct of our spaceflight business. The authorization requirements include the need to get permission to release controlled technology to foreign person employees and other foreign persons. Changes in U.S. foreign trade control laws and regulations, or reclassifications of our products or technologies, may restrict our operations. The inability to secure and maintain necessary licenses and other authorizations could negatively impact our ability to compete successfully or to operate our spaceflight business as planned. Any changes in the export control regulations or U.S. government licensing policy, such as those necessary to implement U.S. government commitments to multilateral control regimes, may restrict our operations. Given the great discretion the government has in issuing or denying such authorizations to advance U.S. national security and foreign policy interests, there can be no assurance we will be successful in our future efforts to secure and maintain necessary licenses, registrations, or other U.S. government regulatory approvals.

Under the "Exon-Florio Amendment" to the U.S. Defense Production Act of 1950, as amended (the "DPA"), the U.S. President has the power to disrupt or block certain foreign investments in U.S. businesses if he determines that such a transaction threatens U.S. national security. The Committee on Foreign Investment in the United States ("CFIUS") has been delegated the authority to conduct national security reviews of certain foreign investments. CFIUS may impose mitigation conditions to grant clearance of a transaction.

The Foreign Investment Risk Review Modernization Act ("FIRRMA"), enacted in 2018, amended the DPA to, among other things, expand CFIUS's jurisdiction beyond acquisitions of control of U.S. businesses. Under FIRRMA, CFIUS also has jurisdiction over certain foreign non-controlling investments in U.S. businesses that are involved with critical technology or critical infrastructure, or that collect and maintain sensitive personal data of U.S. citizens ("TID U.S. Businesses"), if the foreign investor receives specified triggering rights in connection with its investment. We are a TID U.S. Business because we develop and design technologies that would be considered critical technologies. Certain foreign investments in TID U.S. Businesses are subject to mandatory filing with CFIUS. These restrictions on the ability of foreign persons to invest in us could limit our ability to engage in strategic transactions that could benefit our stockholders, including a change of control, and could also affect the price that an investor may be willing to pay for our common stock.

Failure to comply with federal, state, and foreign laws and regulations relating to privacy, data protection and consumer protection, or the expansion of current or the enactment of new laws or regulations relating to privacy, data protection and consumer protection, could adversely affect our business and our financial condition.

We collect, store, process, and use personal information and other customer data, and we rely in part on third parties that are not directly under our control to manage certain of these operations and to collect, store, process and use payment information. Due to the volume and sensitivity of the personal information and data we and these third parties manage and expect to manage in the future, as well as the nature of our customer base, the security features of our information systems are critical. A variety of federal, state, and foreign laws and regulations govern the collection, use, retention, sharing and security of this information. Laws and regulations relating to privacy, data protection and consumer protection are evolving and subject to potentially differing interpretations. These requirements may not be harmonized, may be interpreted, and applied in a manner that is inconsistent from one jurisdiction to another or may conflict with other rules or our practices. As a result, our practices may not have complied or may not comply in the future with all such laws, regulations, requirements, and obligations.

We expect that new industry standards, laws and regulations will continue to be proposed regarding privacy, data protection and information security in many jurisdictions. We cannot yet determine the impact such future laws, regulations and standards may have on our business. Complying with these evolving obligations is costly.

As we expand our international presence, we may also become subject to additional privacy rules, many of which, such as the General Data Protection Regulation promulgated by the European Union (the "GDPR") and national laws supplementing the GDPR, such as in the United Kingdom, are significantly more stringent than those currently enforced in the United States. The law requires companies to meet stringent requirements regarding the handling of personal data of individuals located in the EEA. These more stringent requirements include expanded disclosures to inform customers about how we may use their personal data through external privacy notices, increased controls on profiling customers and increased rights for data subjects (including customers and employees) to access, control and delete their personal data. In addition, there are mandatory data breach notification requirements. The law also includes significant penalties for non-compliance, which may result in monetary penalties of up to the higher of €20.0 million or 4% of a group's worldwide turnover for the preceding financial year for the most serious violations. The GDPR and other similar regulations require companies to give specific types of notice and informed consent is required for the placement of a cookie or similar technologies on a user's device for online tracking for behavioral advertising and other purposes and for direct electronic marketing, and the GDPR also imposes additional conditions in order to satisfy such consent, such as a prohibition on pre-checked tick boxes and bundled consents, thereby requiring customers to affirmatively consent for a given purpose through separate tick boxes or other affirmative action.

A significant data breach or any failure, or perceived failure, by us to comply with any federal, state or foreign privacy or consumer protection-related laws, regulations or other principles or orders to which we may be subject or other legal obligations relating to privacy or consumer protection could adversely affect our reputation, brand and business, and may result in claims, investigations, proceedings or actions against us by governmental entities or others or other penalties or liabilities or require us to change our operations and/or cease using certain data sets. Depending on the nature of the information compromised, we may also have obligations to notify users, law enforcement or payment companies about the incident and may need to provide some form of remedy, such as refunds, for the individuals affected by the incident.

Failures in our technology infrastructure could damage our business, reputation and brand and substantially harm our business and results of operations.

If our main data center were to fail, or if we were to suffer an interruption or degradation of services at our main data center, we could lose important manufacturing and technical data, which could harm our business. Our facilities are vulnerable to damage or interruption from earthquakes, hurricanes, floods, fires, cyber security attacks, terrorist attacks, power losses, telecommunications failures, and similar events. In the event that our or any third-party provider's systems or service abilities are hindered by any of the events discussed above, our ability to operate may be impaired. A decision to close the facilities without adequate notice, or other unanticipated problems, could adversely impact our operations. Any of the aforementioned risks may be augmented if our or any third-party provider's business continuity and disaster recovery plans prove to be inadequate. The facilities also could be subject to break-ins, computer viruses, sabotage, intentional acts of vandalism and other misconduct. Any security breach, including personal data breaches, or incident, including cybersecurity incidents, that we experience could result in unauthorized access to, misuse of or unauthorized acquisition of our or our customers' data, the loss, corruption or alteration of this data, interruptions in our operations or damage to our computer hardware or systems or those of our customers. Moreover, negative publicity arising from these types of disruptions could damage our reputation. We may not carry sufficient business interruption insurance to compensate us for losses that may occur as a result of any events that cause interruptions in our service. Significant unavailability of our services due to attacks could cause users to cease using our services and materially and adversely affect our business, prospects, financial condition, and results of operations.

We are highly dependent on our senior management team and other highly skilled personnel, and if we are not successful in attracting or retaining highly qualified personnel, we may not be able to successfully implement our business strategy.

Our success depends, in significant part, on the continued services of our senior management team and on our ability to attract, motivate, develop, and retain a sufficient number of other highly skilled personnel, including engineers, manufacturing and quality assurance, design, finance, marketing, sales and support personnel. Our senior management team has extensive experience in the aerospace industry, and we believe that their depth of experience is instrumental to our continued success. The loss of any one or more members of our senior management team, for any reason, including resignation or retirement, could impair our ability to execute our business strategy and have a material adverse effect on our business, financial condition, and results of operations.

Competition for qualified highly skilled personnel can be strong, and we can provide no assurance that we will be successful in attracting or retaining such personnel now or in the future. We have not yet started production level satellite manufacturing, launch and data operations, and our estimates of the required team size to support our estimated flight rates may require increases in staffing levels that may require significant capital expenditure. Further, any inability to recruit, develop and retain qualified employees may result in high employee turnover and may force us to pay significantly higher wages, which may harm our profitability. Additionally, we only carry key man insurance for our Chief Executive Officer, and the loss of any key employee or our inability to recruit, develop and retain these individuals as needed, could have a material adverse effect on our business, financial condition, and results of operations.

Any acquisitions, partnerships, or joint ventures that we enter into could disrupt our operations and have a material adverse effect on our business, financial condition and results of operations.

From time to time, we may evaluate potential strategic acquisitions of businesses, including partnerships or joint ventures with third parties, both domestic and international. We may not be successful in identifying acquisition, partnership, and joint venture candidates. In addition, we may not be able to continue the operational success of such businesses or successfully finance or integrate any businesses that we acquire or with which we form a partnership or joint venture. We may have potential write-offs of acquired assets and/or an impairment of any goodwill recorded as a result of acquisitions. Furthermore, the integration of any acquisition may divert management's time and resources from our core business and disrupt our operations or may result in conflicts with our business. Any acquisition, partnership or joint venture may not be successful, may reduce our cash reserves, may negatively affect our earnings and financial performance and, to the extent financed with the proceeds of debt, may increase our indebtedness. We cannot ensure that any acquisition, partnership, or joint venture we make will not have a material adverse effect on our business, financial condition, and results of operations.

We may experience difficulties in integrating the operations of acquired companies into our business and in realizing the expected benefits of these acquisitions.

Acquisitions involve numerous risks, any of which could harm our business and negatively affect our financial condition and results of operations. The success of any acquisition will depend in part on our ability to realize the anticipated business opportunities from combining their and our operations in an efficient and effective manner. These integration processes could take longer than anticipated and could result in the loss of key employees, the disruption of each company's ongoing businesses, tax costs or inefficiencies, or inconsistencies in standards, controls, information technology systems, procedures and policies, any of which could adversely affect our ability to maintain relationships with customers, employees or other third parties, or our ability to achieve the anticipated benefits of the acquisitions, and could harm our financial performance. If we are unable to successfully or timely integrate the operations of an acquired company with our business, we may incur unanticipated liabilities and be unable to realize the revenue growth, synergies and other anticipated benefits resulting from the acquisitions, or fully offset the costs of the acquisition, and our business, results of operations and financial condition could be materially and adversely affected.

We are subject to many hazards and operational risks that can disrupt our business, including interruptions or disruptions in service at our primary facilities, which could have a material adverse effect on our business, financial condition, and results of operations.

Our operations are subject to many hazards and operational risks inherent to our business, including general business risks, product liability and damage to third parties, our infrastructure or properties that may be caused by fires, floods and other natural disasters, power losses, telecommunications failures, terrorist attacks, human errors and similar events. Additionally, our manufacturing operations are hazardous at times and may expose us to safety risks, including environmental risks and health and safety hazards to our employees or third parties.

Moreover, our operations are entirely based in and around our Cape Canaveral, Florida facility, where our machine shop, production facilities, administrative offices, and research and development functions are located. Any significant interruption due to any of the above hazards and operational to the manufacturing or operation of our facilities, including from weather conditions, growth constraints, performance by third-party providers (such as electric, utility or telecommunications providers), failure to properly handle and use hazardous materials, failure of computer systems, power supplies, fuel supplies, infrastructure damage, disagreements with the owners of the land on which our facilities are located could result in manufacturing delays or the delay or cancellation of our planned commercial satellite launches and, as a result, could have a material adverse effect on our business, financial condition and results of operations.

In addition, our insurance coverage may be inadequate to cover our liabilities related to such hazards or operational risks. Moreover, we may not be able to maintain adequate insurance in the future at rates we consider reasonable and commercially justifiable, and insurance may not continue to be available on terms as favorable as our current arrangements. The occurrence of a significant uninsured claim, or a claim in excess of the insurance coverage limits maintained by us, could harm our business, financial condition and results of operations.

Natural disasters, unusual weather conditions, epidemic outbreaks, global health crises, terrorist acts and political events could disrupt our business and flight schedule.

The occurrence of one or more natural disasters such as tornadoes, hurricanes, fires, floods and earthquakes, unusual weather conditions, epidemic outbreaks, terrorist attacks or disruptive political events in certain regions where our facilities are located, or where our third-party contractors' and suppliers' facilities are located, could adversely affect our business, financial condition, and results of operations. Severe weather, such as rainfall, snowfall, or extreme temperatures, may impact the ability of our satellite launch and data services to be carried out as planned, resulting in additional expense to reschedule such service, thereby reducing our sales and profitability. Terrorist attacks, actual or threatened acts of war or the escalation of current hostilities, or any other military or trade disruptions impacting our domestic or foreign suppliers of components of our products, may impact our operations by, among other things, causing supply chain disruptions and increases in commodity prices, which could adversely affect our raw materials or transportation costs. These events also could cause or act to prolong an economic recession in the United States or abroad. To the extent these events also impact one or more of our suppliers or contractors or result in the closure of any of their facilities or our facilities, commence our commercial satellite launch activities as planned or thereafter increase our launch cadence. In addition, the disaster recovery and business continuity plans we have in place currently are limited and are unlikely to prove adequate in the event of a serious disaster or similar event. We may incur substantial expenses as a result of the limited nature of our disaster recovery and business continuity plans and, more generally, any of these events could cause consumer confidence and spending to decrease, which could adversely impact our commercial satellite manufacturing, launch and data operations.

Our operating results may fluctuate significantly, which makes our future operating results difficult to predict and could cause our operating results to fall below expectations or any guidance we may provide.

Our quarterly and annual operating results may fluctuate significantly, which makes it difficult for us to predict our future operating results. These fluctuations may occur due to a variety of factors, many of which are outside of our control, including, but not limited to:

- the number of satellite launch missions we schedule for a period, the price at which we sell them and our ability schedule additional launch missions for repeat customers;
- unexpected weather patterns, maintenance issues, natural disasters or other events that force us to cancel or reschedule launches;
- the cost of raw materials or supplied components critical for the manufacture and operation of our satellite equipment;
- the timing and cost of, and level of investment in, research and development relating to our technologies and our current or future facilities;
- developments involving our competitors;
- changes in governmental regulations or in the status of our regulatory approvals or applications;
- future accounting pronouncements or changes in our accounting policies; and
- general market conditions and other factors, including factors unrelated to our operating performance or the operating performance of our competitors.

The individual or cumulative effects of factors discussed above could result in large fluctuations and unpredictability in our quarterly and annual operating results. As a result, comparing our operating results on a period-to-period basis may not be meaningful.

This variability and unpredictability could also result in our failing to meet the expectations of industry or financial analysts or investors for any period. If our revenue or operating results fall below the expectations of analysts or investors or below any guidance we may provide, or if the guidance we provide is below the expectations of analysts or investors, the price of our common stock could decline substantially. Such a stock price decline could occur even when we have met any previously publicly stated guidance we may provide.

We may become involved in litigation that may materially adversely affect us.

From time to time, we may become involved in various legal proceedings relating to matters incidental to the ordinary course of our business, including intellectual property, commercial, product liability, employment, class action, whistleblower and other litigation and claims, and governmental and other regulatory investigations and proceedings. Such matters can be time-consuming, divert management's attention and resources from the operation of our business, and cause us to incur significant expenses or liability or require us to change our business practices. Because of the potential risks, expenses, and uncertainties of litigation, we may, from time to time, settle disputes, even where we believe that we have meritorious claims or defenses. Because litigation is inherently unpredictable, we cannot assure you that the results of any of these actions will not have a material adverse effect on our business.

We have been focused on developing satellite manufacturing and launch capabilities and services since 2013. This limited operating history makes it difficult to evaluate our future prospects and the risks and challenges it may encounter.

Because we have limited historical financial data and operate in a rapidly evolving market, any predictions about its future revenue and expenses may not be as accurate as they would be if it had a longer operating history or operated in a more developed market. We have encountered in the past, and will encounter in the future, risks and uncertainties frequently experienced by growing companies with limited operating histories in rapidly changing industries. If our assumptions regarding these risks and uncertainties, which we use to plan and operate our business, are incorrect or change, or if we do not address these risks successfully, our results of operations could differ materially from our expectations and our business, financial condition and results of operations could be adversely affected.

The markets for commercial satellite manufacturing, launch and data services have not been well established as the commercialization of space is a relatively new development and is rapidly evolving. Our estimates for the total addressable markets for satellite launch and data services are based on a number of internal and third-party estimates, including our contracted revenue and sales pipeline, assumed prices at which we can offer services, assumed frequency of service, our ability to leverage our current manufacturing and operational processes and general market conditions. As a result, our estimates of the annual total addressable markets for in-space infrastructure services, as well as the expected growth rate for the total addressable market for that experience, may prove to be incorrect.

We are subject to environmental regulation and may incur substantial costs.

We are subject to federal, state, local and foreign laws, regulations, and ordinances relating to the protection of the environment, including those relating to emissions to the air, discharges to surface and subsurface waters, safe drinking water, greenhouse gases and the management of hazardous substances, oils and waste materials. Federal, state, and local laws and regulations relating to the protection of the environment may require a current or previous owner or operator of real estate to investigate and remediate hazardous or toxic substances or petroleum product releases at or from the property. Under federal law, generators of waste materials, and current and former owners or operators of facilities, can be subject to liability for investigation and remediation costs at locations that have been identified as requiring response actions. Compliance with environmental laws and regulations can require significant expenditures. In addition, we could incur costs to comply with such current or future laws and regulations, the violation of which could lead to substantial fines and penalties.

We may have to pay governmental entities or third parties for property damage and for investigation and remediation costs that they incurred in connection with any contamination at our current and former properties without regard to whether we knew of or caused the presence of the contaminants. Liability under these laws may be strict, joint and several, meaning that we could be liable for the costs of cleaning up environmental contamination regardless of fault or the amount of waste directly attributable to us. Even if more than one person may have been responsible for the contamination, each person covered by these environmental laws may be held responsible for all of the clean-up costs incurred. Environmental liabilities could arise and have a material adverse effect on our financial condition and performance. We do not believe, however, that pending environmental regulatory developments in this area will have a material effect on our capital expenditures or otherwise materially adversely affect its operations, operating costs, or competitive position.

The COVID-19 pandemic has and could continue to negatively affect various aspects of our business, make it more difficult for us to meet our obligations to our customers, and result in reduced demand for our products and services, which could have a material adverse effect on our business, financial condition, results of operations, or cash flows.

In December 2019, a novel strain of coronavirus was reported to have surfaced in Wuhan, China, and it has since spread throughout other parts of the world, including the United States. Any outbreak of contagious diseases or other adverse public health developments could have a material adverse effect on our business operations. These impacts to our operations have included and could again in the future include disruptions or restrictions on the ability of our employees and customers to travel or our ability to pursue collaborations and other business transactions, travel to customers and/or conduct live demonstrations of our products, oversee the activities of our third-party manufacturers and suppliers. We may also be impacted by the temporary closure of the facilities of suppliers, manufacturers, or customers.

In an effort to halt the outbreak of COVID-19, a number of countries, including the United States, placed significant restrictions on travel and many businesses announced extended closures. These travel restrictions and business closures have and may in the future adversely impact our operations locally and worldwide, including our ability to manufacture, market, sell or distribute our products. Such restrictions and closure have caused or may cause temporary closures of the facilities of our suppliers, manufacturers, or customers. A disruption in the operations of our employees, suppliers, customers, manufacturers, or access to customers would likely impact our sales and operating results. We are continuing to monitor and assess the effects of the COVID-19 pandemic on our commercial operations; however, we cannot at this time accurately predict what effects these conditions will ultimately have on our operations due to uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak and speed of vaccinations, and the length of the travel restrictions and business closures imposed by the governments of impacted countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could affect demand for our products and likely impact our operating results.

Changes in tax laws or regulations may increase tax uncertainty and adversely affect results of our operations and our effective tax rate.

We will be subject to taxes in the United States and certain foreign jurisdictions. Due to economic and political conditions, tax rates in various jurisdictions, including the United States, may be subject to change. Our future effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities and changes in tax laws or their interpretation. In addition, we may be subject to income tax audits by various tax jurisdictions. Although we believe our income tax liabilities are reasonably estimated and accounted for in accordance with applicable laws and principles, an adverse resolution by one or more taxing authorities could have a material impact on the results of our operations. Further, we may be unable to utilize our net operating losses in the event a change in control is determined to have occurred.

Our Chief Executive Officer, Carol Craig, is also the Chief Executive Officer of CTC, our principal stockholder, and may allocate her time to such other business thereby causing conflicts of interest in her determination as to how much time to devote to our affairs. In addition, our Chief Financial Officer is a consultant who works with other companies as chief financial officer and may allocate his time to such other businesses. This could have a negative impact on our ability to implement our plan of operation.

Our Chief Executive Officer, Carol Craig, is also the Chief Executive Officer of CTC and may not commit her full time to our affairs, which may result in a conflict of interest in allocating her time between our business and the other business. Ms. Craig spends approximately 50 hours per week working for us. Similarly, our Chief Financial Officer, Scott Silverman, is a consultant who works with other companies as chief financial officer and may not commit his full time to our affairs, which may result in a conflict of interest in allocating their time between our business and the other business. Mr. Silverman intends to spend at least 10-20 hours per week working on our matters. Furthermore, neither our Chief Executive Officer or our Chief Financial Officer are obligated to contribute any specific number of her or his hours per week to our affairs. If other business affairs require our Chief Executive Officer or Chief Financial Officer to devote more amounts of time to other affairs, including the business of CTC, it could limit their ability to devote time to our affairs and could have a negative impact on our ability to implement our plan of operation.

Risks Related to our Relationship with Craig Technical Consulting, Inc.

CTC controls the direction of our business, and the concentrated ownership of our common stock will prevent you and other stockholders from influencing significant decisions.

Assuming (i) an initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, and (ii) that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, CTC will own % of the economic interest and voting power of our outstanding common stock, or % of the economic interest and voting power of our outstanding common stock if the underwriters exercise their option to purchase additional shares in full. As long as CTC beneficially controls a majority of the voting power of our outstanding Class B common stock, it will generally be able to determine the outcome of all corporate actions requiring stockholder approval, including the election and removal of directors. Even if CTC were to control less than a majority of the voting power of our outstanding Class B common stock, it may influence the outcome of such corporate actions so long as it owns a significant portion of our Class B common stock. If CTC continues to hold its shares of our Class B common stock, it could remain our controlling stockholder for an extended period of time or indefinitely.

We may be a "controlled company" within the meaning of the Nasdaq rules and, as a result, may qualify for, and may rely on, exemptions from certain corporate governance requirements that provide protection to stockholders of other companies.

Upon completion of this offering, CTC may continue to control a majority of the voting power of our outstanding common stock. As a result, we may be a "controlled company" within the meaning of the corporate governance standards of the Nasdaq rules. Under these rules, a listed company of which more than 50% of the voting power is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements.

As a controlled company, we may rely on certain exemptions from the Nasdaq standards that may enable us not to comply with certain Nasdaq corporate governance requirements if CTC continues to control a majority of the voting power of our outstanding common stock. Accordingly, you may not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of The Nasdaq Capital Market.

The ownership by our Chief Executive Officer of shares of CTC common stock may create, or may create the appearance of, conflicts of interest.

The ownership by our Chief Executive Officer of shares of CTC common stock may create, or may create the appearance of, conflicts of interest. Ownership by our Chief Executive Officer of common stock of CTC, creates, or, may create the appearance of, conflicts of interest when she is faced with decisions that could have different implications for CTC than the decisions have for us. Our Chief Executive Officer has agreed to recuse herself with respect to voting on any matter coming before either CTC's or our board of directors related to our relationship with CTC, although she will still be permitted to participate in discussions and negotiations. Any perceived conflicts of interest resulting from investors questioning the independence of our management or the integrity of corporate governance procedures may materially affect our stock price.

Risks Related to this Offering and Our Class A Common Stock

No active trading market for our Class A common stock currently exists, and an active trading market may not develop.

Prior to this offering, there has not been an active trading market for our Class A common stock. If an active trading market for our Class A common stock does not develop following this offering, you may not be able to sell your shares quickly or at the market price. Our ability to raise capital to continue to fund operations by selling shares of our Class A common stock and our ability to acquire other companies or technologies by using shares of our Class A common stock as consideration may also be impaired. The initial public offering price of our Class A common stock will be determined by negotiations between us and the underwriters and may not be indicative of the market prices of our Class A common stock that will prevail in the trading market.

The market price of our Class A common stock may be volatile and fluctuate substantially, which could result in substantial losses for purchasers of our Class A common stock in this offering.

The market price of our Class A common stock is likely to be highly volatile and may be subject to wide fluctuations in response to a variety of factors, including the following:

- any delay in our launch time or our ability to successfully complete launches;
- failure to maintain relationships with our existing launch partners or enter into agreements with new launch partners;
- failure to successfully develop and commercialize our products;
- inability to obtain additional funding;
- regulatory or legal developments in the United States and other countries applicable to our existing products and product candidates;
- introduction of new products, services, or technologies by our competitors;
- failure to meet or exceed financial projections we provide to the public;
- failure to meet or exceed the estimates and projections of the investment community;
- changes in the market valuations of companies similar to ours;
- market conditions in the space sectors, and the issuance of new or changed securities analysts' reports or recommendations;
- announcements of significant acquisitions, strategic collaborations, joint ventures or capital commitments by us or our competitors;
- significant lawsuits, including patent or stockholder litigation, and disputes or other developments relating to our proprietary rights, including patents, litigation matters and our ability to obtain patent protection for our technologies;
- additions or departures of key scientific or management personnel;
- sales of our Class A common stock by us or our stockholders in the future;
- trading volume of our Class A common stock;
- general economic, industry and market conditions;
- health epidemics and outbreaks, including the COVID-19 pandemic, or other natural or manmade disasters which could significantly disrupt our operations; and
- the other factors described in this "Risk Factors" section.

In addition, the stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. These fluctuations have often been unrelated or disproportionate to the operating performance of those companies. Broad market and industry factors, as well as general economic, political, regulatory and market conditions, may negatively affect the market price of our Class A common stock, regardless of our actual operating performance. The market price of our Class A common stock may decline below the initial public offering price, and you may lose some or all of your investment. Stock markets have experienced extreme volatility due to the ongoing COVID-19 pandemic and investor concerns and uncertainty related to the impact of the pandemic on the economies of countries worldwide.

The dual-class structure of our common stock as contained in our amended and restated certificate of incorporation, as amended, has the effect of concentrating voting control with those stockholders who held our capital stock prior to this offering, comprised of our Chief Executive Officer. This ownership will limit or preclude your ability to influence corporate matters, including the election of directors, amendments of our organizational documents, and any merger, consolidation, sale of all or substantially all of our assets, or other major corporate transactions requiring stockholder approval, and that may adversely affect the trading price of our Class A common stock.

Our Class B common stock has ten votes per share, and our Class A common stock, which is the stock we are selling in this offering, has one vote per share. Following this offering, our existing stockholders, all of which hold shares of Class B common stock, will collectively own shares representing approximately % of the voting power of our outstanding capital stock following this offering, and our directors, executive officers and their affiliates, will beneficially own in the aggregate % of the voting power of our outstanding capital stock following this offering. Even if such individuals are no longer employed with us, they will continue to have the same influence over matters requiring stockholder approval. In addition, because of the ten-to-one voting ratio between our Class B and Class A common stock, the holders of our Class B common stock collectively could continue to control a majority of the combined voting power of our common stock and therefore control all matters submitted to our stockholders for approval until converted by our Class B common stockholder. This concentrated control may limit or preclude your ability to influence corporate matters for the foreseeable future, including the election of directors, amendments of our organizational documents and any merger, consolidation, sale of all or substantially all of our assets or other major corporate transactions requiring stockholder approval. In addition, this concentrated control may prevent or discourage unsolicited acquisition proposals or offers for our capital stock that you may feel are in your best interest as one of our stockholders. As a result, such concentrated control may adversely affect the market price of our Class A common stock.

Future transfers by holders of Class B common stock will generally result in those shares converting to Class A common stock, subject to limited exceptions as specified in our amended and restated certificate of incorporation, such as transfers to family members and certain transfers effected for estate planning purposes. The conversion of Class B common stock to Class A common stock will have the effect, over time, of increasing the relative voting power of those holders of Class B common stock who retain their shares in the long term. As a result, it is possible that one or more of the persons or entities holding our Class B common stock could gain significant voting control as other holders of Class B common stock sell or otherwise convert their shares into Class A common stock.

We cannot predict the effect our dual-class structure may have on the market price of our Class A common stock.

We cannot predict whether our dual-class structure will result in a lower or more volatile market price of our Class A common stock, adverse publicity or other adverse consequences. For example, certain index providers have announced and implemented restrictions on including companies with multiple-class share structures in certain of their indices. In July 2017, FTSE Russell announced that it would require new constituents of its indices to have greater than 5% of the company's voting rights in the hands of public stockholders, and S&P Dow Jones announced that it would no longer admit companies with multiple-class share structures to certain of its indices. Affected indices include the Russell 2000 and the S&P 500, S&P MidCap 400 and S&P SmallCap 600, which together make up the S&P Composite 1500. Also in 2017, MSCI, a leading stock index provider, opened public consultations on its treatment of no-vote and multi-class structures and temporarily barred new multi-class listings from certain of its indices; however, in October 2018, MSCI announced its decision to include equity securities "with unequal voting structures" in its indices and to launch a new index that specifically includes voting rights in its eligibility criteria. Under such announced and implemented policies, the dual-class structure of our common stock would make us ineligible for inclusion in certain indices and, as a result, mutual funds, exchange-traded funds and other investment vehicles that attempt to passively track those indices would not invest in our Class A common stock. These policies are relatively new and it is unclear what effect, if any, they will have on the valuations of publicly-traded companies excluded from such indices, but it is possible that they may adversely affect valuations, as compared to similar companies that are included. Due to the dual-class structure of our common stock, we will likely be excluded from certain indices and we cannot assure you that other stock indices will not take similar actions. Given the sustained flow of investment funds into passive strategies that seek to track certain indices, exclusion from certain stock indices would likely preclude investment by many of these funds and could make our Class A common stock less attractive to other investors. As a result, the market price of our Class A common stock could be adversely affected.

Our principal stockholders will continue to have significant influence over the election of our board of directors and approval of any significant corporate actions, including any sale of the company.

Our founders, executive officers, directors, and other principal stockholders, in the aggregate, beneficially own a majority of our outstanding stock. These stockholders currently have, and likely will continue to have, significant influence with respect to the election of our board of directors and approval or disapproval of all significant corporate actions. The concentrated voting power of these stockholders could have the effect of delaying or preventing an acquisition of the company or another significant corporate transaction.

We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.

Our management will have broad discretion in the application of the net proceeds from this initial public offering, including for any of the currently intended purposes described in the section entitled "Use of Proceeds." Because of the number and variability of factors that will determine our use of the net proceeds from this offering, their ultimate use may vary substantially from their currently intended use. Our management may not apply our cash from this offering in ways that ultimately increase the value of any investment in our securities or enhance stockholder value. The failure by our management to apply these funds effectively could harm our business. Pending their use, we may invest the net proceeds from this offering in short-term, investment-grade, interest-bearing securities. These investments may not yield a favorable return to our stockholders. If we do not invest or apply our cash in ways that enhance stockholder value, we may fail to achieve expected financial results, which may result in a decline in the price of our shares of Class A common stock, and, therefore, may negatively impact our ability to raise capital, invest in or expand our business, acquire additional products or licenses, commercialize our product, or continue our operations.

We could be subject to securities class action litigation.

In the past, securities class action litigation has often been brought against companies following a decline in the market price of their securities. This risk is especially relevant for us because biotechnology companies have experienced significant share price volatility in recent years. If we face such litigation, it could result in substantial costs and a diversion of management's attention and resources, which could harm our business.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, the market price for the shares and trading volume could decline.

The trading market for our Class A common stock will depend in part on the research and reports that securities or industry analysts publish about us or our business. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts who covers us downgrades our Class A common stock or publishes inaccurate or unfavorable research about our business, the market price for our Class A common stock would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for our common stock to decline.

We do not expect to pay dividends in the foreseeable future after this offering, and you must rely on price appreciation of your shares of Class A common stock for return on your investment.

We have paid no cash dividends on any class of our stock to date, and we do not anticipate paying cash dividends in the near term. For the foreseeable future, we intend to retain any earnings to finance the development and expansion of our business, and we do not anticipate paying any cash dividends on our stock. Accordingly, investors must be prepared to rely on sales of their shares after price appreciation to earn an investment return, which may never occur. Investors seeking cash dividends should not purchase our shares. Any determination to pay dividends in the future will be made at the discretion of our board of directors and will depend on our results of operations, financial condition, contractual restrictions, restrictions imposed by applicable law and other factors our board deems relevant.

As our initial public offering price is substantially higher than our net tangible book value per share, you will experience immediate and substantial dilution.

If you purchase Class A common stock in this offering, you will pay more for your shares of Class A common stock than the amount paid by our existing stockholders for their shares on a per share basis. As a result, you will experience immediate and substantial dilution in net tangible book value per share in relation to the price that you paid for your shares. We expect the dilution as a result of the offering to be [$___] per share to new investors purchasing our shares of Class A common stock in this offering. In addition, you will experience further dilution to the extent that our shares are issued upon the exercise of any warrants or exercise of stock options under any stock incentive plans. See “Dilution” for a more complete description of how the value of your investment in our shares will be diluted upon completion of this offering.

We will incur increased costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives and corporate governance practices.

As a public company, and particularly after we no longer qualify as an emerging growth company, we will incur significant legal, accounting, and other expenses that we did not incur previously. The Sarbanes-Oxley Act of 2002 (“SOX”), the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of Nasdaq, and other applicable securities rules and regulations impose various requirements on U.S. reporting public companies, including the establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our management and other personnel will need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more expensive for us to obtain director and officer liability insurance, which in turn could make it more difficult for us to attract and retain qualified senior management personnel or members for our board of directors. In addition, these rules and regulations are often subject to varying interpretations, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. Pursuant to Section 404 of SOX (“Section 404”), we will be required to furnish a report by our senior management on our internal control over financial reporting.

While we remain an emerging growth company, we will not be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To prepare for eventual compliance with Section 404, once we no longer qualify as an emerging growth company, we will be engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude, within the prescribed timeframe or at all, that our internal control over financial reporting is effective as required by Section 404.

We are an "emerging growth company," and the reduced reporting requirements applicable to emerging growth companies may make our common stock less attractive to investors.

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act ("the JOBS Act"). For as long as we continue to be an emerging growth company, we may take advantage of exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including exemption from compliance with the auditor attestation requirements of Section 404, reduced disclosure obligations regarding executive compensation and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of the closing of this offering, (b) in which we have total annual gross revenue of at least $1.07 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock held by non-affiliates exceeds $700 million as of the end of our prior second fiscal quarter, and (2) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period.

In addition, under the JOBS Act, emerging growth companies may delay adopting new or revised accounting standards until such time as those standards apply to private companies. We may elect not to avail ourselves of this exemption from new or revised accounting standards and, therefore, may be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our share price may be more volatile.

Anti-takeover provisions contained in our certificate of incorporation and bylaws to be adopted upon the closing of this offering, as well as provisions of Delaware law, could impair a takeover attempt.

Our certificate of incorporation, bylaws and Delaware law contain or will contain provisions which could have the effect of rendering more difficult, delaying or preventing an acquisition deemed undesirable by our board of directors. Our corporate governance documents include or will include provisions:

- authorizing "blank check" preferred stock, which could be issued by our board of directors without stockholder approval and may contain voting, liquidation, dividend, and other rights superior to our common stock;
- limiting the liability of, and providing indemnification to, our directors and officers;
- limiting the ability of our stockholders to call and bring business before special meetings;
- requiring advance notice of stockholder proposals for business to be conducted at meetings of our stockholders and for nominations of candidates for election to our board of directors;
- controlling the procedures for the conduct and scheduling of board of directors and stockholder meetings; and
- providing our board of directors with the express power to postpone previously scheduled annual meetings and to cancel previously scheduled special meetings.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our management.

As a Delaware corporation, we are also subject to provisions of Delaware law, including Section 203 of the Delaware General Corporation law, which prevents some stockholders holding more than 15% of our outstanding common stock from engaging in certain business combinations without approval of the holders of substantially all of our outstanding common stock.

Any provision of our certificate of incorporation, bylaws or Delaware law that has the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our Class A common stock and could also affect the price that some investors are willing to pay for our Class A common stock.

Our certificate of incorporation, as amended, designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or other employees.

Our certificate of incorporation requires that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will, to the fullest extent permitted by law, be the sole and exclusive forum for each of the following:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim for breach of any fiduciary duty owed by any director, officer, or other employee of ours to the Company or our stockholders, creditors or other constituents;
- any action asserting a claim against us or any director or officer of ours arising pursuant to, or a claim against us or any of our directors or officers, with respect to the interpretation or application of any provision of, the DGCL, our certificate of incorporation or bylaws; or
- any action asserting a claim governed by the internal affairs doctrine;

provided, that, if and only if the Court of Chancery of the State of Delaware dismisses any of the foregoing actions for lack of subject matter jurisdiction, any such action or actions may be brought in another state court sitting in the State of Delaware.

The exclusive forum provision is limited to the extent permitted by law, and it will not apply to claims arising under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Securities Act of 1933, as amended (the "Securities Act"), or for any other federal securities laws which provide for exclusive federal jurisdiction.

Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our second amended and restated certificate of incorporation provides that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring such a claim arising under the Securities Act against us, our directors, officers, or other employees in a venue other than in the federal district courts of the United States of America. In such instance, we would expect to vigorously assert the validity and enforceability of the exclusive forum provisions of our second amended and restated certificate of incorporation.

Although we believe this provision benefits us by providing increased consistency in the application of Delaware law in the types of lawsuits to which it applies, this provision may limit or discourage a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage such lawsuits against us and our directors, officers and other employees. Alternatively, if a court were to find the choice of forum provision contained in our certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business and financial condition.

We note that there is uncertainty as to whether a court would enforce the provision and that investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. Although we believe this provision benefits us by providing increased consistency in the application of Delaware law in the types of lawsuits to which it applies, the provision may have the effect of discouraging lawsuits against our directors and officers.

INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that involve risks and uncertainties. You should not place undue reliance on these forward-looking statements. All statements other than statements of historical facts contained in this prospectus are forward-looking statements. The forward-looking statements in this prospectus are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition, and results of operations. In some cases, you can identify these forward-looking statements by terms such as “anticipate,” “believe,” “continue,” “could,” “depends,” “estimate,” “expects,” “intend,” “may,” “ongoing,” “plan,” “potential,” “predict,” “project,” “should,” “will,” “would” or the negative of those terms or other similar expressions, although not all forward-looking statements contain those words. We have based these forward-looking statements on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, strategy, short- and long-term business operations and objectives, and financial needs. These forward-looking statements include, but are not limited to, statements concerning the following:

- our projected financial position and estimated cash burn rate;
- our estimates regarding expenses, future revenues and capital requirements;
- our ability to continue as a going concern;
- our need to raise substantial additional capital to fund our operations;
- our ability to compete in the global space industry;
- our ability to obtain and maintain intellectual property protection for our current products and services;
- our ability to protect our intellectual property rights and the potential for us to incur substantial costs from lawsuits to enforce or protect our intellectual property rights;
- the possibility that a third party may claim we have infringed, misappropriated or otherwise violated their intellectual property rights and that we may incur substantial costs and be required to devote substantial time defending against these claims;
- our reliance on third-party suppliers and manufacturers;
- the success of competing products or services that are or become available;
- our ability to expand our organization to accommodate potential growth and our ability to retain and attract key personnel;
- the potential for us to incur substantial costs resulting from lawsuits against us and the potential for these lawsuits to cause us to limit our commercialization of our products and services;

These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in "Risk Factors." Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, except as required by law, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. We undertake no obligation to update publicly any forward-looking statements for any reason after the date of this prospectus to conform these statements to actual results or to changes in our expectations.

You should read this prospectus and the documents that we reference in this prospectus and have filed with the SEC as exhibits to the registration statement of which this prospectus is a part with the understanding that our actual future results, levels of activity, performance and events and circumstances may be materially different from what we expect.

INDUSTRY AND MARKET DATA

This prospectus contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. We obtained the industry and market data in this prospectus from our own research as well as from industry and general publications, surveys and studies conducted by third parties. This data involves a number of assumptions and limitations and contains projections and estimates of the future performance of the industries in which we operate that are subject to a high degree of uncertainty, including those discussed in "Risk Factors." We caution you not to give undue weight to such projections, assumptions, and estimates. Further, industry and general publications, studies and surveys generally state that they have been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. While we believe that these publications, studies, and surveys are reliable, we have not independently verified the data contained in them. In addition, while we believe that the results and estimates from our internal research are reliable, such results and estimates have not been verified by any independent source.

USE OF PROCEEDS

We estimate that the net proceeds from our issuance and sale of shares of our Class A common stock in this offering will be approximately $ million, based on an assumed initial public offering price of $ per share, the midpoint of the price range listed on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

We intend to use the net proceeds from this offering for (i) sales and marketing, (ii) operational costs, (iii) product development, (iv) manufacturing expansion and (v) working capital and other general corporate purposes. We may also use a portion of the net proceeds to in-license, acquire or invest in complementary businesses or products, however, we have no current commitments or obligations to do so.

A $1.00 increase or decrease in the assumed initial public offering price of $ per share would increase or decrease the net proceeds from this offering by approximately $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions.

This expected use of the net proceeds from this offering and our existing cash represents our intentions based upon our current plans, financial condition and business conditions. Predicting the cost necessary to develop product candidates can be difficult and the amounts and timing of our actual expenditures may vary significantly depending on numerous factors, including the progress of our development and commercialization efforts, any collaborations that we may enter into with third parties for our product candidates and any unforeseen cash needs. As a result, our management will retain broad discretion over the allocation of the net proceeds from this offering and our existing cash.

In the ordinary course of our business, we expect to from time to time evaluate the acquisition of, investment in or in-license of complementary products, technologies or businesses, and we could use a portion of the net proceeds from this offering for such activities. We currently do not have any agreements, arrangements, or commitments with respect to any potential acquisition, investment or license.

Pending our use of the net proceeds from this offering, we intend to invest the net proceeds in a variety of capital preservation investments, including short-term, investment-grade, interest-bearing instruments, and government securities.

DIVIDEND POLICY

We have never paid or declared any cash dividends on our Class A common stock, and we do not anticipate paying any cash dividends on our Class A common stock in the foreseeable future. We intend to retain all available funds and any future earnings to fund the development and expansion of our business. Any future determination to pay dividends will be at the discretion of our board of directors and will depend upon a number of factors, including our results of operations, financial condition, future prospects, contractual restrictions, restrictions imposed by applicable law and other factors our board of directors deems relevant.

CAPITALIZATION

The following table sets forth our cash and capitalization as of September 30, 2021:

- on an actual basis; and
- on an as adjusted basis to give further effect to (i) our issuance and sale of shares of our Class A common being sold in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range listed on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and our estimated offering expenses.

(in thousands, except share and per share data)	Actual	As Adjusted[1]
Cash	$ 2,234	$
Long-term liabilities	$ 3,439	
Stockholders' equity (deficit):		
Preferred stock, par value $0.0001 per share; 1,000,000 shares authorized, 1,000,000 issued and outstanding, actual; and 1,000,000 issued and outstanding, as adjusted		
Class A common stock, par value $0.0001 per share; 25,000,000 shares authorized, 3,200,000 shares issued and outstanding, actual; shares authorized, shares issued and outstanding, as adjusted	-	
Class B common stock, par value $0.0001 per share; 10,000,000 shares authorized, 10,000,000 shares issued and outstanding, actual; and 10,000,000 shares issued and outstanding, as adjusted	1	
Additional paid-in capital	11,370	
Accumulated deficit	(12,989)	
Total stockholders' equity (deficit)	(1,618)	
Total capitalization	$ 1,821	$

(1) A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the as adjusted amount of each of cash, total stockholders' equity and total capitalization by $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions. An increase (decrease) of 1,000,000 shares in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase (decrease) the as adjusted amount of each of cash, total stockholders' equity and total capitalization by $ million, assuming no change in the assumed initial public offering price per share and after deducting estimated underwriting discounts and commissions.

The number of shares of Class A common stock and Class B common stock that will be outstanding after this offering is based on 3,200,000 shares of Class A common stock and 10,000,000 shares of Class B common stock outstanding as of September 30, 2021, and excludes:

- 10,000,000 shares of Class A common stock issuable upon conversion of our Class B Common Stock;
- [ ] shares of Class A common stock reserved for future issuance under our 2021 Omnibus Equity Incentive Plan.

DILUTION

If you invest in our Class A common stock, your ownership interest will be diluted to the extent of the difference between initial public offering price per share of our Class A common stock and the pro forma as adjusted net tangible book value per share of our Class A common stock immediately after this offering.

As September 30, 2021 we had a historical net tangible book value (deficit) of $( ), or $( ) per share of Class A common stock, based on shares of common stock outstanding at September 30, 2021. Our historical net tangible book value per share is the amount of our total tangible assets less our total liabilities at September 30, 2021, divided by the number of shares of Class A common stock outstanding at September 30, 2021.

After giving further effect to the sale of shares of Class A common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the estimated offering price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, our as adjusted net tangible book value at September 30, 2021 would have been $ million, or $ per share of common stock. This represents an immediate increase in as adjusted net tangible book value of $ per share to existing stockholders and immediate dilution of $ per share to new investors purchasing shares of Class A common stock in this offering.

The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share		$
Net tangible book value per share as of September 30, 2021	$	
Increase in net tangible book value per share attributable to new investors in this offering		
As adjusted net tangible book value per share immediately after this offering		
Dilution per share to new investors in this offering		$

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) our as adjusted net tangible book value after this offering by $ per share and the dilution to new investors purchasing Class A common stock in this offering by $ per share, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discount and commissions. An increase of 1,000,000 shares in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase our as adjusted net tangible book value after this offering by $ per share and decrease the dilution to new investors purchasing common stock in this offering by $ per share, assuming no change in the assumed initial public offering price per share and after deducting estimated underwriting discounts and commissions. A decrease of 1,000,000 shares in the number of shares offered by us would decrease the as adjusted net tangible book value after this offering by $ per share and increase the dilution to new investors purchasing Class A common stock in this offering by $ per share, assuming no change in the assumed initial public offering price per share and after deducting estimated underwriting discounts and commissions.

The number of shares of Class A common stock and Class B common stock that will be outstanding after this offering is based on 3,200,000 shares of Class A common stock and 10,000,000 shares of Class B common stock outstanding as of September 30, 2021, and excludes:

- 10,000,000 shares of Class A common stock issuable upon conversion of our Class B Common Stock;
- [ ] shares of Class A common stock reserved for future issuance under our 2021 Omnibus Equity Incentive Plan.

The following table summarizes, on the as adjusted basis described above, the total number of shares of Class A common stock purchased from us, the total consideration paid or to be paid, and the average price per share paid or to be paid by existing stockholders and by new investors in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us:

	Shares Purchased		Total Consideration		Average Price
	Number	Percentage	Amount	Percentage	Per Share
Existing stockholders		%	$	%	$
New investors					$
Total		%	$	%	

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the total consideration paid by new investors by $ million and, in the case of an increase, would increase the percentage of total consideration paid by new investors by percentage points and, in the case of a decrease, would decrease the percentage of total consideration paid by new investors by percentage points, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same. An increase (decrease) of 1,000,000 shares in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase (decrease) the total consideration paid by new investors by $ million and, in the case of an increase, would increase the percentage of total consideration paid by new investors by percentage points and, in the case of a decrease, would decrease the percentage of total consideration paid by new investors by percentage points, assuming no change in the assumed initial public offering price.

To the extent that stock options or warrants are exercised, new stock options are issued under our equity incentive plan, or we issue additional common stock in the future, there will be further dilution to investors participating in this offering. In addition, we may choose to raise additional capital because of market conditions or strategic considerations, even if we believe that we have sufficient funds for our current or future operating plans. If we raise additional capital through the sale of equity or convertible debt securities, the issuance of these securities could result in further dilution to our stockholders.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and plan of operations together with "Selected Financial Data" and our financial statements and the related notes appearing elsewhere in this prospectus. In addition to historical information, this discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those discussed below. Factors that could cause or contribute to such differences include, but are not limited to, those identified below, and those discussed in the section titled "Risk Factors" included elsewhere in this prospectus. All amounts in this report are in U.S. dollars, unless otherwise noted.

Overview of Operations

We are a space-as-a-service company focused on commercial satellite design, manufacture, launch, and data collection with a vision to enable space flight heritage status for new technologies and deliver data and predictive analytics to both domestic and global customers. We are building an all-inclusive space-as-a-service platform for the global space economy. We are developing and plan to launch 100 kg (220-pound) satellites with available space to rapidly integrate customer sensors and technologies. By developing a plug-and-play operating system for space, we believe we can deliver customer sensors to orbit in months, rather than years. In addition, we intend on delivering high-impact data for insights on aviation, maritime, weather, space services, earth intelligence and observation, financial technology (Fintech) and the Internet of Things. Our revenues to date have been from our space related manufacturing offerings and we have not generated revenue from our constellation space offering.

Results of Operations

Comparison of the three months ended September 30, 2021 to the three months ended September 30, 2020

The following table provides certain selected financial information for the periods presented:

	Three Months Ended September 30,			
	2021	2020	Change	%
Revenue	$ 499,851	$ 408,417	$ 91,434	22%
Cost of revenue	480,997	374,603	106,394	28%
Gross Profit	18,854	33,814	(14,960)	(44)%
Gross Profit Percentage	4%	8%	(5)%	(54)%
Operating expense	918,199	413,936	504,263	122%
Other income (expense)	276,604	(1,556)	278,160	n/a
Net loss	$ (622,741)	$ (381,678)	$ (241,063)	63%

Revenue

The increase in revenue of 22% for the three months ended September 30, 2021 to $500,000 as compared to $408,000 for the three months ended September 30, 2020 was driven by improving market conditions subsequent to the Covid-19 global pandemic and growth of the space sector as a whole.

Cost of Revenue

The increase in cost of revenue of 28% for the three months ended September 30, 2021 to $481,000 as compared to $375,000 for the three months ended September 30, 2020 was driven by increased materials costs due to supply chain constraints and elevated labor costs due to a tight labor market as a result of continued effects of the Covid-19 global pandemic.

Gross Profit

The decrease in our gross profit of $15,000 to $34,000 or approximately 44% for the three months ended September 30, 2021 as compared to $34,000 for the three months ended September 30, 2020 is primarily attributable to a larger increase in our revenues as compared to the increase in our cost of revenues.

Operating Expenses

	Three Months Ended September 30,			
	2021	2020	Change	%
Operating expenses				
Payroll	$ 500,881	$ 221,667	$ 279,214	126%
Bid and proposal	-	43,830	(43,830)	(100)%
Lease expense	81,925	47,904	34,021	71%
Depreciation	8,880	11,577	(2,697)	(23)%
Other general and administrative	326,513	88,958	237,555	267%
Total	$ 918,199	$ 413,936	$ 504,263	122%

Overall operating expenses increased by $504,000, or 122%, to $918,000 for the three months ended September 30, 2021 as compared to $414,000 for the three months ended September 30, 2020 primarily attributed to increased costs associated with the addition of several key employees and advisors, the costs associated with our pre-IPO private placement and costs associated with preparation for our initial public offering.

Total other income (expense)

During the three months ended September 30, 2021, we had other income of $309,000 for forgiveness of PPP loan and interest expense of $33,000.

During the three months ended September 30, 2020, we had other expenses of $1,556.

Comparison of the nine months ended September 30, 2021 to the nine months ended September 30, 2020

The following table provides certain selected financial information for the periods presented:

	Nine Months Ended September 30,			
	2021	2020	Change	%
Revenue	$ 885,305	$ 1,538,675	$ (653,370)	(42%)
Cost of revenue	1,057,137	1,479,676	(422,539)	(29%)
Gross Profit (Loss)	(171,832)	58,999	(230,831)	(391%)
Gross Profit Percentage	(19%)	4%	(23%)	(606%)
Operating expense	1,721,683	1,228,664	493,019	40%
Other expense	573,867	(8,666)	582,533	(6722%)
Net loss	$ (1,319,648)	$ (1,178,331)	$ (141,317)	12%

Revenue

The decrease in revenue of 42% for the nine months ended September 30, 2021 to $885,000 as compared to $1.5 million for the nine months ended September 30, 2020 was driven by lingering effects of the Covid-19 global pandemic during the early part of the year.

Cost of Revenue

The decrease in cost of revenue of 29% for the nine months ended September 30, 2021 to $1.1 million as compared to $1.5 million for the nine months ended September 30, 2020 was driven by an increase in labor intensive contracts which could be completed in house, as opposed to outsourcing to other subcontractors and a reduction in revenue during the same period.

Gross Profit (Loss)

The decrease in our gross profit of $231,000 to a loss of $172,000 or approximately 391% for the nine months ended September 30, 2021 as compared to a gross profit of $59,000 for the nine months ended September 30, 2020 is primarily attributable to the high costs of revenue, which includes depreciation of fixed assets used in production relative to the reduction in revenue during the same period.

Operating Expenses

	Nine Months Ended September 30,			
	2021	2020	Change	%
Operating expenses				
Payroll	$ 943,743	$ 677,557	$ 266,186	39%
Bid and proposal	71,111	103,768	(32,657)	(31%)
Lease expense	165,934	121,910	44,024	36%
Depreciation	24,478	44,859	(20,381)	(45%)
Other general and administrative	516,417	280,570	235,847	84%
Total	$ 1,721,683	$ 1,228,664	$ 493,019	40%

Overall operating expenses increased by $493,000, or 40%, to $1.7 million for the nine months ended September 30, 2021 as compared to $1.2 million for the nine months ended September 30, 2020 which increase is primarily attributed to the leasing of additional space to expand our operations, increased costs associated with the addition of several key employees and advisors, the costs associated with our pre-IPO fund raise and costs associated with preparation for our public offering.

Total other income (expense)

During the nine months ended September 30, 2021, we had other income of $634,000 for forgiveness of PPP loan, other expense of $504 and interest expense of $59,500.

During the nine months ended September 30, 2020, we had other expense of $1,000 and interest expense of $7,700.

Comparison of year ended December 31, 2020 to year ended December 31, 2019

The following table provides certain selected financial information for the periods presented:

	Years Ended December 31,			
	2020	2019	Change	%
Revenue	$ 1,807,182	$ 2,798,269	$ (991,087)	(35%)
Cost of revenue	1,786,410	3,009,529	(1,223,119)	(41%)
Gross Profit (Loss)	20,772	(211,260)	232,032	(110%)
Gross Profit (Loss) Percentage	1%	(8%)	9%	(115%)
Operating expense	1,553,909	1,694,138	(140,229)	(8%)
Other expense	(9,769)	(23,313)	13,544	(58%)
Net loss	$ (1,542,906)	$ (1,928,711)	$ 385,805	(20%)

Revenue

The decrease in revenue of 35% for the year ended December 31, 2020 to $1.8 million as compared to $2.8 million for the year ended December 31, 2019 was driven by negative impacts as a result of the Covid-19 global pandemic. For the year ended December 31, 2019, we serviced 25 overall customers and 2 were direct government customers. There were 10 commercial customers that we manufactured products as a subcontractor for their government customer. For the year ended December 31, 2020, we serviced 22 customers and 2 were direct government customers. There were 11 other commercial customers that we manufactured products as a subcontractor for their government customer.

Cost of Revenue

The decrease in cost of revenue of 41% for the year ended December 31, 2020 to $1.8 million as compared to $3.0 million for the year ended December 31, 2019 was driven by an increase in labor intensive contracts which could be completed in house, as opposed to outsourcing to other subcontractors.

Gross Profit (Loss)

The increase in our gross profit of $232,000 to $21,000 or approximately 110% for the year ended December 31, 2020 as compared to ($211,000) for the year ended December 31, 2019 is primarily attributable to an increase in labor intensive contracts which could be completed in our facility by our staff, as opposed to outsourcing to other subcontractors.

Operating Expenses

	Years Ended December 31,			
	2020	2019	Change	%
Operating expenses				
Payroll	$ 905,012	$ 921,008	$ (15,996)	(2)%
Bid and proposal	154,384	123,951	30,433	25%
Lease expense	159,122	234,907	(75,785)	(32)%
Depreciation	41,521	44,991	(3,470)	(8)%
General and administrative	293,870	369,281	(75,411)	(20)%
Total	$ 1,553,909	$ 1,694,138	$ (140,229)	(8)%

Overall operating expenses were reduced by $140,000, or 8%, to $1.6 million for the year ended December 31, 2020 as compared to $1.7 million for the year ended December 31, 2019 which is primarily attributed to a reduction in our lease expenses to $159,000 from $235,000 as a result of improved terms as renegotiated with our landlord and General and Administrative costs to $294,000 from $369,000 for the same period, which is related to incremental fluctuations the costs of operations and impacts from the Covid-19 pandemic.

Total other income (expense)

During the year ended December 31, 2020, we had other income of $10,000, other expense of $1,500 and interest expense of $18,000.

During the year ended December 31, 2019, we had other income of $13,000, and interest expense of $36,000.

Liquidity and Capital Resources

The following table provides selected financial data about us as of September 30, 2021, and December 31, 2020.

	September 30, 2021	December 31, 2020	Change	%
Current assets	$ 2,487,154	$ 582,617	$ 1,904,537	327%
Current liabilities	$ 1,933,150	$ 8,095,721	$ (6,162,571)	(76%)
Working capital (deficiency)	$ 554,004	$ (7,513,104)	$ 8,067,108	(107%)

Current assets increased by $1.9 million, or 327%, to $2.5 million as of September 30, 2021 from $583,000 as of December 31, 2020. The increase is primarily attributable to an increase in cash of $2.2 million from the sale of 3 million shares of common stock for net proceeds of $2.6 million during the three months ended September 30, 2021.

Current liabilities decreased by $6.2 million, or 76%, to $1.9 million as of September 30, 2021 from $8.1 million as of December 31, 2020. The decrease was primarily attributable to the forgiveness of $3.4 million in related party debt and reclassifying $3 million of related party debt from a current liability to a non-current note payable to a related party. We had current liability increases as of September 30, 2021 from December 31, 2020 of accounts payable by $158,000, accounts payable related party of $395,000, deferred revenue related party of $63,000 and operating lease liability of $135,000 for a new office lease.

The following table provides selected financial data about us as of December 31, 2020 and 2019.

	December 31, 2020	December 31, 2019	Change	%
Current assets	$ 582,617	$ 695,904	$ (113,287)	(16%)
Current liabilities	$ 8,095,721	$ 7,023,743	$ 1,071,978	15%
Working capital (deficiency)	$ (7,513,104)	$ (6,327,839)	$ (1,185,265)	19%

Current assets decreased by $113,000, or 16%, to $583,000 as of December 31, 2020 from $696,000 as of December 31, 2019. The reduction is primarily attributable to a decrease in accounts receivable driven by fewer new contracts due to the negative impact of the Covid-19 global pandemic.

Current liabilities increased by $1.1 million, or 15%, to $8.1 million as of December 31, 2020 from $7.0 million as of December 31, 2019. The increase was attributable to an increase in borrowings from our principal stockholder to fund our operations.

Liquidity is the ability of a company to generate funds to support asset growth, satisfy disbursement needs, maintain reserve requirements and otherwise operate on an ongoing basis. We have insufficient operating revenues so we are currently dependent on debt financing and sale of equity to fund operations.

We had an accumulated deficit of $11.7 million and negative working capital of $7.5 million as of December 31, 2020. As of December 31, 2020, we had $20,162 of cash.

As of December 31, 2020 and 2019, the working capital deficiency is primarily due to $7.3 million and $5.7 million, respectively, owing to our majority shareholder.

Management believes that it will need additional equity or debt financing to be able to implement its business plan. Given the lack of revenue, capital deficiency and our dependence on support from our majority shareholder, there is substantial doubt about our ability to continue as a going concern.

Our continuation as a going concern for a period beyond the next 12 months will be dependent upon our ability to obtain adequate additional financing, as our operations are capital intensive, and future capital expenditures and additional working capital are expected. Our independent registered public accounting firm expressed in its report on our financial statements for the year ended December 31, 2020, that there was substantial doubt about our ability to continue as a going concern.

Cash Flow

	Nine Months Ended September 30,		
	2021	2020	Change
Cash used in operating activities	$ (518,955)	$ (1,563,699)	$ 1,044,744
Cash used in investing activities	$ (30,266)	$ (4,508)	$ (25,758)
Cash provided by financing activities	$ 2,763,371	$ 1,571,845	$ 1,191,526
Cash on hand	$ 2,234,312	$ 60,963	$ 2,173,349

	Years Ended December 31,		
	2020	2019	Change
Cash used in operating activities	$ (1,587,234)	$ (1,195,785)	$ (391,449)
Cash used in investing activities	$ (4,508)	$ (5,450)	$ 942
Cash provided by financing activities	$ 1,554,579	$ 1,252,810	$ 301,769
Cash on hand	$ 20,162	$ 57,325	$ (37,163)

Cash Flow from Operating Activities

Nine months ended September 30, 2021 and 2020

For the nine months ended September 30, 2021 and 2020, we did not generate positive cash flows from operating activities. For the nine months ended September 30, 2021, net cash flows used in operating activities was $519,000 compared to $1.6 million during the nine months ended September 30, 2020.

Cash flows used in operating activities for the nine months ended September 30, 2021 was comprised of a net loss of $1.3 million, which was reduced by non-cash expenses of $506,000 for stock based compensation, depreciation and amortization, and net change in working capital of $928,000, and increased by a forgiveness of a PPP loan of $634,000.

For the nine months ended September 30, 2020, net cash flows used in operating activities was $1.6 million. During the nine months ended September 30, 2020, we had a net loss of $1.2 million, which was reduced by non-cash expenses of $364,000 for depreciation and $1,800 for bad debt, and increased by a net change in working capital of $747,000.

Year ended December 31, 2020 and 2019

For the years ended December 31, 2020 and 2019, we did not generate positive cash flows from operating activities. For the year ended December 31, 2020, net cash flows used in operating activities was $1.6 million compared to $1.2 million during the year ended December 31, 2019.

Cash flows used in operating activities for the year ended December 31, 2020 was comprised of a net loss of $1.5 million, which was reduced by non-cash expenses of $464,000 for depreciation and amortization, and increased in a net change in working capital of $509,000.

For the year ended December 31, 2019, net cash flows used in operating activities was $1.2 million. During the year ended December 31, 2019, we had a net loss of $1.9 million, which was reduced by non-cash expenses of $468,000 for depreciation and $5,800 for bad debt, and reduced in a net change in working capital of $259,000.

Cash Flows from Investing Activities

During the nine months ended September 30, 2021 and 2020, we purchased property and equipment in the amount of $30,000 and $4,500, respectively.

During the years ended December 31, 2020 and 2019, we purchased property and equipment in the amount of $4,500 and $5,500, respectively.

Cash Flows from Financing Activities

During the nine months ended September 30, 2021 net cash provided by financing activities of $2.8 million included $2.7 million from the sale of 3 million common shares, proceeds from our principal shareholder of $90,000, proceeds from a PPP loan of $308,000, and was offset by the repayment of notes payable of $16,000, payments on our finance leases of $62,000 and repayment of note payable to a related party of $250,000. During the nine months ended September 30, 2020, net cash provided by financing activities of $1.6 million included proceeds from our principal shareholder of $1.5 million, proceeds from a PPP loan of $322,000, and was offset by the repayment of notes payable of $47,000, and payments on our finance leases of $168,000.

During the year ended December 31, 2020, net cash provided by financing activities of $1.5 million included proceeds from our principal shareholder of $1.6 million, proceeds from a PPP loan of $322,000 and was offset by the repayment of notes payable of $63,000, payments on our finance leases of $260,000. During the year ended December 31, 2019, net cash provided by financing activities of $1.3 million included proceeds from our principal shareholder of $1.6 million, the repayment of notes payable of $61,000, payments on our finance leases of $274,000.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements or relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities.

Critical Accounting Policies and Significant Judgments and Estimates

This discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported expenses incurred during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. While our significant accounting policies are described in more detail in the notes to our financial statements included elsewhere in this prospectus, we believe that the following accounting policies are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates.

We believe our most critical accounting policies and estimates relate to the following:

- Revenue Recognition
- Inventory
- Lease Accounting

Revenue Recognition

Revenues from fixed price contracts that are still in progress at month end are recognized on the percentage-of-completion method, measured by the percentage of total costs incurred to date to the estimated total costs for each contract. This method is used because management considers total costs to be the best available measure of progress on these contracts. Revenue from fixed price contracts and time-and-materials contracts that are completed in the month the work was started are recognized when the work is shipped.

Revenue related to contracts with customers is evaluated utilizing the following steps: (i) Identify the contract, or contracts, with a customer; (ii) Identify the performance obligations in the contract; (iii) Determine the transaction price; (iv) Allocate the transaction price to the performance obligations in the contract; (v) Recognize revenue when the Company satisfies a performance obligation.

Inventory

Inventory consists of work in progress and consists of estimated revenue calculated on a percentage of completion based on direct labor and materials in relation to the total contract value. The Company does not maintain raw materials nor finished goods.

Leases

We determine if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets, operating lease liabilities - current, and operating lease liabilities - noncurrent on the balance sheets. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities in our balance sheets.

ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of our leases do not provide an implicit rate, we generally use our incremental borrowing rate based on the estimated rate of interest for collateralized borrowing over a similar term of the lease payments at commencement date. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Leases with a lease term of 12 months or less at inception are not recorded on our balance sheet and are expensed on a straight-line basis over the lease term in our statement of operations.

JOBS Act

On April 5, 2012, the JOBS Act was enacted. Section 107 of the JOBS Act provides that an "emerging growth company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended ("Securities Act") for complying with new or revised accounting standards. In other words, an "emerging growth company" can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies.

We have chosen to take advantage of the extended transition periods available to emerging growth companies under the JOBS Act for complying with new or revised accounting standards until those standards would otherwise apply to private companies provided under the JOBS Act. As a result, our financial statements may not be comparable to those of companies that comply with public company effective dates for complying with new or revised accounting standards.

We are in the process of evaluating the benefits of relying on other exemptions and reduced reporting requirements provided by the JOBS Act. Subject to certain conditions set forth in the JOBS Act, as an "emerging growth company," we intend to rely on certain of these exemptions, including without limitation, (i) providing an auditor's attestation report on our system of internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act and (ii) complying with any requirement that may be adopted by the Public Company Accounting Oversight Board ("PCAOB") regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements, known as the auditor discussion and analysis. We will remain an "emerging growth company" until the earliest of (i) the last day of the fiscal year in which we have total annual gross revenues of $1.07 billion or more; (ii) the last day of our fiscal year following the fifth anniversary of the date of the completion of this offering; (iii) the date on which we have issued more than $1 billion in nonconvertible debt during the previous three years; or (iv) the date on which we are deemed to be a large accelerated filer under the rules of the SEC.

BUSINESS

Company Overview

Sidus Space is a space-as-a-service company focused on commercial satellite design, manufacture, launch, and data collection with a vision to demonstrate space operations for new technologies and deliver data and predictive analytics to both domestic and global customers. We have 9 years of commercial, military and government manufacturing experience combined with space qualification experience, existing customers and pipeline, and International Space Station (ISS) heritage hardware. We support commercial space, aerospace, defense, underwater marine and other commercial and government customers. Our services include multidisciplinary design engineering, precision Computer Numerical Control (CNC) machining and fabrication, Swiss screw machining, American Welding Society (AWS) certified welding and fabrication, electrical and electronic assemblies, wire cable harness fabrication, 3D composite and metal printing, satellite manufacturing, satellite payload integration and operations support, satellite deployment and microgravity testing and research. We have designed and manufactured many flight and ground components and systems for several government and commercial customers including large government contractors and government space agencies. Specific efforts include:

- Manufacturing, assembling and testing space hardware components for the NASA Orion spacecraft which include the Ogive lifting fixture, crew module birdcage, heatshield shipping frame stanchions, service module lift station and Reefing Line cutters for the parachute deployment system
- Manufacturing, assembling and testing Flight and Ground ECS Quick Disconnects and the umbilical release mechanism for NASA's Space Launch System (SLS) Universal Stage Adapter (USA)
- Supporting the engineering design, specifications, and assembly of approximately 37 internal and external cable harness assemblies for ISS based Bishop Airlock
- Manufacturing and assembling an umbilical plate for NASA Centaur
- Supporting NASA's Launch Pad and Mobile Launcher 1 with testing for 13 umbilical systems, fabrication of wire harnesses (including procurement, assembly, molding and testing) and manufacture, assembly and testing of electronic and fluid/pneumatic control cabinets
- Manufacturing, assembling and testing over 50 ground support electrical control cabinets for NASA Mobile Launcher 2
- Manufacturing and assembling prototype trash compactor for proposed Lunar Orbital Gateway
- Manufacturing component parts for the Space & Airborne Systems division for L3Harris
- Manufacturing various underwater oil and gas components for Teledyne Marine
- Integrating and testing an X-Band antenna for the small satellite market in partnership with MTI Wireless Edge Ltd.

Significant milestones and events include but are not limited to:

2018
- Awarded IDIQ contract vehicle to support Orion Crewed Space Capsule is
- Manifested External Flight Test Platform for early 2019 launch
- Awarded IDIQ contract to provide payload integration and operations including satellite deployment support on International Space Station

2019
- External Flight Test Platform launch scheduled for October 2019 on Northrup Grumman's Cygnus NG-12
- External Flight Test Platform successfully launched

2020
- STPS at-4 successfully deployed from International Space Station using SSIKLOPS platform
- Partnership established with Indian Aerospace firm Dhruva Space

2021
- External Flight Test Platform successfully returned on SpaceX CRS-21 from ISS
- Winning team for NASA HEOMD AES Project Polaris awards for: Autonomous Satellite Technology for Real-time Applications (ASTRA)

We are Aerospace Basic Quality System Standard (AS) 9100D certified, International Traffic in Arms (ITAR) registered, and have received approval of International Telecommunications Union (ITU) spectrum licensing for both X-Band and S-Band frequencies. We filed for X-band and S-band radio frequencies licensing in February 2021 and were granted approval through a published filing by the ITU on April 4, 2021. Our filing contains approved spectrum use for multiple X-Band and S-Band frequencies and five different orbital planes. Such licenses are held through Aurea Alas, Ltd., an Isle of Man company, a related party to our company. The ITU is the specialized agency responsible for principles and licensing of the use of orbit and spectrum. Before a satellite can use the spectrum and orbital resources it needs to fulfil its mission, it requires an associated 'satellite filing'. The filing is a tool to obtain international recognition of these resources and it is a critical component to our offering, enabling users to demonstrate, test, and operate new technologies in space.

Located in Cape Canaveral, Florida, also known as "The Space Coast," we operate from a 35,000 square foot manufacturing, assembly, integration, and testing facility and as of September 23, 2021, employ 26 individuals with plans for growth over the next year.

We continually invest in internal research and development and currently have ten space related patents approved or pending. Our patented technology includes a print head for regolith-polymer mixture and associated feedstock; a heat transfer system for regolith; a method for establishing a wastewater bioreactor environment; vertical takeoff and landing pad and interlocking pavers to construct same; and high-load vacuum chamber motion feedthrough systems and methods. Regolith is a blanket of unconsolidated, loose, heterogeneous superficial deposits covering solid rock. It includes dust, broken rocks, and other related materials and is present on Earth, the Moon, Mars, some asteroids, and other terrestrial planets and moons.

Our strategy is to build an all-inclusive space-as-a-service platform for the global space economy. Our Founder and Chief Executive Officer, Carol Craig, has also built her namesake firm, Craig Technologies, into an aerospace and defense contracting company recognized throughout the U.S. government and

commercial space industries, that is backed by proven experience in the design, development, and commercialization of new and innovative space technologies and services through aerospace and defense partnerships and collaborations. Ms. Craig's accomplishments as a seasoned CEO include the following awards:

- 2020 - U.S. Women's Chamber of Commerce "Innovation and Performance" Award.
- 2017 - "Making a Difference" award by The American Business Women's Association Oceanside Charter Chapter.
- 2016 - Special Congressional Recognition award from Congressman Bill Posey during Hispanic Heritage month for her outstanding and invaluable service to the local community.
- 2015 - Small Business Administration's Small Business Person of the Year for the State of Florida and South Florida District. (Recognized as the national first runner-up finalist in Washington, DC.)
- 2013 - The National Defense Industrial Association (NDIA), Kathleen P. Sridhar Small Business Executive of the Year
- 2013 - Hispanic Engineers National Achievement Awards Conference (HENAAC) Entrepreneur of the Year Award by the Great Minds in STEM.

We are developing and anticipating launching 100kg (220-pound) satellites with available space to rapidly integrate customer sensors and technologies. By developing a standardized operating system for space, we believe we can deliver customer payloads to orbit in months, rather than years. In addition, we anticipate delivering high-impact data for insights on aviation, maritime, weather, space services, earth intelligence and observation, financial technology (Fintech) and the Internet of Things (IoT).

Strategy

Our strategy is to build an all-inclusive space-as-a-service platform for the global space economy that expands access to commercial, government and academic innovators.

Maintaining our Focus on Technology and Innovations

We continue to focus on research and development to further enhance our customizable, lightweight, low-cost satellite testing alternatives for one or multiple systems or subsystems including electronics, propulsion, optics, communications, or any other type of innovative technology at a lower cost and more rapid deployment than other launch and test options. We plan on offering multiple platforms to meet a variety of customer needs.

Sidus Constellation

LizzieSat (LS) is our 3D manufactured low earth orbit (LEO) microsatellite that focuses on rapid, cost-effective development and testing of innovative spacecraft technologies for multiple customers. Our LEO constellation will be developed over approximately four years with additional satellites being added each year in coordination with the ramping up of the volume of satellite manufacturing and our ground station growth. Our Sidus Constellation proprietary data analytics will be optimized to meet the precise conditions of commercial and governmental demands in our increasingly interconnected, cloud-based, and data-driven world by providing instant connectivity from anywhere to everywhere.

Subscription-Based Revenue

Sidus Space standard subsystem components are expected to provide redundancy and the ability to collect data for subscription services. In addition, we intend on delivering high-impact data for insights on aviation, maritime, weather, space services, earth intelligence and observation, financial technology (Fintech) and the Internet of Things.

Vertically Integrated Products and Solutions

Through our multidisciplinary approach to space support, we combine our history in systems integration, engineering, manufacturing, data collection and analytics to create accurate mission-critical and space-rated components and systems. We provide design engineering, manufacturing, and 3D printing all in-house to reduce time, costs, and waste related to satellite production. In addition, we offer the integration of customer components, facilitate launch and provide data and predictive analytics using either our own data collection components or customer components.

Our Competitive Strengths

We believe the following strengths position us to develop our products and services and capitalize on the presented opportunity:

Experienced Management Team and Advisors

We have established a management team and technical team of engineers with many members of the team having more than 20 years of experience in their respective fields. Our team has shown the ability to design and develop new products, enhance operations, strengthen distribution networks, and recruit industry talent. Our directive as a management team over the next few years will be to introduce new innovative products with scalability, to manufacture and market those products, and drive improvements to our manufacturing, quality, and product development systems and processes.

- Carol Craig, our founder, and Chief Executive Officer established Craig Technologies in 1999 and grew from one person in 1999 to over 450 associates. Ms. Craig holds her B.A. in Computer Science from Knox College, B.S. in Computer Science Engineering from the University of Massachusetts at Amherst. She is currently pursuing a PhD in Systems Engineering at the Florida Institute of Technology. Ms. Craig is a former P-3 Orion Naval Flight Officer and one of the first women eligible to fly in combat.

- Jamie Adams, our Chief Technology Officer, has 35 years of space and defense experience and most recently focused on strategic research and development in Lockheed Martin's (LM) Autonomous Systems Group and supported LM business areas and mission and fire control (MFC) lines of business programs developing autonomous systems technology in multiple domains (air, land, sea, and space). He joined Lockheed Martin in June 2015, after a distinguished career at NASA and Boeing. Mr. Adams' final assignment at NASA was serving as the Associate Division Chief of NASA Johnson Space Center (JSC) Software, Robotics, and Simulation, Engineering Division. In that role, he was responsible for overseeing technical execution of many contracts supporting various human space flight programs. He was also involved in NASA's Human Robotic Interface Small Business Innovative Research (SBIR) program, as well as several initiatives with NASA Headquarters and the DoD to standardize the acquisition and execution of software and simulation production and application to government contracts. Prior to that, he served as Deputy Chief of the Multi-Purpose Crew Vehicle (MPCV) Orion, Avionics and Software group overseeing all aspects of the Lockheed Martin Space Systems Company contract activities for this group. He initially accepted an appointment to NASA in 2007 as the Chief of the Constellation Program Software and Simulation group, after a distinguished 21-year career with The Boeing Company. Mr. Adams joined Boeing in 1986 working initially as a system integration and test engineer on the Minuteman and Peacekeeper research and development programs at Vandenberg AFB, CA, eventually working his way into the position of Test Conductor. He then joined the International Space Station program as an integration and test manager in Houston, TX, ultimately becoming the overall program Hardware/Software Integration Manager for all flight systems hardware and software design, development, integration, verification, and validation. Jamie accepted the position of Director, Modeling, Simulation, and Integration on the Future Combat Systems (FCS) program in 2002.

- Rick Hashop, our VP of Mission Operations was the Director of the Human Space Flight Engineering Division for the Harris Corp. on a large NASA contract. Mr. Hashop has been a successful corporate executive with 28 years of experience in managing large programs and divisions in the space sector, both in government services and commercial markets. In addition, Mr. Hashop has led the International Space Station requirements and operations for the Space and Ground Communications Network and NASA Mission Control Center (MCC).

- Ken "Hock" Ham, chairman of our Advisory Board, is a former shuttle pilot, Deputy Lead of the Orion Heatshield Design and Analysis Team, Structures and Technical Lead for the Adaptive Deployment Entry System Project (ADEPT) and holds a B.S/M.S in Civil Engineering from the United States Naval Academy.

Innovative Patented Technology

Our patented technologies include a print head for regolith-polymer mixture and associated feedstock; a heat transfer system for regolith; a method for establishing a wastewater bioreactor environment; vertical takeoff and landing pad and interlocking pavers to construct same; and high-load vacuum chamber motion feedthrough systems and methods. Regolith is a blanket of unconsolidated, loose, heterogeneous superficial deposits covering solid rock. It includes dust, broken rocks, and other related materials and is present on Earth, the Moon, Mars, some asteroids, and other terrestrial planets and moons.

Price Point

Sidus has made investments in infrastructure, engineering, and parts. These investments are anticipated to result in lower material waste, reduced labor hours per satellite, reduced re-work, and increased production efficiencies. In addition, our relationship with the International Space Station as an ISS partner provides unique opportunities to offer other options not dependent on costly infrastructure. We expect to be able to offer favorable pricing while increasing margins by controlling costs through these investments.

Multiple Product/Service Offering

We anticipate offering multiple customizable satellite testing alternatives for one or multiple systems or subsystems including electronics, propulsion, optics, communications, or any other type of innovative technology at a lower cost and more rapid deployment than other launch and test options.

Attractive and Growing Global Market

We believe that the mobile satellite services industry will continue to experience growth driven by the increasing awareness of the need for reliable mobile voice and data communications services, the lack of coverage of most of the Earth's surface by terrestrial wireless systems, the continued development of innovative, lower cost technology, applications integrating mobile satellite products and services, and the continued development of the IoT. Only satellite providers can offer global coverage, and the satellite industry is characterized by significant financial, technological, and regulatory barriers to entry.

Existing Relationships

We have designed and manufactured many flight and ground component parts and systems for the NASA Space Launch System (SLS), International Space Station (ISS), Lockheed Martin Orion spacecraft, Mobile Launcher, Boeing CST Starliner spacecraft, United Launch Alliance Centaur rocket, Lunar Orbital Gateway, and other space related programs. Our customers include large government contractors and government space agencies.

We are an International Space Station National Laboratory Implementation Partner, which is a select network of companies that share the mission of promoting and sustaining space-based research on the ISS. Our active contracts with NASA and the ISSNL allow us to promote research and development activities through satellite deployment and technology demonstrations in the harsh environment of space.

Global Space Economy Overview

In recent years, the importance of the space economy has been growing as technological advances in both satellites and supporting terrestrial technologies have enabled new commercial use cases. These use cases include satellite broadband, remote imaging, Internet-of-Things ("IOT")/Machine-to-Machine ("M2M") communications, defense-related applications, as well as others. As a result, several new and existing operators have announced new satellite constellations to serve these use cases. Many of these announced constellations will consist of small LEO satellites rather than large GEO satellites. According to a October 2019 SpaceNews report, SpaceX alone has filed for up to 30,000, and Amazon and OneWeb have also announced plans to launch a significant number of satellites.

According to Morgan Stanley research, as reported in February 2021, the $350 Billion global space industry could surge to over $1 trillion by 2040. In addition, Euroconsult expects that over the next decade, the total manufacturing and launch market value for small satellites is expected to reach $54.2 billion, more than three times the market value over 2011-2020. Although this indicates significant growth, it does not reflect the four-fold increase in the number of satellites resulting from the rise of cubesats, constellations and the introduction of low-cost systems for both manufacturing and launch, which will reduce average costs and market value. [4]

Rapid growth in private investment in the commercial space industry has led to a wave of new companies reinventing major elements of the traditional space industry, including human spaceflight, satellites, and launch, in addition to unlocking entirely new market segments. Furthermore, government agencies have realized the value of the private commercial space industry and have become increasingly more supportive and reliant on private companies to catalyze innovation and advance national space objectives. In the United States, this has been evidenced by notable policy initiatives and by commercial contractors' growing share of space activity.

Launch Market

We are witnessing a shift in the launch requirements of satellite operators, as the launch industry adjusts to the increasing volume of launches and the shift from larger satellites to smallsats. According to a study, conducted and published by the NASA Ames Research Center in 2016, in recent years, the satellite market has been undergoing a major evolution with new space companies replacing the traditional approach of deploying a few large, complex and costly satellites with a multitude of smaller, less complex and cheaper satellites. This new approach has created a sharp increase in the number of launched satellites and so the historic trends are no longer representative.

The launch industry's initial response was the introduction of ridesharing, allowing multiple operators to share the cost of a large launch vehicle. This combined with the emergence of new launch vehicles reduced launch costs and increased access to space for small satellite operators. However, operators must wait until a particular rideshare is full for their launch. In addition, all small satellites on a single rideshare are delivered to a single orbital destination. From there, small satellites must either complete a time-consuming orbit raise to their desired orbit, requiring a significant on-board propulsion system or an in-space shuttle. While in-space shuttling reduces the need for satellite propulsion capability, shuttles add significant expense and take weeks or months to reach the desired orbit.

Small Satellite Market

Another paradigm shift in the commercial space market is the rise of the small satellite market. Starting several years ago in 2018, the space industry began a dramatic transformation. Demand for large geosynchronous communications satellites dramatically declined as companies prepared to launch constellations of hundreds or thousands of smaller, less expensive broadband satellites in low and medium Earth orbits. Euroconsult anticipates that about 13,910 satellites <500 kg will be launched in the next ten years, according to the 7th edition of its small satellite market report released in April 2021. This total represents a 38% increase over the 10,100 satellites that were expected in its previous edition.

Moreover, the rise of this market has also created a new market segment in nanosatellites and microsatellites, weighing less than 10 kg and between 10 and 100 kg, respectively. While these satellites can be deployed individually, they can also be operated as part of a constellation, a large group of satellites interconnected to provide a service, such as the Starlink satellite constellation's offering of global internet connectivity. According to Euroconsult's April 2021 small satellite market report, the next decade will be defined primarily by the rollout of multiple constellations, which will account for 84% of smallsats, mainly for commercial operators.

The number of small satellites launched has increased from 39 in 2011 to 1,202 in 2020. In just the period between 2019 to 2020 there has been over 300% growth going from 289 to 1202. According to a report published in 2021 by Bryce Space & Technology, 40% of all smallsats launched in last 10 years were launched in 2020.

The growth in the satellite constellations market is being driven by technological advances in ground equipment, new business models, expanded funding, and growing demand for high bandwidth and lower latency. Though this satellite constellations market remains nascent in maturity, we anticipate considerable growth over the coming years in the launch industry as companies continue to seek versatile and low-cost ways to deliver single satellites to specific orbits or deploy their satellite constellations. Furthermore, we anticipate the growth of the satellite constellations market to contribute business to our Satellite Services offerings. LEO satellite constellations have relatively short lifespans on orbit, resulting in a requirement to launch replenishment satellites every few years.

According to Prospects for the Small Satellite Market – A Euroconsult Report 7th Edition April 2021, smallsats are often viewed by entrepreneurs as enablers of disruptive business models because of the growing data needs of the digital economy. Rapid, constant improvement of smallsats from one generation to the next means new capabilities and possibilities may constantly be developed. Further, investment in the space industry is still accelerating from 2020 and beyond. Vertically-integrated players attract the most funding. In the growing smallsat industry, with lower entry barriers and shorter timeframes, tangible investment opportunities in manufacturing are available. Just between 2018 and 2020, start-ups involved in smallsat integration raised $1.4B (SpaceX excluded) while pure smallsat subsystems manufacturers, $0.2B. Among integrators, by far the most successful recipients of funding are vertically-integrated players who produce and operate their own constellation while directly providing service to the end user. Vertical integration becomes especially relevant when there is a recurring production need (e.g. limited lifetimes, need for cyclical replacements) and when economies of scale are possible. It can also be driven by the need to secure its supply chain and keeping key differentiators in house, or when no compatible supply is available.

Our Services

Space Services

We provide the following services to our customers:

Satellite/Space Hardware Manufacturing

For over 9 years, we have manufactured space-rated and human-rated hardware and components. During this time, we have provided components and systems for the International Space Station, the Boeing Starliner, NASA's SLS, Lockheed Martin's Orion, and several other programs and customers.

At a combined 35,000 square-feet, our manufacturing facilities are all encompassing allowing us to vertically integrate and pipeline the manufacturing process without the need for outsourcing of precision machining, electronics assembly and testing, or 3D printing.

LEO Launch and Deployment Services

We strive to become a trusted platform for providing an affordable approach for launch, payload hosting, and deployment services in space. Our planned diverse range of launch, in-orbit, and deployment platforms is planned to be tailored to complement any mission.

Geospatial Intel, Imagery and Data Analytics

We anticipate delivering reliable high-impact analytics and insights to international and domestic customers by combining our platform with multiple imaging solutions to increase the efficacy and emergence of data. We intend to collect, analyze, enrich, and deliver data gathered from our custom constellation to provide intelligent analytics to its customers. Our comprehensive data collection is expected to create a repository of insights for aviation, maritime, weather, space services, earth intelligence and observation, and federal industries from the ultimate vantage point – space.

Space Platforms

We anticipate offering a variety of affordable space platforms which allow our clients to conduct full missions and/or test new technologies in space at a reduced schedule and cost. Our platforms include:

External Flight Test Platform (EFTP)

Our External Flight Test Platform offers multiple industries to develop, test, and fly experiments, hardware, materials, and advanced electronics on the ISS at a reduced cost and schedule. Potential payloads include optical communications, materials, satellite components, electroplating, and pharmaceutical testing. The EFTP includes integration and delivery to the ISS and has a typical deployment period of 15 weeks. All payloads can be returned after the mission if requested by the payload provider. Our EFTP is characterized by:

- Highly reconfigurable platform
- Available space: 1100 in^3 (payloads are NOT required to conform to CubeSat form factors)
- Power: 28V connectors (up to 2 available)
- Flight computer available to support a wide array of sensor data
- Additive and traditional manufacturing available to support payload development
- Two left-hand circular polarized (LHCP) spiral antennae available with a frequency band of 2 to 18 GHz (nadir and zenith facing)
- GPS patch antenna option

LizzieSat™ (LS)

LizzieSat (LS) is currently in development as a hybrid 3D manufactured Low Earth Orbit (LEO) microsatellite that focuses on rapid, cost-effective development and testing of innovative spacecraft technologies for multiple customers. LS is planned to combine static component testing and LEO spacecraft development and deployment to provide complete life cycle services to commercial and government customers for Internal Research & Development (IR&D), data analytics and/or proof of concept. We anticipate that LS will leverage our in-house low-cost additive manufacturing of satellites using the Markforged X7, an industrial 3D printer featuring a dual nozzle print system that supports continuous carbon fiber and Kevlar reinforcement, to provide rapid, agile development of spacecraft due to its modular design.

Our LizzieSat satellite is expected to have the following key attributes:

- Low cost/Rapid satellite bus manufacturing
- Stronger than 6061 Aluminum and 40% lighter
- Withstands high impact and stressors of the launch environment

SSIKLOPS (Space Station Integrated Kinetic Launcher for Orbital Payload Systems)

We provide turnkey services to manage and execute the successful integration and on-orbit operations of satellite payloads using the International Space Station Integrated Kinetic Launcher for Orbital Payload Systems (SSIKLOPS). SSIKLOPS fills the payload deployment gap between small CubeSat launchers and major payloads by supporting the Low Earth Orbit (LEO) microsatellite market (up to 116kg). The SSIKLOPS is a mechanism used to robotically deploy satellites from the ISS and is designed to provide a method to transfer internally stowed satellites to the external environment.

On November 5, 2018 we were awarded a 5-year indefinite delivery indefinite quantity contract by NASA to provide services to manage and perform the work for the successful integration and on-orbit operations of the platform for U.S. government customers with the option to utilize the platform for commercial efforts as well. Pursuant to the agreement, we are responsible for marketing and operating the SSIKLOPS as well as sustaining the SSIKLOPS and associated hardware.

Our offerings include operation, engineering, and manufacturing to provide full life-cycle payload support. SSIKLOPS utilizes NASA's ISS resupply vehicles to launch small satellites to the ISS in a controlled pressurized environment in soft stow bags. The satellites are processed through the ISS pressurized environment by the astronaut crew allowing satellite system diagnostics prior to orbit insertion. Orbit insertion is achieved through use of the Japanese Aerospace Exploration Agency's Experiment Module Robotic Airlock (JEM Airlock), and one of the ISS Robotic Arms. Sidus and SSIKLOPS provide small satellites the infrastructure to be deployed from the ISS into LEO with minimal technical, environmental, logistical, and cost challenges.

Phoenix Deployer

Phoenix is currently in development as a CubeSat deployer utilizing the SSIKLOPS deployment platform to deploy CubeSats from the ISS. Phoenix offers a low-cost and high availability deployer option for CubeSats within the 3U to 12U range. U refers to the standard 'Cubesat' dimensions (Units or "U") of 10 cm x 10 cm x 10 cm which are used to describe space on spacecraft). We anticipate that Phoenix will offer:

- 3U CubeSats (Up to 12)
- 6U CubeSats (Up to 6)
- 12 U CubeSats (Up to 3)

Aerospace and Defense Manufacturing Services

Our manufacturing capabilities combine our design engineering, precision machining, waterjet cutting, and fiber optic fabrication to quality and performance for mission critical systems.

Precision Machining

We provide engineers, technicians, and state-of-the-art equipment to support precision machining, fabrication, and assembly for prototypes, test articles, one-offs, low-rate initial production up through high volume Swiss screw machining production. We combine the latest CNC machining and turning processes to deliver high-quality, on-demand parts.

Precision Waterjet Cutting

We offer a cost-effective waterjet cutting solution whether our customer needs a single part, a batch of prototypes, or a production order. Waterjet cutting is a cold-cutting technique that leverages water (or a mix of water and abrasives, such as garnet) to cut through materials via rapid erosion. This process is suitable for cutting various materials—ranging from soft goods like foam and carpet to rigid materials like ceramic and metal—up to 5.5 inches thick. Unlike laser or plasma cutters, waterjet cutting tools do not rely on thermal mechanisms; instead, they eject water and an abrasive at three times the speed of sound. The pressurized water stream magnifies erosion to produce the necessary cuts quickly and cleanly on the material.

We believe waterjet cutting offers the following advantages:

- Speed: Abrasive waterjet cutting is up to four times faster than conventional flat stock waterjet cutting.
- Precision: Our machines meet the strictest tolerances, up to +/- 0.0010”.
- Versatility: We cut a wide variety of materials with near net accuracy, virtually eliminating secondary finish machining.
- High material usage: Waterjet cutting maximizes material usage through tight nesting, which lowers cost per part. Taper is all but eliminated, with less than 1 degree in straight-line geometry.
- No heat distortion: Waterjet cutting generates no heat, so the material edge is unaffected and reduces distortion to zero.
- Finish cut: Waterjet cutting is considered a “finish cut,” immediately usable for signs and displays, which saves on finishing costs.
- Cost-effectiveness: Cost savings per part are unmatched by any other cutting system.

Waterjet cutting offers the following industrial applications:

- Aerospace (aircraft engines, turbine blades, control panels, etc.)
- Architectural (marble, tile, stone, ornamental components, etc.)
- Biotech (pipes, tubes, disks, etc.)
- Chemical (tanks, pipes, tubes, etc.)
- Marine (pipes, pumps, etc.)
- Mechanical (pumps, disks, rings, etc.)
- Packaging (inserts, foam, etc.)
- Pharmaceutical (tubing, disks, etc.)
- Signage (lettering, artistic designs, etc.)
- Vacuum (tubing, pumps, pipes, etc.)
- Welding (pumps, disks, rings, etc.)

3D Printing

From early-stage product development to functional finished parts, Sidus offers commercial and industrial-grade additive manufacturing solutions. Our 3D printers enable us to provide rapid manufacturing with industrial micron-level laser scanning accuracy and 50 µm repeatability. Using Continuous Fiber Fabrication technology, we can produce parts at an enhanced schedule that are stronger than 6061 Aluminum and 40% lighter. Sidus provides internal engineering support to optimize the functional performance, product life cycle, and accuracy of its customers' specific 3D printed technology to ensure repeatability and consistency across prints. Our 3D printing capabilities include:

- Functional Prototypes and Models
- Production Parts
- End-life Production
- Tool Development
- Patterns and Molds
- Jigs and Fixtures
- Fly-Away Parts

Fiber and Wire Harness Manufacturing

As part of our 35,000 square foot manufacturing facility, we have a reconfigurable avionics lab that produces a wide range of space system flight and ground cables, medical wire harnesses, military harness assemblies, electronic chassis, electro-mechanical assemblies, and fiber optic assemblies. We have extensive experience assembling electronics, including soldering, crimping, multi-pinned connector terminations, fusion splicing, molding, potting, and testing.

We produce a wide range of space system flight and ground cables, military harness assemblies, electronic chassis, electro-mechanical assemblies, and fiber optic assemblies. In addition, we have extensive experience assembling electronics including soldering, crimping, multi-pinned connector terminations, fusion splicing, molding, potting, and testing. Certifications include NASA 8739.4, NASA 8739.5, J STD 001 and IPC A 610. We have a reconfigurable electronics and cable harness fabrication lab with the necessary equipment, staff and square footage to produce space flight and ground cables and electronic chassis. Our experience and capabilities include manufacturing, assembly and testing of a wide selection of electrical control cabinet and electronic cabinet modification and fabrication processes.

Our Avionics Quality Manager is a NASA 8739.4 level B certified instructor with over ten years of aerospace quality experience allowing for expedited training and workforce certification. Our IPC-J-STD-001 accredited technicians adhere to NASA work standards KSC-E-165, KSC-GP-864, KSC-STD-132, all required for NASA 8739.4 credentials with other industry-standard certifications.

Our Avionics Lab has the following capabilities:

- Cable Assemblies: HO (power), ML (data), FO (data)
- Connectors: General purpose, rectangular, high density, miniature, power, commercial, coax (TNC, SMA, HN, and Tri-axial), fiber optic (ST, FC/PC, SC, LC)
- Terminations: Stripping (thermal and mechanical), soldering (NASA STD – 8739.4, NHB 5300 and MIL-STD 454), crimping, butt and parallel splices up to 4/0 AWG, fusion splicing
- Contacts & Terminals: From 26 AWG up to 4/0 AWG, flag terminals up to 4/0 AWG
- Mechanical: -500 to +2,000 lbs. for pull test requirements to certify/verify good crimps/splices (performed on test samples)
- Testing: DC Hipot (manual to 3000 Volts Direct Current (VDC) and automatic to 1500VDC), Alternating Current (AC) dielectric (manual to 3000 VAC), continuity (manual and automatic). We use automated testing to minimize the time for end-to-end connection testing.
- Sidus has a reconfigurable avionics lab that produces a wide range of space system flight and ground cables, medical wire harnesses, military harness assemblies, electronic chassis, electro-mechanical assemblies, and fiber optic assemblies. Sidus has extensive experience assembling electronics, including soldering, crimping, multi-pinned connector terminations, fusion splicing, molding, potting, and testing.

Design Engineering

We provide quality in-house design engineering services from up-front analysis to integration, assembly, and test. Our ISO 9001:2015 / AS9100D certified and Boeing DPD/MBD approved engineering capabilities include the ability to perform initial design concepts or value-add engineering change recommendations to existing engineering. Our multidisciplinary engineering experience and talent cover a broad spectrum of capabilities, enabling an even more comprehensive range of projects. Our design engineering capabilities include:

- Requirements Definition – Product development and process optimization
- Verification/Validation (multiple checks and balance) – Meets specification and intended purpose
- Model Based Systems Engineering – Use of visual modeling vs document-based information exchange
- 3D CAD & 2D Engineering Release – Managing, planning, scheduling, and controlling
- Test Procedures and Performance – Meets customer driven requirements
- Operations/Maintenance Manuals – Fully integrated and procedurally driven
- System Integration – Horizontal sub-system integration approach to projects and programs
- Design for Life Cycle Cost & Manufacturing – Incorporation of innovative design manufacturing
- Model Based Data Control – Complex design verification/validation
- Finite Element and Failure Mode & Effects Analysis
- Design for Manufacturability

Customer / Market Research

The need to provide commercial testing capabilities in space has been growing for many years and has become a requirement for many innovating companies. According to the Prospectus for the Small Satellite Market, 7th Edition released in April, 2021, Euroconsult anticipates that about 13,910 satellites <500 kg will be launched in the next ten years, according to the 7th edition of its small satellite market report. This total represents a 38% increase over the 10,100 satellites that were expected in its previous edition. The smallsat industry is gearing up for significant expansion in terms of capabilities and demand, with the number of satellites to be launched growing four-fold over 2021-2030, citing growth in manufacturing, launch and operations, and increasing government budgets for space. As the small satellite market grows, the requirement for rapid flight proven testing is becoming more crucial. Although ground-based testing is available, it does not provide a mirrored testing environment for spacecraft and subcomponent testing. We intend to address this need with our Sidus Constellation. Furthermore, customization of the Sidus Constellation with appropriate technology can provide subscription data and imagery services for customers whose needs prompt consideration for a separate constellation. Currently, our core market corresponds most directly with satellite manufacturing and of offering LEO space-as-a-service solutions. However, we believe our addressable market can also continue to expand in similar and adjacent industries such as government and defense manufacturing. We have generated space-related manufacturing revenue since 2012, and we expect to generate revenue from our commercial constellation space offering in Q4 of 2021 as we continue to finalize customers for LizzieSat-1 (LS-1). LS-1 is currently slated to launch in the fourth quarter of 2022 utilizing our SSIKLOPS platform aboard the ISS.

Sales and Marketing

We plan to market our services to both government and commercial customers. Initially we will leverage our existing relationships to help promote our expanded service offerings. We believe our executive management team has extensive reach in the space and satellite industry.

Our marketing efforts will focus on communicating the benefits of our solutions and educating our customers, the media and analysts about the advantages of our innovative technology. We will strive to raise the awareness of our company, market our products and generate sales leads through industry events, public relations efforts, marketing materials, social media and our website. Attendance at key industry events is an important component of our marketing efforts. Our CEO, Carol Craig, has been invited to speak and participate in panel discussions at industry events and will continue to take advantage of these opportunities to spread awareness of our services. We believe a combination of these efforts strengthens our brand and may enhance our market position in our industry.

Competition

The mobile satellite services industry at-large is highly competitive but has significant barriers to entry, including the cost and difficulty associated with successfully developing, building, and launching a satellite network and obtaining various governmental and regulatory approvals. In addition to cost, there is a significant amount of lead time associated with obtaining the required licenses, building, and launching the satellite constellation, and developing and deploying the ground network technology. We currently face substantial general competition from other service providers that offer a range of mobile and fixed communications options. There are also several competitors working to develop innovative solutions to compete in this industry.

Our Intellectual Property

We continually invest in internal research and development and currently have space related patents approved or pending. Our patented technologies include a print head for regolith-polymer mixture and associated feedstock for which a notice of allowance was received by us in October 2021; a heat transfer system for regolith which patent expires in June 2039; a method for establishing a wastewater bioreactor environment which patent expires in July 2039; vertical takeoff and landing pad and interlocking pavers to construct same which patent expires in April 2039; and high-load vacuum chamber motion feedthrough systems and methods which patent expires in May 2039.

We seek to establish and maintain our proprietary rights in our technology and products through a combination of patents, copyrights, trademarks, trade secrets and contractual rights. We also seek to maintain our trade secrets and confidential information through nondisclosure policies, the use of appropriate confidentiality agreements and other security measures. We have registered a number of patents and trademarks in the United States and in other countries and have a number of patent filings pending determination. There can be no assurance, however, that these rights can be successfully enforced against competitive products in any particular jurisdiction. Although we believe the protection afforded by our patents, copyrights, trademarks, trade secrets and contracts has value, the rapidly changing technology in the satellite and wireless communications industries and uncertainties in the legal process make our future success dependent primarily on the innovative skills, technological expertise and management abilities of our employees rather than on the protections afforded by patent, copyright, trademark and trade secret laws and contractual rights.

Certain of our products include software or other intellectual property licensed from third parties. While it may be necessary in the future to seek or renew licenses relating to various aspects of our products, we believe, based upon past experience and standard industry practice, that such licenses generally could be obtained on commercially reasonable terms. Nonetheless, there can be no assurance that the necessary licenses would be available on acceptable terms, if at all.

The industry in which we compete is characterized by rapidly changing technology, a large number of patents, and frequent claims and related litigation regarding patent and other intellectual property rights. We cannot assure you that our patents and other proprietary rights will not be challenged, invalidated or circumvented, that others will not assert intellectual property rights to technologies that are relevant, or that our rights will give us a competitive advantage. In addition, the laws of some foreign countries may not protect our proprietary rights to the same extent as the laws of the United States.

Regulatory

Our business is subject to extensive rules, regulations, statutes, orders and policies imposed by the government in the United States and in foreign jurisdictions.

International Telecommunications Union (ITU)

We are required to comply with the laws and regulations of, and often obtain approvals from, national and local authorities in connection with our services. As we expand service to additional countries and regions, we will become subject to additional governmental approvals and regulations. We will provide a number of services that rely on the use of radio-frequency spectrum, and the provision of such services is highly regulated. Satellites are to be operated in a manner consistent with the regulations and procedures of the International Telecommunication Union ("ITU"), a specialized agency of the United Nations, which require the coordination of the operation of satellite systems in certain circumstances, and more generally are intended to avoid the occurrence of harmful interference among different users of the radio spectrum.

We have received approval of International Telecommunications Union (ITU) spectrum licensing for both X-Band and S-Band frequencies. We filed for X-Band and S-Band Radio Frequencies licensing in February 2021 and were granted approval through a published filing by the International Telecommunications Union (ITU) on April 4, 2021. The ITU is the specialized agency responsible for principles and licensing of the use of orbit and spectrum. Before a satellite can use the spectrum and orbital resources it needs to fulfil its mission, it requires an associated 'satellite filing'. The filing is a tool to obtain international recognition of these resources.

International Traffic in Arms Regulations ("ITAR") and Export Controls

Our business is subject to, and we must comply with, stringent U.S. import and export control laws, including the ITAR and Export Administration Regulations ("EAR") of the Bureau of Industry and Security of the U.S. Department of Commerce. The ITAR generally restricts the export of hardware, software, technical data, and services that have defense or strategic applications. The EAR similarly regulates the export of hardware, software, and technology that has commercial or "dual-use" applications (i.e., for both military and commercial applications) or that have less sensitive military or space-related applications that are not subject to the ITAR. The regulations exist to advance the national security and foreign policy interests of the U.S.

The U.S. government agencies responsible for administering the ITAR and the EAR have significant discretion in the interpretation and enforcement of these regulations. The agencies also have significant discretion in approving, denying, or conditioning authorizations to engage in controlled activities. Such decisions are influenced by the U.S. government's commitments to multilateral export control regimes, particularly the Missile Technology Control Regime concerning the spaceflight business.

Many different types of internal controls and measures are required to ensure compliance with such export control rules. In particular, we are required to maintain registration under the ITAR; determine the proper licensing jurisdiction and classification of products, software, and technology; and obtain licenses or other forms of U.S. government authorizations to engage in activities, including the performance by foreign persons, related to and who support our spaceflight business. Under the ITAR, we must receive permission from the Directorate of Defense Trade Controls to release controlled technology to foreign person employees and other foreign persons.

Employees/Human Capital

As of September 23, 2021, we had 26 employees, all of whom are full-time. We are not party to any collective bargaining agreements. Our workforce is concentrated in the "Florida Space Coast," however we are accustomed to working as a cohesive team with remote workers which should be beneficial as we expand and add employees in different geographical areas nationwide and worldwide. Our management team is comprised of our CEO and four (4) of her direct reports who, collectively, have management responsibility for our business. Our management team places significant focus and attention on matters concerning our human capital assets, particularly our diversity, capability development, and succession planning. Accordingly, we regularly review employee development and succession plans for each of our functions to identify and develop our pipeline of talent.

Facilities

Our corporate headquarters is located at 150 N. Sykes Creek Parkway, Suite 200 Merritt Island, Florida 32953. We occupy facilities totaling approximately 3500 square feet under a sublease from Craig Technical Consulting, Inc., a principal stockholder and an entity owned and controlled by our Chief Executive Officer, Carol Craig, pursuant to a commercial sublease agreement (the "Lease Agreement"), dated August 1, 2021. The Lease Agreement currently has a 2-year term, with no options to renew. We currently pay $4,570.07 per month plus applicable sales and use tax, which is currently 6.5% in Brevard County. We believe this location is adequate for our current operations and needs.

In addition, our manufacturing spaces are located at 175 Imperial Boulevard, Cape Canaveral, FL 32920 and 400 Central Boulevard, Cape Canaveral, FL 32920. We are under lease agreements with 400 W. Central, LLC for these spaces. The Lease agreements for 175 Imperial Boulevard and 400 W. Central Boulevard currently have concurrent lease terms with one year options that end on May 31, 2024. We pay a combined amount of $$22,877.75 per month plus applicable sales and use tax, which is currently 6.5% in Brevard County. We have a total of 35,700 square feet of leased space in these buildings. We believe our manufacturing spaces are adequate for our current operations and will allow for expected initial growth.

Legal Proceedings

We may be involved from time to time in ordinary litigation, negotiation, and settlement matters that will not have a material effect on our operations or finances. We are not currently party to any material legal proceedings, and we are not aware of any pending or threatened litigation against us that we believe could have a material adverse effect on our business, operating results, or financial condition.

MANAGEMENT

Directors and Executive Officers

The following table sets forth the name, age and position of each of our executive officers, key employees and directors as of the date of this prospectus.

Name	Age	Position
Carol Craig	54	Chief Executive Officer and Director
Scott Silverman	52	Chief Financial Officer
Jamie Adams	58	Chief Technology Officer
[_____]	[ ]	[_____]
[_____]	[ ]	[_____]

Carol Craig. Ms. Craig is the founder of our company and has served as our Chief Executive Officer and director since 2014. Ms. Craig is also the founder and Chief Executive Officer of Craig Technical Consulting, Inc., an engineering and technology company since 1999. Ms. Craig graduated from Knox College with a BA in Computer Science and a BS in Computer Science Engineering from University of Illinois. She also has a MS degree in Electrical and Computer Engineering from the University of Massachusetts at Amherst. She is currently pursuing a PhD in Systems Engineering at the Florida Institute of Technology. Carol is a former P-3 Orion Naval Flight Officer and one of the first women eligible to fly in combat. She has served on over 30 boards that include educational, aerospace and defense industry and non-profit organizations. Ms. Craig was selected to serve on our board of directors due to her extensive experience in the space industry and her relationships with key players in commercial space along with her position as CEO.

Scott Silverman. Mr. Silverman has served as our Chief Financial Officer since August 2021. Mr. Silverman has been the CEO of EverAsia Financial Group, Inc., a business and accounting consulting company, since September 2007. In addition, Mr. Silverman has been CFO of Healthsnap, Inc., a telehealth company, since September 2018. Mr. Silverman is also the CFO of Riverside Miami, LLC, a restaurant and entertainment complex, since January 2019. From December 2018 to September 2020, Mr. Silverman was CFO of Jade Global Holdings, Inc., a jewelry and sales collectible company. Since 2019, Mr. Silverman has been a partner and Chief Financial Officer of VC Capital Management, LLC, a private equity and corporate management firm that focuses its investments in the hospitality, construction, real estate and healthcare sectors. Mr. Silverman is a member of the Board of Directors of China Xiangtai Food Co. Ltd. and is a director elect of Muliang Agritech, Inc.. He has a bachelor's degree in finance from George Washington University and a Master's degree in accounting from NOVA Southeastern University.

Jamie Adams. Mr. Adams has served as our Chief Technology Officer since September 2021. Since June 2015, Mr. Adams has worked for Lockheed Martin, most recently focused on strategic research and development in Lockheed Martin's Autonomous Systems Group and supported Lockheed Martin's business areas and mission and fire control (MFC) lines of business programs developing autonomous systems technology in multiple domains (air, land, sea, and space). He joined Lockheed Martin after a distinguished career NASA and Boeing. Mr. Adams' final assignment at NASA was serving as the Associate Division Chief of NASA Johnson Space Center (JSC) Software, Robotics, and Simulation, Engineering Division.

Family Relationships

There are no family relationships among any of our executive officers or directors.

Director Independence

Prior to the consummation of this offering, our board of directors undertook a review of the independence of our directors and considered whether any director has a relationship with us that could compromise that director's ability to exercise independent judgment in carrying out that director's responsibilities. Our board of directors has affirmatively determined that Carol Craig is an "independent director," as defined under the Nasdaq rules.

Controlled Company Exception

After the consummation of this offering, Craig Technical Consulting, Inc., will, in the aggregate, have more than 50% of the combined voting power for the election of directors. As a result, we will be a "controlled company" within the meaning of the Nasdaq rules and may elect not to comply with certain corporate governance standards, including that: (i) a majority of our board of directors consists of "independent directors," as defined under the Nasdaq rules; (ii) we have a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; (iii) we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and (iv) we perform annual performance evaluations of the nominating and corporate governance and compensation committees. We intend to rely on the foregoing exemptions provided to controlled companies under the Nasdaq rules. Therefore, immediately following the consummation of this offering, we may not have a majority of independent directors on our board of directors, an entirely independent nominating and corporate governance committee, an entirely independent compensation committee or perform annual performance evaluations of the nominating and corporate governance and compensation committees unless and until such time as we are required to do so. Accordingly, you may not have the same protections afforded to stockholders of companies that are subject to all of these corporate governance requirements. In the event that we cease to be a "controlled company" and our shares continue to be listed on The Nasdaq Stock Market, we will be required to comply with these provisions within the applicable transition periods. See "Risk Factors—Risks Related to Our Relationship with Craig Technical Consulting, Inc." for additional information.

Committees of Our Board of Directors

Our board of directors directs the management of our business and affairs, as provided by Delaware law, and conducts its business through meetings of the board of directors and its standing committees. We will have a standing audit committee and compensation committee. Our entire board of directors will serve in place of a nominating and corporate governance committee. In addition, from time to time, special committees may be established under the direction of the board of directors when necessary to address specific issues.

Audit Committee

Our audit committee will be responsible for, among other things:

- Approving and retaining the independent auditors to conduct the annual audit of our financial statements;
- reviewing the proposed scope and results of the audit;
- reviewing and pre-approving audit and non-audit fees and services;
- reviewing accounting and financial controls with the independent auditors and our financial and accounting staff;

- reviewing and approving transactions between us and our directors, officers and affiliates;
- establishing procedures for complaints received by us regarding accounting matters;
- overseeing internal audit functions, if any; and
- preparing the report of the audit committee that the rules of the SEC require to be included in our annual meeting proxy statement.

Upon the consummation of this offering, our audit committee will consist of [ ], with [ ] serving as chair. Our board of directors has affirmatively determined that [ ] each meet the definition of "independent director" under the Nasdaq rules, and that they meet the independence standards under Rule 10A-3. Each member of our audit committee meets the financial literacy requirements of the Nasdaq rules. In addition, our board of directors has determined that [ ] will qualify as an "audit committee financial expert," as such term is defined in Item 407(d)(5) of Regulation S-K. Our board of directors will adopt a written charter for the audit committee, which will be available on our principal corporate website at *www.sidusspace.com* concurrently with the consummation of this offering.

Compensation Committee

Our compensation committee will be responsible for, among other things:

- reviewing and recommending the compensation arrangements for management, including the compensation for our president and chief executive officer;
- establishing and reviewing general compensation policies with the objective to attract and retain superior talent, to reward individual performance and to achieve our financial goals;
- administering our stock incentive plans; and
- preparing the report of the compensation committee that the rules of the SEC require to be included in our annual meeting proxy statement.

Upon the consummation of this offering, our compensation committee will consist of [ ], with [ ] serving as chair. Our board has determined that [ ] are independent directors under Nasdaq rules. Our board of directors will adopt a written charter for the compensation committee, which will be available on our principal corporate website at *www.sidusspace.com* concurrently with the consummation of this offering.

Nominating and Governance

[Although our entire board of directors will serve in place of a nominating and corporate governance committee, our independent directors on the board will be responsible for, among other things:

- nominating members of the board of directors;
- developing a set of corporate governance principles applicable to our company; and
- overseeing the evaluation of our board of directors.

Upon the consummation of this offering, our entire board of directors will serve in place of a nominating and corporate governance committee. Our board of directors will adopt resolutions addressing, among other things, the nomination process.]

Code of Business Conduct and Ethics

Prior to the completion of this offering, we will adopt a written code of business conduct and ethics that applies to our directors, officers, and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. A copy of the code will be posted on our website, *www.sidusspace.com*. In addition, we intend to post on our website all disclosures that are required by law or the Nasdaq rules concerning any amendments to, or waivers from, any provision of the code.

Limitations on Liability and Indemnification Matters

Our Amended and Restated Certificate of Incorporation, as amended, contains provisions that limit the liability of our current and former directors for monetary damages to the fullest extent permitted by Delaware law. Delaware law provides that directors of a corporation will not be personally liable for monetary damages for any breach of fiduciary duties as directors, except liability for:

- any breach of the director's duty of loyalty to the corporation or its stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases, or redemptions as provided in Section 174 of the Delaware General Corporation Law; or
- any transaction from which the director derived an improper personal benefit.

This limitation of liability does not apply to liabilities arising under federal securities laws and does not affect the availability of equitable remedies such as injunctive relief or rescission.

Our Amended and Restated Certificate of Incorporation, as amended, provides that we are authorized to indemnify our directors and officers to the fullest extent permitted by Delaware law. Our Amended and Restated Bylaws to be in effect upon the closing of this offering will provide that we are required to indemnify our directors and executive officers to the fullest extent permitted by Delaware law. Our Amended and Restated Bylaws will also provide that, upon satisfaction of certain conditions, we are required to advance expenses incurred by a director or executive officer in advance of the final disposition of any action or proceeding, and permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in that capacity regardless of whether we would otherwise be permitted to indemnify him or her under the provisions of Delaware law. Our Amended and Restated Bylaws will also provide our board of directors with discretion to indemnify our other officers and employees when determined appropriate by our board of directors. We expect to enter into agreements to indemnify our directors, executive officers and other employees as determined by the board of directors. With certain exceptions, these agreements provide for indemnification for related expenses, including, among other things, attorneys' fees, judgments, fines, and settlement amounts incurred by any of these individuals in any action or proceeding. We believe that these provisions and agreements are necessary to attract and retain qualified persons as directors and officers. We also intend to obtain customary directors' and officers' liability insurance upon consummation of this offering.

The limitation of liability and indemnification provisions in our Amended and Restated Certificate of Incorporation, as amended, and Amended and Restated Bylaws to be in effect upon the closing of this offering may discourage stockholders from bringing a lawsuit against our directors for breach of their fiduciary duty. They may also reduce the likelihood of derivative litigation against our directors and officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder's investment may be adversely affected to the extent that we pay the costs of settlement and damage awards against directors and officers as required by these indemnification provisions. At present, there is no pending litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought, and we are not aware of any threatened litigation that may result in claims for indemnification.

EXECUTIVE AND DIRECTOR COMPENSATION

Summary Compensation Table

Carol Craig, our founder and CEO, waived salary compensation from inception through December 31, 2020. On September 15, 2021, Ms. Craig began receiving compensation in the amount of $125,000 per year.

Outstanding Equity Awards at December 31, 2020

There were no outstanding equity awards as of December 31, 2020.

Non-Employee Director Compensation

There were no non-employee directors in 2020.

Employment Agreements

Carol Craig Employment Agreement

Upon closing of this offering, we intend to enter into an employment agreement with Ms. Craig, pursuant to which Ms. Craig serves as our Founder and Chief Executive Officer. Ms. Craig's employment agreement provides for an annual base salary of $125,000 and provides that Ms. Craig will be eligible for an annual discretionary bonus, with a target equal to ___% of her base salary, based on the achievement of certain performance objectives established by our Board of Directors. Ms. Craig's employment agreement contains standard non-competition and non-solicitation provisions. Ms. Craig is also eligible to receive additional equity-based compensation awards as the Company may grant from time to time. Ms. Craig's employment agreement further provides for standard expense reimbursement, vacation time and other standard executive benefits.

Pursuant to Ms. Craig's employment agreement, in the event her employment is terminated without cause, due to a non-renewal by the Company, or if she resigns for "good reason" (in each case, other than within twelve (12) months following a change in control), Ms. Craig is entitled to (i) a cash payment equal to _____ times the sum of her (x) annual base salary and (y) target bonus in effect on her last day of employment; (ii) continuation of health benefits for a period of __ months; (iii) a lump sum payment equal to the amount of any annual bonus earned with respect to a prior fiscal year, but unpaid as of the date of termination; (iv) a lump sum payment equal to the amount of annual bonus that was accrued through the date of termination for the year in which employment ends; and (v) subject to Ms. Craig's compliance with her restrictive covenants, the outstanding and unvested portion of any time-vesting equity award that would have vested during the one (1) year period following Ms. Craig's termination had she remained an employee shall automatically vest upon his termination date.

In the event that Ms. Craig's employment is terminated due to her death or disability, she will be entitled to receive (i) a lump sum payment equal to the amount of any annual bonus earned with respect to a prior fiscal year, but unpaid as of the date of termination; (ii) a lump sum payment equal to the amount of annual bonus that was accrued for the year in which employment ends; and (iii) the acceleration and vesting in full of any then outstanding and unvested portion of any time-vesting equity award granted to her by the Company.

In the event that Ms. Craig's employment is terminated due to her non-renewal or resignation without "good reason," she will be entitled to receive a lump sum payment equal to the amount of any annual bonus earned with respect to a prior fiscal year, but unpaid as of the date of termination.

In the event that Ms. Craig's employment is terminated by the Company without cause, due to non-renewal by the Company, or if she resigns for "good reason," in each case within twelve (12) months following a change in control, Ms. Craig is entitled to (i) a cash payment equal to ____ times the sum of her (x) annual base salary and (y) target bonus in effect on her last day of employment; (ii) continuation of health benefits for a period of ___months; (iii) a lump sum payment equal to the amount of any annual bonus earned with respect to a prior fiscal year, but unpaid as of the date of termination; (iv) a lump sum payment equal to the amount of annual bonus that was accrued for the year in which employment ends prior to the date of termination; and (v) the acceleration and vesting in full of any then outstanding and unvested portion of any time-vesting equity award granted to her by the Company.

Consulting Agreement

On August 21, 2021, we entered into a consulting agreement with EverAsia Financial Group, Inc. pursuant to which Scott Silverman is engaged as our Chief Financial Officer at a rate of $7,500 per month. The term of the agreement is for one (1) year and shall automatically renew for three (3) month renewal terms after the first year. The renewal term can be terminated by us or Mr. Silverman upon 30 days written notice to the other party. In the event of non-payment, Mr. Silverman shall have the right to terminate the agreement upon 15 days notice. In the event we terminate the agreement without cause, Mr. Silverman shall be paid any and all unpaid expenses and an early termination fee equal to two (2) months of consulting fees. In the event Mr. Silverman is terminated for cause, we shall pay him all consulting fees and unpaid expenses due and payable through the date of termination.

Sidus Space, Inc. 2021 Omnibus Equity Incentive Plan

In connection with this offering, and as approved by our Board of Directors, we will adopt a new comprehensive equity incentive plan, the 2021 Omnibus Equity Incentive Plan (the "2021 Plan").

Authorized Shares. A total of _____ shares of our common stock were originally reserved for issuance pursuant to the 2021 Plan.

Types of Awards. The 2021 Plan provides for the issuance of incentive stock options, non-statutory stock options, stock appreciation rights ("SARs"), restricted stock, restricted stock units ("RSUs"), and other stock-based awards.

Administration. The 2021 Plan will be administered by our board of directors, or if our board of directors does not administer the 2021 Plan, a committee or subcommittee of our board of directors that complies with the applicable requirements of Section 16 of the Exchange Act and any other applicable legal or stock exchange listing requirements (each of our board of directors or such committee or subcommittee, the "plan administrator"). The plan administrator may interpret the 2021 Plan and may prescribe, amend and rescind rules and make all other determinations necessary or desirable for the administration of the 2021 Plan, provided that, subject to the equitable adjustment provisions described below, the plan administrator will not have the authority to reprice or cancel and re-grant any award at a lower exercise, base or purchase price or cancel any award with an exercise, base or purchase price in exchange for cash, property or other awards without first obtaining the approval of our stockholders.

The 2021 Plan permits the plan administrator to select the eligible recipients who will receive awards, to determine the terms and conditions of those awards, including but not limited to the exercise price or other purchase price of an award, the number of shares of common stock or cash or other property subject to an award, the term of an award and the vesting schedule applicable to an award, and to amend the terms and conditions of outstanding awards.

Restricted Stock and Restricted Stock Units. Restricted stock and RSUs may be granted under the 2021 Plan. The plan administrator will determine the purchase price, vesting schedule and performance goals, if any, and any other conditions that apply to a grant of restricted stock and RSUs. If the restrictions, performance goals or other conditions determined by the plan administrator are not satisfied, the restricted stock and RSUs will be forfeited. Subject to the provisions of the 2021 Plan and the applicable award agreement, the plan administrator has the sole discretion to provide for the lapse of restrictions in installments.

Unless the applicable award agreement provides otherwise, participants with restricted stock will generally have all of the rights of a stockholder; provided that dividends will only be paid if and when the underlying restricted stock vests. RSUs will not be entitled to dividends prior to vesting, but may be entitled to receive dividend equivalents if the award agreement provides for them. The rights of participants granted restricted stock or RSUs upon the termination of employment or service to us will be set forth in the award agreement.

Options. Incentive stock options and non-statutory stock options may be granted under the 2021 Plan. An "incentive stock option" means an option intended to qualify for tax treatment applicable to incentive stock options under Section 422 of the Internal Revenue Code. A "non-statutory stock option" is an option that is not subject to statutory requirements and limitations required for certain tax advantages that are allowed under specific provisions of the Internal Revenue Code. A non-statutory stock option under the 2021 Plan is referred to for federal income tax purposes as a "non-qualified" stock option. Each option granted under the 2021 Plan will be designated as a non-qualified stock option or an incentive stock option. At the discretion of the administrator, incentive stock options may be granted only to our employees, employees of our "parent corporation" (as such term is defined in Section 424(e) of the Code) or employees of our subsidiaries.

The exercise period of an option may not exceed ten years from the date of grant and the exercise price may not be less than 100% of the fair market value of a share of common stock on the date the option is granted (110% of fair market value in the case of incentive stock options granted to ten percent stockholders). The exercise price for shares of common stock subject to an option may be paid in cash, or as determined by the administrator in its sole discretion, (i) through any cashless exercise procedure approved by the administrator (including the withholding of shares of common stock otherwise issuable upon exercise), (ii) by tendering unrestricted shares of common stock owned by the participant, (iii) with any other form of consideration approved by the administrator and permitted by applicable law or (iv) by any combination of these methods. The option holder will have no rights to dividends or distributions or other rights of a stockholder with respect to the shares of common stock subject to an option until the option holder has given written notice of exercise and paid the exercise price and applicable withholding taxes.

In the event of an participant's termination of employment or service, the participant may exercise his or her option (to the extent vested as of such date of termination) for such period of time as specified in his or her option agreement.

Stock Appreciation Rights. SARs may be granted either alone (a “free-standing SAR”) or in conjunction with all or part of any option granted under the 2021 Plan (a “tandem SAR”). A free-standing SAR will entitle its holder to receive, at the time of exercise, an amount per share up to the excess of the fair market value (at the date of exercise) of a share of common stock over the base price of the free-standing SAR (which shall be no less than 100% of the fair market value of the related shares of common stock on the date of grant) multiplied by the number of shares in respect of which the SAR is being exercised. A tandem SAR will entitle its holder to receive, at the time of exercise of the SAR and surrender of the applicable portion of the related option, an amount per share up to the excess of the fair market value (at the date of exercise) of a share of common stock over the exercise price of the related option multiplied by the number of shares in respect of which the SAR is being exercised. The exercise period of a free-standing SAR may not exceed ten years from the date of grant. The exercise period of a tandem SAR will also expire upon the expiration of its related option.

The holder of a SAR will have no rights to dividends or any other rights of a stockholder with respect to the shares of Common Stock subject to the SAR until the holder has given written notice of exercise and paid the exercise price and applicable withholding taxes.

In the event of an participant's termination of employment or service, the holder of a SAR may exercise his or her SAR (to the extent vested as of such date of termination) for such period of time as specified in his or her SAR agreement.

Other Stock-Based Awards. The administrator may grant other stock-based awards under the 2021 Plan, valued in whole or in part by reference to, or otherwise based on, shares of common stock. The administrator will determine the terms and conditions of these awards, including the number of shares of common stock to be granted pursuant to each award, the manner in which the award will be settled, and the conditions to the vesting and payment of the award (including the achievement of performance goals). The rights of participants granted other stock-based awards upon the termination of employment or service to us will be set forth in the applicable award agreement. In the event that a bonus is granted in the form of shares of common stock, the shares of common stock constituting such bonus shall, as determined by the administrator, be evidenced in uncertificated form or by a book entry record or a certificate issued in the name of the participant to whom such grant was made and delivered to such participant as soon as practicable after the date on which such bonus is payable. Any dividend or dividend equivalent award issued hereunder shall be subject to the same restrictions, conditions and risks of forfeiture as apply to the underlying award.

Equitable Adjustment and Treatment of Outstanding Awards Upon a Change in Control

Equitable Adjustments. In the event of a merger, consolidation, reclassification, recapitalization, spin-off, spin-out, repurchase, reorganization, special or extraordinary dividend or other extraordinary distribution (whether in the form of common shares, cash or other property), combination, exchange of shares, or other change in corporate structure affecting our common stock, an equitable substitution or proportionate adjustment shall be made in (i) the aggregate number and kind of securities reserved for issuance under the 2021 Plan, (ii) the kind and number of securities subject to, and the exercise price of, any outstanding options and SARs granted under the 2021 Plan, (iii) the kind, number and purchase price of shares of common stock, or the amount of cash or amount or type of property, subject to outstanding restricted stock, RSUs and other stock-based awards granted under the 2021 Plan and (iv) the terms and conditions of any outstanding awards (including any applicable performance targets). Equitable substitutions or adjustments other than those listed above may also be made as determined by the plan administrator. In addition, the plan administrator may terminate all outstanding awards for the payment of cash or in-kind consideration having an aggregate fair market value equal to the excess of the fair market value of the shares of common stock, cash or other property covered by such awards over the aggregate exercise price, if any, of such awards, but if the exercise price of any outstanding award is equal to or greater than the fair market value of the shares of common stock, cash or other property covered by such award, the plan administrator may cancel the award without the payment of any consideration to the participant. With respect to awards subject to foreign laws, adjustments will be made in compliance with applicable requirements. Except to the extent determined by the plan administrator, adjustments to incentive stock options will be made only to the extent not constituting a “modification” within the meaning of Section 424(h)(3) of the Code.

Change in Control. The 2021 Plan provides that, unless otherwise determined by the plan administrator and evidenced in an award agreement, if a "change in control" (as defined below) occurs and a participant is employed by us or any of our affiliates immediately prior to the consummation of the change in control, then the plan administrator, in its sole and absolute discretion, may (i) provide that any unvested or unexercisable portion of an award carrying a right to exercise will become fully vested and exercisable; and (ii) cause the restrictions, deferral limitations, payment conditions and forfeiture conditions applicable to any award granted under the 2021 Plan to lapse, and the awards will be deemed fully vested and any performance conditions imposed with respect to such awards will be deemed to be fully achieved at target performance levels. The administrator shall have discretion in connection with such change in control to provide that all outstanding and unexercised options and SARs shall expire upon the consummation of such change in control.

For purposes of the 2021 Plan, a "change in control" means, in summary, the first to occur of the following events: (i) a person or entity becomes the beneficial owner of more than 50% of our voting power; (ii) an unapproved change in the majority membership of our board of directors; (iii) a merger or consolidation of us or any of our subsidiaries, other than (A) a merger or consolidation that results in our voting securities continuing to represent 50% or more of the combined voting power of the surviving entity or its parent and our board of directors immediately prior to the merger or consolidation continuing to represent at least a majority of the board of directors of the surviving entity or its parent or (B) a merger or consolidation effected to implement a recapitalization in which no person is or becomes the beneficial owner of our voting securities representing more than 50% of our combined voting power; or (iv) stockholder approval of a plan of our complete liquidation or dissolution or the consummation of an agreement for the sale or disposition of substantially all of our assets, other than (A) a sale or disposition to an entity, more than 50% of the combined voting power of which is owned by our stockholders in substantially the same proportions as their ownership of us immediately prior to such sale or (B) a sale or disposition to an entity controlled by our board of directors. However, a change in control will not be deemed to have occurred as a result of any transaction or series of integrated transactions following which our stockholders, immediately prior thereto, hold immediately afterward the same proportionate equity interests in the entity that owns all or substantially all of our assets.

Tax Withholding

Each participant will be required to make arrangements satisfactory to the plan administrator regarding payment of up to the maximum statutory tax rates in the participant's applicable jurisdiction with respect to any award granted under the 2021 Plan, as determined by us. We have the right, to the extent permitted by applicable law, to deduct any such taxes from any payment of any kind otherwise due to the participant. With the approval of the plan administrator, the participant may satisfy the foregoing requirement by either electing to have us withhold from delivery of shares of common stock, cash or other property, as applicable, or by delivering already owned unrestricted shares of common stock, in each case, having a value not exceeding the applicable taxes to be withheld and applied to the tax obligations. We may also use any other method of obtaining the necessary payment or proceeds, as permitted by applicable law, to satisfy our withholding obligation with respect to any award.

Amendment and Termination of the 2021 Plan

The 2021 Plan provides our board of directors with authority to amend, alter or terminate the 2021 Plan, but no such action impair the rights of any participant with respect to outstanding awards without the participant's consent. The plan administrator may amend an award, prospectively or retroactively, but no such amendment may materially impair the rights of any participant without the participant's consent. Stockholder approval of any such action will be obtained if required to comply with applicable law. The 2021 Plan will terminate on the tenth anniversary of the Effective Date (although awards granted before that time will remain outstanding in accordance with their terms).

Clawback

If we are required to prepare a financial restatement due to the material non-compliance with any financial reporting requirement, then the plan administrator may require any Section 16 officer to repay or forfeit to us that part of the cash or equity incentive compensation received by that Section 16 officer during the preceding three years that the plan administrator determines was in excess of the amount that such Section 16 officer would have received had such cash or equity incentive compensation been calculated based on the financial results reported in the restated financial statement. The plan administrator may take into account any factors it deems reasonable in determining whether to seek recoupment of previously paid cash or equity incentive compensation and how much of such compensation to recoup from each Section 16 officer (which need not be the same amount or proportion for each Section 16 officer). The amount and form of the incentive compensation to be recouped shall be determined by the administrator in its sole and absolute discretion.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

The following includes a summary of transactions during our fiscal years ended December 31, 2020 and 2019 to which we have been a party, including transactions in which the amount involved in the transaction exceeds the lesser of $120,000 or 1% of the average of our total assets at year-end for the last two completed fiscal years, and in which any of our directors, executive officers or, to our knowledge, beneficial owners of more than 5% of our capital stock or any member of the immediate family of any of the foregoing persons had or will have a direct or indirect material interest, other than equity and other compensation, termination, change in control and other arrangements, which are described elsewhere in this prospectus. We are not otherwise a party to a current related party transaction, and no transaction is currently proposed, in which the amount of the transaction exceeds the lesser of $120,000 or 1% of the average of our total assets at year-end for the last two completed fiscal years and in which a related person had or will have a direct or indirect material interest.

Our corporate headquarters is located at 150 N. Sykes Creek Parkway, Suite 200 Merritt Island, Florida 32953. We occupy facilities totaling approximately 3500 square feet under a sublease from Craig Technical Consulting, Inc., a principal stockholder and an entity owned and controlled by our Chief Executive Officer, Carol Craig ("CTC"), pursuant to a commercial sublease agreement (the "Lease Agreement"), dated August 1, 2021. The Lease Agreement currently has a 2-year term, with no options to renew. We currently pay $4,570.07 per month plus applicable sales and use tax, which is currently 6.5% in Brevard County.

On May 1, 2021, CTC forgave $3,392,294 in principal amount owed to it by us. The forgiven debt was accounted for as contributed capital.

On May 1, 2021, we borrowed $4 million represented by a note payable (the "Note") from CTC. The principal balance of this Note outstanding (together with any accrued, but unpaid interest thereon) shall bear interest at a per annum interest rate equal to the long term Applicable Federal Rate (as such term is defined in Section 1274(d) of the Internal Revenue Code of 1986, as amended), and matures on September 30, 2025, and shall be repaid in the amount of $250,000 every quarter for four (4) years beginning on Oct 1, 2021.

As of December 31, 2020 and 2019, we owed $7,302,422 and $5,746,491 to CTC. The loan is unsecured, due on demand and non-bearing-interest.

Indemnification Agreements

In connection with this offering, we will enter into indemnification agreements with each of our directors and executive officers. These indemnification agreements will provide the directors and executive officers with contractual rights to indemnification and expense advancement that are, in some cases, broader than the specific indemnification provisions contained under Delaware law. See "Description of Share Capital—Indemnification of Directors and Officers" for additional information regarding indemnification under Delaware law and our amended and restated by-laws.

Related Person Transaction Policy

Prior to this offering, we have not had a formal policy regarding approval of transactions with related parties. We expect to adopt a related person transaction policy that sets forth our procedures for the identification, review, consideration and approval or ratification of related person transactions. The policy will become effective immediately upon the execution of the underwriting agreement for this offering. For purposes of our policy only, a related person transaction is a transaction, arrangement or relationship, or any series of similar transactions, arrangements, or relationships, in which we and any related person are, were or will be participants in which the amount involved exceeds the lesser of $120,000 or 1% of the average of our total assets at year-end. Transactions involving compensation for services provided to us as an employee or director are not covered by this policy. A related person is any executive officer, director, or beneficial owner of more than 5% of any class of our voting securities, including any of their immediate family members and any entity owned or controlled by such persons.

Under the policy, if a transaction has been identified as a related person transaction, including any transaction that was not a related person transaction when originally consummated or any transaction that was not initially identified as a related person transaction prior to consummation, our management must present information regarding the related person transaction to our audit committee, or, if audit committee approval would be inappropriate, to another independent body of our board of directors, for review, consideration and approval or ratification. The presentation must include a description of, among other things, the material facts, the interests, direct and indirect, of the related persons, the benefits to us of the transaction and whether the transaction is on terms that are comparable to the terms available to or from, as the case may be, an unrelated third party or to or from employees generally. Under the policy, we will collect information that we deem reasonably necessary from each director, executive officer and, to the extent feasible, significant stockholder to enable us to identify any existing or potential related-person transactions and to effectuate the terms of the policy. In addition, under our code of business conduct and ethics, our employees and directors will have an affirmative responsibility to disclose any transaction or relationship that reasonably could be expected to give rise to a conflict of interest. In considering related person transactions, our audit committee, or other independent body of our board of directors, will take into account the relevant available facts and circumstances including, but not limited to:

- the risks, costs and benefits to us;
- the impact on a director's independence in the event that the related person is a director, immediate family member of a director or an entity with which a director is affiliated;
- the availability of other sources for comparable services or products; and
- the terms available to or from, as the case may be, unrelated third parties or to or from employees generally.

The policy requires that, in determining whether to approve, ratify or reject a related person transaction, our audit committee, or other independent body of our board of directors, must consider, in light of known circumstances, whether the transaction is in, or is not inconsistent with, our best interests and those of our stockholders, as our audit committee, or other independent body of our board of directors, determines in the good faith exercise of its discretion.

PRINCIPAL STOCKHOLDERS

The following table sets forth certain information regarding the beneficial ownership of our Class A common stock as of _____ [ ], 2021 by:

- each of our named executive officers;
- each of our directors;
- all of our current directors and executive officers as a group; and
- each stockholder known by us to own beneficially more than five percent of our common stock.

Beneficial ownership is determined in accordance with the rules of the SEC and includes voting or investment power with respect to the securities. Shares of common stock that may be acquired by an individual or group within 60 days of _____ [ ], 2021, pursuant to the exercise of options or warrants or conversion of preferred stock or convertible debt, are deemed to be outstanding for the purpose of computing the percentage ownership of such individual or group, but are not deemed to be outstanding for the purpose of computing the percentage ownership of any other person shown in the table. Percentage of ownership is based on [ ] shares of Class A common stock issued and outstanding as of _____ [ ], 2021 and [ ] shares of Class A common stock issued and outstanding after the completion of this offering.

Except as indicated in footnotes to this table, we believe that the stockholders named in this table have sole voting and investment power with respect to all shares of common stock shown to be beneficially owned by them, based on information provided to us by such stockholders. Unless otherwise indicated, the address for each director and executive officer listed is: c/o Sidus Space, Inc., 150 N. Sykes Creek Parkway, Suite 200,, Merritt Island, Florida 32953.

Name of Beneficial Owner	Number of Shares of Class A Beneficially Owned Prior to Offering	Number of Shares of Class B Beneficially Owned Prior to Offering	Percentage of Common Stock Beneficially Owned	
			Before Offering	After Offering
Directors and Executive Officers:				
Carol Craig(1)	-	10,000,000	%	
Scott Silverman	-	-		
Directors and Executive Officers as a group (2 persons)	-	10,000,000		
5% or Greater Stockholders:				
Craig Technical Consulting, Inc.	-	10,000,000		

* Represents beneficial ownership of less than one percent (1%).

(1) Carol Craig is the sole owner of Craig Technical Consulting, Inc. and has beneficial ownership of the Class B shares of common stock held by Craig Technical Consulting, Inc.

DESCRIPTION OF CAPITAL STOCK

General

Upon completion of this offering, our authorized capital stock will consist of _____ shares, consisting of _____ shares of Class A common stock, par value $0.0001 per share, 10,000,000 shares of Class B common stock, par value $0.0001 per share, and 1,000,000 shares of preferred stock, par value $0.0001 per share.

As of [ ], 2021, there were [ ] shares of Class A common stock, 10,000,000 shares of Class B common stock and no shares of preferred stock issued and outstanding.

The following description of our capital stock and provisions of our Amended and Restated Certificate of Incorporation, as amended, and Amended and Restated Bylaws to be effective upon the completion of this offering is only a summary. You should also refer to our Amended and Restated Certificate of Incorporation, as amended, a copy of which is filed as an exhibit to the registration statement of which this prospectus is a part, and our Amended and Restated Bylaws, a copy of which is filed as an exhibit to the registration statement of which this prospectus is a part.

Class A Common Stock and Class B Common Stock

We have authorized Class A common stock and Class B common stock.

Dividend Rights

Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of our Class A common stock and Class B common stock are entitled to share equally, identically, and ratably, on a per share basis, with respect to any dividend or distribution of cash or property paid or distributed by us if our board of directors, in its discretion, determines to issue dividends and then only at the times and in the amounts that our board of directors may determine.

Voting Rights

Holders of our Class A common stock are entitled to one vote for each share and holders of our Class B common stock are entitled to ten votes per share, on all matters submitted to a vote of stockholders. The holders of our Class A common stock and Class B common stock will generally vote together as a single class on all matters submitted to a vote of our stockholders, unless otherwise required by Delaware law or our certificate of incorporation. Delaware law could require either holders of our Class A common stock or Class B common stock to vote separately as a single class if (i) we were to seek to amend our certificate of incorporation to increase or decrease the aggregate number of authorized shares of such class or to increase or decrease the par value of a class of our capital stock, then that class would be required to vote separately to approve the proposed amendment; or (ii) we were to seek to amend our certificate of incorporation in a manner that alters or changes the powers, preferences or special rights of a class of our capital stock in a manner that affected its holders adversely, then that class would be required to vote separately to approve the proposed amendment.

Our certificate of incorporation will not provide for cumulative voting for the election of directors.

See the section titled “Risk Factors—Risks Relating to Our Initial Public Offering and Ownership of Our Common Stock—The dual-class structure of our common stock as contained in our amended and restated certificate of incorporation has the effect of concentrating voting control with those stockholders who held our capital stock prior to this offering, including our directors, executive officers and their respective affiliates. This ownership will limit or preclude your ability to influence corporate matters, including the election of directors, amendments of our organizational documents, and any merger, consolidation, sale of all or substantially all of our assets, or other major corporate transactions requiring stockholder approval, and that may adversely affect the trading price of our Class A common stock” for a description of the risks related to the dual-class structure of our common stock.

Conversion

Each outstanding share of Class B common stock will be convertible at any time at the option of the holder into one share of Class A common stock. In addition, each share of Class B common stock will convert automatically into one share of Class A common stock upon any transfer, whether or not for value, except for certain permitted transfers described in our certificate of incorporation, including transfers to family members, trusts solely for the benefit of the stockholder or their family members, and partnerships, corporations and other entities exclusively owned by the stockholder or their permitted transferees.

Change of Control Transactions

The holders of Class A common stock and Class B common stock will be treated equally, identically and ratably, on a per share basis, on (a) the sale, lease, exclusive license, exchange, or other disposition of all or substantially all of our property and assets, (b) the merger, consolidation, business combination, or other similar transaction with any other entity, which results in the voting securities outstanding immediately prior thereto representing (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) less than fifty percent of the total voting power represented by our voting securities and less than fifty percent of our total number of outstanding shares of capital stock, in each case as outstanding immediately after such merger, consolidation, business combination or other similar transaction, and (c) a recapitalization, liquidation, dissolution, or other similar transaction which results in the voting securities outstanding immediately prior thereto representing (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) less than fifty percent of the total voting power represented by our voting securities and less than fifty percent of our total number of outstanding shares of capital stock, in each case as outstanding immediately after such recapitalization, liquidation, dissolution or other similar transaction.

Subdivisions and Combinations

If we subdivide or combine in any manner outstanding shares of Class A common stock or Class B common stock, the outstanding shares of the other classes will be subdivided or combined in the same manner.

No Preemptive or Similar Rights

Our Class A common stock and Class B common stock are not entitled to preemptive rights and are not subject to conversion, redemption or sinking fund provisions, except for the conversion provisions with respect to the Class B common stock described above.

Right to Receive Liquidation Distributions

If we become subject to a liquidation, dissolution or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our Class A common stock and Class B common stock and any participating preferred stock outstanding at that time, subject to prior satisfaction of all outstanding debt and liabilities and the preferential rights of and the payment of liquidation preferences, if any, on any outstanding shares of preferred stock.

Fully Paid and Non-Assessable

All of the outstanding shares of our Class B common stock are, and the shares of our Class A common stock to be issued pursuant to this offering will be, fully paid and non-assessable.

Preferred Stock

Our board of directors have the authority, without further action by the stockholders, to issue up to 1,000,000 shares of preferred stock in one or more series and to fix the designations, powers, preferences, privileges, and relative participating, optional, or special rights as well as the qualifications, limitations, or restrictions of the preferred stock, including dividend rights, conversion rights, voting rights, terms of redemption, and liquidation preferences, any or all of which may be greater than the rights of the common stock. Our board of directors, without stockholder approval, will be able to issue convertible preferred stock with voting, conversion, or other rights that could adversely affect the voting power and other rights of the holders of common stock. Preferred stock could be issued quickly with terms calculated to delay or prevent a change of control or make removal of management more difficult. Additionally, the issuance of preferred stock may have the effect of decreasing the market price of our common stock and may adversely affect the voting and other rights of the holders of common stock. At present, we have no plans to issue any shares of preferred stock following this offering.

Options

Our 2021 Equity Incentive Plan provides for us to sell or issue shares restricted shares of Class A common stock, or to grant incentive stock options or nonqualified stock options, stock appreciation rights and restricted stock unit awards for the purchase of shares of Class A common stock, to employees, members of the board of directors and consultants. As of September 30, 2021, no options to purchase shares of Class A common stock were outstanding. For additional information regarding the terms of the 2021 Plan, see "Executive and Director Compensation - Sidus Space, Inc. 2021 Equity Incentive Plan."

Exclusive Forum

Our Amended and Restated Certificate of Incorporation, as amended, provides that unless we consent in writing to the selection of an alternative forum, the State of Delaware is the sole and exclusive forum for: (i) any derivative action or proceeding brought on behalf of us, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of our Company to us or our stockholders, (iii) any action asserting a claim against us, our directors, officers or employees arising pursuant to any provision of the DGCL or our Amended and Restated Certificate of Incorporation, as amended, or our Amended and Restated Bylaws to be effective upon completion of this offering, or (iv) any action asserting a claim against us, our directors, officers, employees or agents governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction.

Additionally, our Amended and Restated Certificate of Incorporation, as amended, provide that unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America will be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act or the Securities Exchange Act of 1934, as amended. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock are deemed to have notice of and consented to this provision.

Anti-Takeover Effects of Delaware law and Our Amended and Restated Certificate of Incorporation, as amended, and Amended and Restated Bylaws

The provisions of Delaware law, our Amended and Restated Certificate of Incorporation, as amended, and our Amended and Restated Bylaws to be adopted upon the closing of this offering, described below may have the effect of delaying, deferring or discouraging another party from acquiring control of us.

Section 203 of the Delaware General Corporation Law

We are subject to Section 203 of the Delaware General Corporation Law, which prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years after the date that such stockholder became an interested stockholder, with the following exceptions:

- before such date, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction began, excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) those shares owned (i) by persons who are directors and also officers and (ii) employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- on or after such date, the business combination is approved by the board of directors and authorized at an annual or special meeting of the stockholder, and not by written consent, by the affirmative vote of at least 66 2/3% of the outstanding voting stock that is not owned by the interested stockholder.

In general, Section 203 defines business combination to include the following:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, pledge, or other disposition of 10% or more of the assets of the corporation involving the interested stockholder;
- subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- any transaction involving the corporation that has the effect of increasing the proportionate share of the stock or any class or series of the corporation beneficially owned by the interested stockholder; or
- the receipt by the interested stockholder of the benefit of any loss, advances, guarantees, pledges or other financial benefits by or through the corporation.

In general, Section 203 defines an "interested stockholder" as an entity or person who, together with the person's affiliates and associates, beneficially owns, or within three years prior to the time of determination of interested stockholder status did own, 15% or more of the outstanding voting stock of the corporation.

Board of Directors Vacancies

Our Amended and Restated Certificate of Incorporation, as amended, and Amended and Restated Bylaws authorize only our board of directors to fill vacant directorships. In addition, the number of directors constituting our board of directors may be set only by resolution of the majority of the incumbent directors.

Stockholder Action; Special Meeting of Stockholders

Our Amended and Restated Certificate of Incorporation, as amended, and Amended and Restated Bylaws provide that our stockholders may not take action by written consent. Our Amended and Restated Certificate of Incorporation, as amended, and Amended and Restated Bylaws further provide that special meetings of our stockholders may be called by a majority of the board of directors, the Chief Executive Officer, or the Chairman of the board of directors.

Advance Notice Requirements for Stockholder Proposals and Director Nominations

Our Amended and Restated Bylaws provide that stockholders seeking to bring business before our annual meeting of stockholders, or to nominate candidates for election as directors at our annual meeting of stockholders, must provide timely notice of their intent in writing. To be timely, a stockholder's notice must be delivered to the secretary at our principal executive offices not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, or if no annual meeting was held in the preceding year, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which a public announcement of the date of such meeting is first made by us. These provisions may preclude our stockholders from bringing matters before our annual meeting of stockholders or from making nominations for directors at our annual meeting of stockholders.

Authorized but Unissued Shares

Our authorized but unissued shares of common stock and preferred stock are available for future issuance without stockholder approval and may be utilized for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions, and employee benefit plans. The existence of authorized but unissued and unreserved common stock and preferred stock could render more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise. If we issue such shares without stockholder approval and in violation of limitations imposed by the Nasdaq Capital Market or any stock exchange on which our stock may then be trading, our stock could be delisted.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is ClearTrust, LLC.

Stock Market Listing

We have applied to list our shares of Class A common stock on The Nasdaq Capital Market under the symbol "SIDU." No assurance can be given that such listing will be approved.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our Class A common stock, and a liquid trading market for our Class A common stock may not develop or be sustained after this offering. Future sales of substantial amounts of our Class A common stock in the public market, or the anticipation of these sales, could materially and adversely affect market prices prevailing from time to time, and could impair our ability to raise capital through sales of equity or equity-related securities.

Only a limited number of shares of our Class A common stock will be available for sale in the public market for a period of several months after completion of this offering due to contractual and legal restrictions on resale described below. Nevertheless, sales of a substantial number of shares of our Class A common stock in the public market after such restrictions lapse, or the perception that those sales may occur, could materially and adversely affect the prevailing market price of our Class A common stock. Although we intend to apply to list our Class A common stock on The Nasdaq Capital Market, we cannot assure you that there will be an active market for our Class A common stock.

Of the shares to be outstanding immediately after the completion of this offering, we expect that the shares to be sold in this offering will be freely tradable without restriction under the Securities Act unless purchased by our "affiliates," as that term is defined in Rule 144 under the Securities Act. The remaining shares of our common stock outstanding after this offering will be subject to a -day lock-up period under the lock-up agreements as described below. These restricted securities may be sold in the public market only if registered or pursuant to an exemption from registration, such as Rule 144 or Rule 701 under the Securities Act.

Rule 144

Affiliate Resales of Restricted Securities

Affiliates of ours must generally comply with Rule 144 if they wish to sell any shares of our common stock in the public market, whether or not those shares are "restricted securities." "Restricted securities" are any securities acquired from us or one of our affiliates in a transaction not involving a public offering. All shares of our common stock issued prior to the closing of the offering made hereby, are considered to be restricted securities. The shares of our common stock sold in this offering are not considered to be restricted securities.

Non-Affiliate Resales of Restricted Securities

Any person or entity who is not an affiliate of ours and who has not been an affiliate of ours at any time during the three months preceding a sale is only required to comply with Rule 144 in connection with sales of restricted shares of our Class A common stock. Subject to the lock-up agreements described below, those persons may sell shares of our Class A common stock that they have beneficially owned for at least one year without any restrictions under Rule 144 immediately following the effective date of the registration statement of which this prospectus is a part.

Further, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is not an affiliate of ours at the time such person sells shares of our Class A common stock, and has not been an affiliate of ours at any time during the three months preceding such sale, and who has beneficially owned such shares of our Class A common stock, as applicable, for at least six months but less than a year, is entitled to sell such shares so long as there is adequate current public information, as defined in Rule 144, available about us.

Resales of restricted shares of our Class A common stock by non-affiliates are not subject to the manner of sale, volume limitation or notice filing provisions of Rule 144, described above.

Rule 701

Rule 701 generally allows a stockholder who purchased shares of our Class A common stock pursuant to a written compensatory plan or contract and who is not deemed to have been an affiliate of ours during the immediately preceding 90 days to sell these shares in reliance upon Rule 144, but without being required to comply with the public information, holding period, volume limitation, or notice provisions of Rule 144.

Rule 701 also permits affiliates of ours to sell their Rule 701 shares under Rule 144 without complying with the holding period requirements of Rule 144. All holders of Rule 701 shares, however, are required to wait until 90 days after the date of this prospectus before selling such shares pursuant to Rule 701 and until expiration of the -day lock-up period described below.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS OF OUR CLASS A COMMON STOCK

The following is a summary of the material U.S. federal income tax consequences to non-U.S. holders (as defined below) of the ownership and disposition of our Class A common stock but does not purport to be a complete analysis of all the potential tax considerations relating thereto. This summary is based upon the provisions of the Internal Revenue Code of 1986, as amended ("Internal Revenue Code") Treasury regulations promulgated thereunder, administrative rulings and judicial decisions, all as of the date hereof. These authorities may be changed, possibly retroactively, so as to result in U.S. federal income tax consequences different from those set forth below. No ruling on the U.S. federal, state, or local tax considerations relevant to our operations or to the purchase, ownership, or disposition of our shares, has been requested from the IRS or other tax authority. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax consequences described below.

This summary also does not address the tax considerations arising under the laws of any non-U.S., state, or local jurisdiction, or under U.S. federal gift and estate tax laws, except to the limited extent set forth below. In addition, this discussion does not address tax considerations applicable to an investor's particular circumstances or to investors that may be subject to special tax rules, including, without limitation:

- banks, insurance companies or other financial institutions, regulated investment companies or real estate investment trusts;
- persons subject to the alternative minimum tax or Medicare contribution tax on net investment income;
- tax-exempt organizations or governmental organizations;
- controlled foreign corporations, passive foreign investment companies and corporations that accumulate earnings to avoid U.S. federal income tax;
- brokers or dealers in securities or currencies;

- traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;
- persons that own, or are deemed to own, more than five percent of our capital stock (except to the extent specifically set forth below);
- U.S. expatriates and certain former citizens or long-term residents of the U.S.;
- partnerships or entities classified as partnerships for U.S. federal income tax purposes or other pass-through entities (and investors therein);
- persons who hold our common stock as a position in a hedging transaction, "straddle," "conversion transaction" or other risk reduction transaction or integrated investment;
- persons who hold or receive our common stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- persons who do not hold our common stock as a capital asset within the meaning of Section 1221 of the Internal Revenue Code; or
- persons deemed to sell our common stock under the constructive sale provisions of the Internal Revenue Code.

You are urged to consult your tax advisor with respect to the application of the U.S. federal income tax laws to your particular situation, as well as any tax consequences of the purchase, ownership and disposition of our Class A common stock arising under the U.S. federal estate or gift tax rules or under the laws of any state, local, non-U.S., or other taxing jurisdiction or under any applicable tax treaty.

Non-U.S. Holder Defined

For purposes of this discussion, you are a non-U.S. holder (other than a partnership) if you are any holder other than:

- an individual citizen or resident of the U.S. (for U.S. federal income tax purposes);
- a corporation or other entity taxable as a corporation created or organized in the U.S. or under the laws of the U.S., any state thereof, or the District of Columbia, or other entity treated as such for U.S. federal income tax purposes;
- an estate whose income is subject to U.S. federal income tax regardless of its source; or
- a trust (x) whose administration is subject to the primary supervision of a U.S. court, and which has one or more "U.S. persons" (within the meaning of Section 7701(a)(30) of the Internal Revenue Code) who have the authority to control all substantial decisions of the trust or (y) which has made a valid election to be treated as a U.S. person.

In addition, if a partnership or entity classified as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of a partner generally will depend on the status of the partner and upon the activities of the partnership. Accordingly, partnerships that hold our Class A common stock, and partners in such partnerships, should consult their tax advisors.

Distributions

As described in "Dividend Policy," we have never declared or paid cash dividends on our Class A common stock and do not anticipate paying any dividends on our Class A common stock in the foreseeable future. However, if we do make distributions on our Class A common stock, those payments will constitute dividends for U.S. tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent those distributions exceed both our current and our accumulated earnings and profits, they will constitute a return of capital and will first reduce your basis in our Class A common stock, but not below zero, and then will be treated as gain from the sale of stock as described below under "—Gain on Disposition of Common Stock."

Subject to the discussion below on effectively connected income, backup withholding and foreign accounts, any dividend paid to you generally will be subject to U.S. withholding tax either at a rate of 30% of the gross amount of the dividend or such lower rate as may be specified by an applicable income tax treaty. In order to receive a reduced treaty rate, you must provide us with an IRS Form W-8BEN, IRS Form W-8BEN-E or other appropriate version of IRS Form W-8 certifying qualification for the reduced rate. A non-U.S. holder of shares of our Class A common stock eligible for a reduced rate of U.S. withholding tax pursuant to an income tax treaty may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. If the non-U.S. holder holds the stock through a financial institution or other agent acting on the non-U.S. holder's behalf, the non-U.S. holder will be required to provide appropriate documentation to the agent, which then will be required to provide certification to us or our paying agent, either directly or through other intermediaries.

Dividends received by you that are effectively connected with your conduct of a U.S. trade or business (and, if required by an applicable income tax treaty, attributable to a permanent establishment maintained by you in the U.S.) are generally exempt from such withholding tax. In order to obtain this exemption, you must provide us with an IRS Form W-8ECI or other applicable IRS Form W-8 properly certifying such exemption. Such effectively connected dividends, although not subject to withholding tax, are taxed at the same graduated rates applicable to U.S. persons, net of certain deductions and credits. In addition, if you are a corporate non-U.S. holder, dividends you receive that are effectively connected with your conduct of a U.S. trade or business may also be subject to a branch profits tax at a rate of 30% or such lower rate as may be specified by an applicable income tax treaty. You should consult your tax advisor regarding any applicable tax treaties that may provide for different rules.

Gain on Disposition of Class A Common Stock

Subject to the discussion below regarding backup withholding and foreign accounts, you generally will not be required to pay U.S. federal income tax on any gain realized upon the sale or other disposition of our Class A common stock unless:

- the gain is effectively connected with your conduct of a U.S. trade or business (and, if required by an applicable income tax treaty, the gain is attributable to a permanent establishment maintained by you in the U.S.);
- you are a non-resident alien individual who is present in the U.S. for a period or periods aggregating 183 days or more during the taxable year in which the sale or disposition occurs and certain other conditions are met; or
- our Class A common stock constitutes a U.S. real property interest by reason of our status as a "U.S. real property holding corporation," or USRPHC, for U.S. federal income tax purposes at any time within the shorter of (i) the five-year period preceding your disposition of our Class A common stock, or (ii) your holding period for our common stock.

We believe that we are not currently and will not become a USRPHC for U.S. federal income tax purposes, and the remainder of this discussion so assumes. However, because the determination of whether we are a USRPHC depends on the fair market value of our U.S. real property relative to the fair market value of our other business assets, there can be no assurance that we will not become a USRPHC in the future. Even if we become a USRPHC, however, as long as our Class A common stock is regularly traded on an established securities market, such common stock will be treated as U.S. real property interests only if you actually or constructively hold more than five percent of such regularly traded Class A common stock at any time during the shorter of the five-year period preceding your disposition of, or your holding period for, our Class A common stock.

If you are a non-U.S. holder described in the first bullet above, you will be required to pay tax on the net gain derived from the sale under regular graduated U.S. federal income tax rates, and a corporate non-U.S. holder described in the first bullet above also may be subject to the branch profits tax at a 30% rate, or such lower rate as may be specified by an applicable income tax treaty. If you are an individual non-U.S. holder described in the second bullet above, you will be required to pay a flat 30% tax (or such lower rate specified by an applicable income tax treaty) on the gain derived from the sale, which gain may be offset by U.S. source capital losses for the year (provided you have timely filed U.S. federal income tax returns with respect to such losses). You should consult any applicable income tax or other treaties that may provide for different rules.

Federal Estate Tax

Our Class A common stock beneficially owned by an individual who is not a citizen or resident of the U.S. (as defined for U.S. federal estate tax purposes) at the time of their death will generally be includable in the decedent's gross estate for U.S. federal estate tax purposes unless an applicable estate tax treaty provides otherwise. The test for whether an individual is a resident of the U.S. for U.S. federal estate tax purposes differs from the test used for U.S. federal income tax purposes. Some individuals, therefore, may be non-U.S. holders for U.S. federal income tax purposes, but not for U.S. federal estate tax purposes, and vice versa.

Backup Withholding and Information Reporting

Generally, we must report annually to the IRS the amount of dividends paid to you, your name and address and the amount of tax withheld, if any. A similar report will be sent to you. Pursuant to applicable income tax treaties or other agreements, the IRS may make these reports available to tax authorities in your country of residence.

Payments of dividends or of proceeds on the disposition of stock made to you may be subject to information reporting and backup withholding at a current rate of 28% unless you establish an exemption, for example, by properly certifying your non-U.S. status on an IRS Form W-8BEN, IRS Form W-8BEN-E or another appropriate version of IRS Form W-8.

Backup withholding is not an additional tax; rather, the U.S. federal income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund or credit may generally be obtained from the IRS, provided that the required information is furnished to the IRS in a timely manner.

Foreign Account Tax Compliance

The Foreign Account Tax Compliance Act, or FATCA, imposes withholding tax at a rate of 30% on dividends on and gross proceeds from the sale or other disposition of our common stock paid to "foreign financial institutions" (as specially defined under these rules), unless such institution enters into an agreement with the U.S. government to withhold on certain payments and to collect and provide to the U.S. tax authorities substantial information regarding the U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners) or otherwise establishes an exemption. FATCA also generally imposes a U.S. federal withholding tax of 30% on dividends on and gross proceeds from the sale or other disposition of our Class A common stock paid to a "non-financial foreign entity" (as specially defined for purposes of these rules) unless such entity provides the withholding agent with a certification identifying certain substantial direct and indirect U.S. owners of the entity, certifies that there are none or otherwise establishes an exemption. The withholding provisions under FATCA generally apply to dividends on our Class A common stock, and under current transition rules, are expected to apply with respect to the gross proceeds from the sale or other disposition of our Class A common stock on or after January 1, 2019. An intergovernmental agreement between the U.S. and an applicable foreign country may modify the requirements described in this paragraph. Non-U.S. holders should consult their tax advisors regarding the possible implications of this legislation on their investment in our Class A common stock.

Each prospective investor should consult its tax advisor regarding the particular U.S. federal, state and local and non-U.S. tax consequences of purchasing, holding and disposing of our Class A common stock, including the consequences of any proposed change in applicable laws.

UNDERWRITING

In connection with this offering, we will enter into an underwriting agreement with Boustead Securities, LLC to serve as lead book-running manager of the offering and as representative of the underwriters named below (the "Representative"). Subject to the terms and conditions of the underwriting agreement, each underwriter will severally agree to purchase the number of Class A shares of common stock set forth opposite its name below, at the public offering price, less the underwriting discount set forth on the cover page of this prospectus:

Underwriter	Number of Shares
Boustead Securities, LLC	

The underwriting agreement provides that the obligations of the underwriters to pay for and accept delivery of the shares of Class A common stock offered by this prospectus are subject to various conditions and representations and warranties, including the approval of certain legal matters by their counsel and other conditions specified in the underwriting agreement. The shares of Class A common stock are offered by the underwriters, subject to prior sale, when, as and if issued to and accepted by them. The underwriters reserve the right to withdraw, cancel or modify the offer to the public and to reject orders in whole or in part. The underwriters are obligated to take and pay for all of the shares of Class A common stock offered by this prospectus if any such shares of Class A common stock are taken, other than those shares of Class A common stock covered by the over-allotment option described below.

We have agreed to indemnify the underwriters against specified liabilities, including liabilities under the Securities Act, and to contribute to payments the underwriters may be required to make in respect thereof.

Discounts and Commissions

The underwriters propose initially to offer the shares of Class A common stock to the public at the public offering price set forth on the cover page of this prospectus and to dealers at those prices less a concession not in excess of $ per share of Class A common stock. If all of the shares of Class A common stock offered by us are not sold at the public offering price, the underwriters may change the offering price and other selling terms by means of a supplement to this prospectus.

The following table shows the public offering price, underwriting discounts and commissions and proceeds before expenses to us.

Per Share	$	
Total	$	

We have agreed to pay a non-accountable expense allowance to the Representative of equal to 1% of the gross proceeds received at the closing of the offering.

We have agreed to pay the Representative reasonable out-of-pocket expenses incurred by the Representative in connection with this offering up to $255,000. The out-of-pocket expenses include but are not limited to: (a) road show and travel expenses; (b) reasonable fees of the Representative's legal counsel; (c) the cost of background check on our officers, directors and principal stockholders and (d) due diligence expenses. As of the date of this prospectus, we have paid the representative advances of $_____for its anticipated out-of-pocket costs. Such advance payments will be returned to us to the extent such out-of-pocket expenses are not actually incurred in accordance with FINRA Rule 5110(g)(4)(A).

Our total estimated expenses of the offering, including registration, filing and listing fees, printing fees and legal and accounting expenses, but excluding underwriting discounts and commissions, are approximately $_____.

Representative's Warrants

We have agreed to issue a warrant to the Representative to purchase a number of shares of common stock equal to 7% of the total number of shares of Class A common stock sold in this offering at an exercise price equal to 110% of the public offering price of the shares sold in this offering. This warrant will be exercisable upon issuance, will have a cashless exercise provision and will terminate on the fifth anniversary of the commencement date of sales in this offering. The warrant also provides for customary anti-dilution provisions and "piggyback" registration rights with respect to the registration of the shares of Class A common stock underlying the warrants for a period of seven years from the commencement of sales of this offering.

The Representative's warrant and the underlying shares are deemed to be compensation by FINRA, and therefore will be subject to a lock-up pursuant to FINRA Rule 5110(e)(1). In accordance with FINRA Rule 5110(e)(1), neither the Representative's warrant nor any of our shares of Class A common stock issued upon exercise of the Representative's warrant may be sold, transferred, assigned, pledged or hypothecated, or be the subject of any hedging, short sale, derivative, put or call transaction that would result in the effective economic disposition of such securities by any person, for a period of 180 days immediately following the commencement of sales of this offering subject to certain exceptions permitted by FINRA Rule 5110(e)(2).

Lock-Up Agreements

We have agreed to a 12-month "lock-up" from the closing of this offering, during which, without the prior written consent of the Representative, we shall not issue, sell or register with the SEC (other than on Form S-8 or on any successor form) with respect to any of our equity securities (or any securities convertible into, exercisable for or exchangeable for any of our equity securities), except for (i) the issuance of the shares of common stock offered pursuant to this prospectus; and (ii) the issuance of shares of common stock pursuant to our existing stock option or bonus plan as described in the registration statement of which this prospectus forms a part.

Our executive officers, directors and certain of our significant stockholders have also agreed to a 12-month "lock-up," during which, without the prior written consent of the Representative, they shall not, directly or indirectly, (i) offer, pledge, assign, encumber, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock, owned either of record or beneficially (as defined in the Securities Exchange Act of 1934, as amended (the "Exchange Act") by any signatory of the lock-up agreement on the date of the prospectus or thereafter acquired; (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the common stock or any securities convertible into or exercisable or exchangeable for common stock, whether any such transaction described in clauses (i) or (ii) above is to be settled by delivery of common stock or such other securities, in cash or otherwise, or publicly announce an intention to do any of the foregoing; and (iii) make any demand for or exercise any right with respect to, the registration of any shares of common stock or any security convertible into or exercisable or exchangeable for common stock. The foregoing shall not apply to (i) common stock to be transferred as a gift or gifts (provided, that (a) any donee shall execute and deliver to the Representative, acting on behalf of the underwriters, not later than one business day prior to such transfer, a lock-up agreement to the Representative and (b) if the lock-up signatory is required to file a report under Section 16(a) of the Exchange Act, reporting a reduction in beneficial ownership of shares of common stock or beneficially owned shares or any securities convertible into or exercisable or exchangeable for common stock or beneficially owned shares during the "lock-up," the lock-up signatory shall include a statement in such report to the effect that such transfer is being made as a gift), and (ii) the sale of the shares of common stock to be sold pursuant to this prospectus..

Right of First Refusal

Pursuant to the underwriting agreement, we will provide the Representative the right of first refusal for two years from the date of commencement of sales of this public offering to act as financial advisor, investment banker, sole book-runner or placement agent or to act as joint financial advisor, investment banker, book-runner or placement agent on at least equal economic terms on any public or private financing (debt or equity), merger, business combination, recapitalization or sale of some or all of the equity or assets of our company.

Discretionary Accounts

The underwriters do not intend to confirm sales of the shares of common stock offered hereby to any accounts over which they have discretionary authority.

Nasdaq Capital Market Listing

We have applied to list our Class A common stock on the Nasdaq Capital Market under the symbol "SIDU."

Determination of Offering Price

The public offering price of the Class A common stock we are offering was negotiated between us and the underwriters. Factors considered in determining the public offering price of the shares include the history and prospects of the Company, the stage of development of our business, our business plans for the future and the extent to which they have been implemented, an assessment of our management, general conditions of the securities markets at the time of the offering and such other factors as were deemed relevant.

Other

From time to time, certain of the underwriters and/or their affiliates may in the future provide, various investment banking and other financial services for us for which they may receive customary fees. In the course of their businesses, the underwriters and their affiliates may actively trade our securities or loans for their own account or for the accounts of customers, and, accordingly, the underwriters and their affiliates may at any time hold long or short positions in such securities or loans. Except for services provided in connection with this offering and except as set forth below, no underwriter has provided any investment banking or other financial services to us during the 180-day period preceding the date of this prospectus and we do not expect to retain any underwriter to perform any investment banking or other financial services for at least 60 days after the date of this prospectus.

During September 2021, we completed a private placement of 3,000,000 shares of Class A common stock for gross proceeds of $3,000,000. Boustead Securities, LLC acted as placement agent in the private placement and received commissions and non-accountable expenses totaling $305,505.

Price Stabilization, Short Positions and Penalty Bids

In connection with this offering, the underwriters may engage in transactions that stabilize, maintain, or otherwise affect the price of our Class A common stock. Specifically, the underwriters may over-allot in connection with this offering by selling more shares than are set forth on the cover page of this prospectus. This creates a short position in our Class A common stock for its own account. The short position may be either a covered short position or a naked short position. In a covered short position, the number of shares of Class A common stock over-allotted by the underwriters is not greater than the number of shares of Class A common stock that they may purchase in the over-allotment option. In a naked short position, the number of shares of Class A common stock involved is greater than the number of shares of Class A common stock in the over-allotment option. To close out a short position, the underwriters may elect to exercise all or part of the over-allotment option. The underwriters may also elect to stabilize the price of our Class A common stock or reduce any short position by bidding for, and purchasing, Class A common stock in the open market.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter or dealer repays selling concessions allowed to it for distributing shares of Class A common stock in this offering because the underwriter repurchases the shares of Class A common stock in stabilizing or short covering transactions.

Finally, the underwriters may bid for, and purchase, shares of our Class A common stock in market making transactions, including “passive” market making transactions as described below.

These activities may stabilize or maintain the market price of our Class A common stock at a price that is higher than the price that might otherwise exist in the absence of these activities. The underwriters are not required to engage in these activities and may discontinue any of these activities at any time without notice. These transactions may be effected on the national securities exchange on which our shares of Class A common stock are traded, in the over-the-counter market, or otherwise.

Indemnification

We have agreed to indemnify the underwriters against liabilities relating to this offering arising under the Securities Act and the Exchange Act, liabilities arising from breaches of some, or all of the representations and warranties contained in the underwriting agreement, and to contribute to payments that the underwriters may be required to make for these liabilities.

Electronic Distribution

This prospectus in electronic format may be made available on websites or through other online services maintained by one or more of the underwriters, or by their affiliates. Other than this prospectus in electronic format, the information on any underwriter’s website and any information contained in any other website maintained by an underwriter is not part of this prospectus or the registration statement of which this prospectus forms a part, has not been approved and/or endorsed by us or any underwriter in its capacity as underwriter, and should not be relied upon by investors.

Selling Restrictions

No action has been taken in any jurisdiction (except in the United States) that would permit a public offering of our common stock, or the possession, circulation or distribution of this prospectus or any other material relating to us or our Class A common stock in any jurisdiction where action for that purpose is required. Accordingly, our Class A common stock may not be offered or sold, directly or indirectly, and this prospectus or any other offering material or advertisements in connection with our Class A common stock may be distributed or published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of any such country or jurisdiction.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") an offer to the public of any common stock which are the subject of the offering contemplated herein may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any common stock may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- to legal entities which are qualified investors as defined under the Prospectus Directive;
- by the underwriters to fewer than 100, or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives of the underwriters for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of common stock shall result in a requirement for us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any common stock under, the offers contemplated here in this prospectus will be deemed to have represented, warranted, and agreed to and with each underwriter and us that:

- it is a qualified investor as defined under the Prospectus Directive; and
- in the case of any common stock acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the common stock acquired by it in the offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in the circumstances in which the prior consent of the representatives of the underwriters has been given to the offer or resale or (ii) where common stock have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of such common stock to it is not treated under the Prospectus Directive as having been made to such persons.

For the purposes of this representation and the provision above, the expression an "offer of common stock to the public" in relation to any common stock in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any common stock to be offered so as to enable an investor to decide to purchase or subscribe for the common stock, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

United Kingdom

This prospectus has only been communicated or caused to have been communicated and will only be communicated or caused to be communicated as an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act of 2000 (the "FSMA")) as received in connection with the issue or sale of the common stock in circumstances in which Section 21(1) of the FSMA does not apply to us. All applicable provisions of the FSMA will be complied with in respect to anything done in relation to the common stock in, from or otherwise involving the United Kingdom.

Canada

The shares of common stock may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the securities must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts, or NI 33-105, the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

LEGAL MATTERS

The validity of the issuance of the Class A common stock offered by us in this offering will be passed upon for us by Sheppard, Mullin, Richter & Hampton LLP, New York, New York. Schiff Hardin LLP, Washington, DC has acted as counsel for the underwriters in connection with certain legal matters related to this offering.

EXPERTS

The financial statements of Sidus Space, Inc. as of December 31, 2020 and 2019 and for each of the years then ended included in this Registration Statement, of which this prospectus forms a part, have been so included in reliance on the report of BF Borgers CPA PC, an independent registered public accounting firm [(the report on the financial statements contains an explanatory paragraph regarding the Company's ability to continue as a going concern)] appearing elsewhere herein, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the Securities and Exchange Commission a registration statement on Form S-1 under the Securities Act with respect to the Class A common stock offered by this prospectus. This prospectus, which is part of the registration statement, omits certain information, exhibits, schedules and undertakings set forth in the registration statement. For further information pertaining to us and our Class A common stock, reference is made to the registration statement and the exhibits and schedules to the registration statement. Statements contained in this prospectus as to the contents or provisions of any documents referred to in this prospectus are not necessarily complete, and in each instance where a copy of the document has been filed as an exhibit to the registration statement, reference is made to the exhibit for a more complete description of the matters involved.

You may read and copy all or any portion of the registration statement without charge at the public reference room of the Securities and Exchange Commission at 100 F Street, N.E., Washington, D.C. 20549. Copies of the registration statement may be obtained from the Securities and Exchange Commission at prescribed rates from the public reference room of the Securities and Exchange Commission at such address. You may obtain information regarding the operation of the public reference room by calling 1-800-SEC-0330. In addition, registration statements and certain other filings made with the Securities and Exchange Commission electronically are publicly available through the Securities and Exchange Commission's website at *http://www.sec.gov*. The registration statement, including all exhibits and amendments to the registration statement, has been filed electronically with the Securities and Exchange Commission.

Upon completion of this offering, we will become subject to the information and periodic reporting requirements of the Securities Exchange Act of 1934, as amended, and, accordingly, will be required to file annual reports containing financial statements audited by an independent public accounting firm, quarterly reports containing unaudited financial data, current reports, proxy statements and other information with the Securities and Exchange Commission. You will be able to inspect and copy such periodic reports, proxy statements and other information at the Securities and Exchange Commission's public reference room, and the website of the Securities and Exchange Commission referred to above.

INDEX TO AUDITED CONSOLIDATED FINANCIAL STATEMENTS

SIDUS SPACE, INC.

Report of Independent Registered Public Accounting Firm	F-2
Consolidated Balance Sheets at December 31, 2020 and 2019	F-3
Consolidated Statements of Operations for the Years ended December 31, 2020 and 2019	F-4
Consolidated Statements of Stockholder's Deficit for the Years ended December 31, 2020 and 2019	F-5
Consolidated Statements of Cash Flows for the Years ended December 31, 2020 and 2019	F-6
Notes to the Consolidated Financial Statements	F-7

INDEX TO UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

SIDUS SPACE, INC.

Consolidated Balance Sheets at September 30, 2021 and December 31, 2020 (unaudited)	F-15
Consolidated Statements of Operations for the three and nine months ended September 30, 2021 and 2020 (unaudited)	F-16
Consolidated Statements of Stockholder's Deficit for the three and nine months ended September 30, 2021 and 2020 (unaudited)	F-17
Consolidated Statements of Cash Flows for the nine months ended September 30, 2021 and 2020 (unaudited)	F-19
Notes to the Unaudited Consolidated Financial Statements	F-20

Report of Independent Registered Public Accounting Firm

To the shareholders and the board of directors of Sidus Space, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Sidus Space, Inc. (the "Company") as of December 31, 2020 and 2019, the related consolidated statements of operations, stockholders' equity (deficit), and cash flows for the years ended December 31, 2020 and 2019, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years ended December 31, 2020 and 2019, in conformity with accounting principles generally accepted in the United States.

Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company's significant operating losses raise substantial doubt about its ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ BF Borgers CPA PC
BF Borgers CPA PC

Served as Auditor since 2021
Lakewood, CO
September 28, 2021

SIDUS SPACE, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2020	December 31, 2019
Assets		
Current assets		
Cash	$ 20,162	$ 57,325
Accounts receivable, net	166,450	236,761
Accounts receivable - related party, net	175,769	249,168
Inventory	205,942	150,113
Prepaid and other current assets	14,294	2,537
Total current assets	582,617	695,904
Property and equipment, net	952,198	1,319,546
Operating lease right-of-use assets, net	297,555	411,407
Other	12,486	12,486
Total Assets	$ 1,844,856	$ 2,439,343
Liabilities and Stockholder's Deficit		
Current Liabilities		
Accounts payable	$ 260,191	$ 682,079
Accounts payable - related party	-	162,934
Due to shareholder	7,302,422	5,746,491
Notes payable	338,311	63,426
Operating lease liability	121,613	116,318
Finance lease liability	73,184	252,495
Total Current Liabilities	8,095,721	7,023,743
Notes payable - non-current	-	16,266
Operating lease liability - non-current	185,210	306,823
Finance lease liability - non-current	149,385	135,065
Total Liabilities	8,430,316	7,481,897
Stockholder's Deficit		
Preferred Stock: 1,000,000 shares authorized; $0.0001 par value; no shares issued and outstanding	-	-
Common Stock: 35,000,000 shares authorized; $0.0001 par value; 85,000 shares issued and outstanding	9	9
Additional paid-in capital	5,084,271	5,084,271
Accumulated deficit	(11,669,740)	(10,126,834)
Total Stockholder's Deficit	(6,585,460)	(5,042,554)
Total Liabilities and Stockholder's Deficit	$ 1,844,856	$ 2,439,343

The accompanying notes are an integral part of theseConsolidated financial statements

SIDUS SPACE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	Years Ended December 31,	
	2020	**2019**
Revenue	$ 1,631,413	$ 2,684,148
Revenue - related party	175,769	114,121
Cost of revenue	1,786,410	3,009,529
Gross profit (loss)	20,772	(211,260)
Operating expenses		
General and administrative	1,553,909	1,694,138
Total operating expenses	1,553,909	1,694,138
Net loss from operations	(1,533,137)	(1,905,398)
Other income (expense)		
Other income	10,000	12,935
Other expense	(1,500)	-
Interest expense	(18,269)	(36,248)
Total other expense	(9,769)	(23,313)
Loss before income taxes	(1,542,906)	(1,928,711)
Provision for income taxes	-	-
Net loss	**$ (1,542,906)**	**$ (1,928,711)**
Basic and diluted loss per Common Share	$ (18.15)	$ (22.69)
Basic and diluted weighted average number of common shares outstanding	85,000	85,000

The accompanying notes are an integral part of theseConsolidated financial statements

SIDUS SPACE, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDER'S DEFICIT

	Common Stock		Additional Paid-In	Accumulated	
	Shares	Amount	Capital	Deficit	Total
Balance - December 31, 2018	85,000	$ 9	$ 5,084,271	$ (8,198,123)	$ (3,113,843)
Net loss	-	-	-	(1,928,711)	(1,928,711)
Balance - December 31, 2019	85,000	$ 9	$ 5,084,271	$ (10,126,834)	$ (5,042,554)
Net loss	-	-	-	(1,542,906)	(1,542,906)
Balance - December 31, 2020	85,000	$ 9	$ 5,084,271	$ (11,669,740)	$ (6,585,460)

The accompanying notes are an integral part of theseConsolidated financial statements.

SIDUS SPACE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31,	
	2020	**2019**
Cash Flows From Operating Activities:		
Net loss	$ (1,542,906)	$ (1,928,711)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	466,836	466,805
Bad debt	-	5,826
Lease liability amortization	(2,466)	1,389
Changes in operating assets and liabilities:		
Accounts receivable	143,710	(145,336)
Inventory	(55,829)	13,475
Prepaid expenses and other assets	(11,757)	16,445
Accounts payable and accrued liabilities	(584,822)	374,322
Net Cash used in Operating Activities	(1,587,234)	(1,195,785)
Cash Flows From Investing Activities:		
Purchase of property and equipment	(4,508)	(5,450)
Net Cash used in Investing Activities	(4,508)	(5,450)
Cash Flows From Financing Activities:		
Due to shareholder	1,555,931	1,587,878
Proceeds from notes payable	322,045	-
Repayment of notes payable	(63,426)	(60,883)
Payment of lease liabilities	(259,971)	(274,185)
Net Cash provided by Financing Activities	1,554,579	1,252,810
Net change in cash	(37,163)	51,575
Cash, beginning of period	57,325	5,750
Cash, end of period	$ 20,162	$ 57,325
Supplemental cash flow information		
Cash paid for interest	$ 15,854	$ 36,248
Cash paid for taxes	$ -	$ -
Non-cash Investing and Financing transactions:		
Finance lease asset	$ 94,980	$ -

The accompanying notes are an integral part of theseConsolidated financial statements.

SIDUS SPACE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

Note 1. Organization and Description of Business

Organization

Sidus Space Inc. ("Sidus", "we", "us" or the "Company"), was formed as Craig Technologies Aerospace Solutions, LLC, in the state of Florida, on July 17, 2012. On April 16, 2021, the Company filed a Certificate of Conversion to register and incorporate with the state of Delaware and on August 13, 2021 changed the company name to Sidus Space, Inc.

The company is a Space-as-a-Service company focused on commercial satellite design, manufacture, launch, and data collection with a vision to enable space flight heritage status for new technologies and deliver data and predictive analytics to both domestic and global customers. We have nine (9) years of commercial, military and government manufacturing experience combined with space qualification experience, existing customers and pipeline, and International Space Station (ISS) heritage hardware. We support Commercial Space, Aerospace, Defense, Underwater Marine and other commercial and government customers. Our services include Multidisciplinary Design Engineering, Precision CNC Machining and Fabrication, Swiss Screw Machining, American Welding Society (AWS) Certified Welding and Fabrication, Electrical and Electronic Assemblies, Wire Cable harness Fabrication, 3D Composite and Metal Printing, Satellite Manufacturing, Satellite Payload Integration and Operations Support, Satellite Deployment and Microgravity testing and Research. We are building an all-inclusive space-as-a-service platform for the global space economy. Carol Craig, the founder and CEO of Sidus, has also built her namesake firm Craig Technologies into a multi-million dollar revenues aerospace and defense contracting company recognized throughout the U.S. government and commercial space industries, backed with proven experience in catalyzing the design, development, and commercialization of new and innovative space technologies and services through aerospace and defense partnerships and collaborations. We are developing and plan to launch 100 kg (220-pound) satellites with available space to rapidly integrate customer sensors and technologies. By developing a plug-and-play operating system for space, we believe we can deliver customer sensors to orbit in months, rather than years. In addition, we intend on delivering high-impact data for insights on aviation, maritime, weather, space services, earth intelligence and observation, financial technology (Fintech) and the Internet of Things.

Note 2. Summary of Signification Accounting Policies

Basis of Presentation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") and are presented in US dollars. The Company uses the accrual basis of accounting and has adopted a December 31 fiscal year end.

Principles of Consolidation

The consolidated financial statements include the variable interest entity ("VIE"), Aurea Alas Limited ("Aurea"), of which we are the primary beneficiary. Aurea is a Limited company organized in the Isle of Man, which entered into a license agreement with a third party vendor, whereby they licensed the rights to use certain available radio frequency spectrum for satellite communications. All intercompany transactions and balances have been eliminated on consolidation.

For entities determined to be VIEs, an evaluation is required to determine whether the Company is the primary beneficiary. The Company evaluates its economic interests in the entity specifically determining if the Company has both the power to direct the activities of the VIE that most significantly impact the VIE's economic performance ("the power") and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE ("the benefits"). When making the determination on whether the benefits received from an entity are significant, the Company considers the total economics of the entity, and analyzes whether the Company's share of the economics is significant. The Company utilizes qualitative factors, and, where applicable, quantitative factors, while performing the analysis.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Some of these judgments can be subjective and complex, and, consequently, actual results may differ from these estimates.

Cash and Cash Equivalents

For purposes of balance sheet presentation and reporting of cash flows, the Company considers all unrestricted demand deposits, money market funds and highly liquid debt instruments with an original maturity of less than 90 days to be cash and cash equivalents. The Company had no cash equivalents at December 31, 2020 and 2019.

Accounts Receivable

Accounts receivable are recorded in accordance with ASC 310, "Receivables." Accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in its existing accounts receivable. The Company does not currently have any amount recorded as an allowance for doubtful accounts. Based on management's estimate and based on all accounts being current, the Company has not deemed it necessary to reserve for doubtful accounts at this time.

During the year ended December 31, 2020 and 2019, the Company recorded bad debt of $0 and $5,826, respectively.

Inventory

Inventory consists of work in progress and consists of estimated revenue calculated on a percentage of completion based on direct labor and materials in relation to the total contract value. The Company does not maintain raw materials nor finished goods.

Property and Equipment

Property and equipment, consisting mostly of plant and machinery, motor vehicles and computer equipment, is recorded at cost reduced by accumulated depreciation and impairment, if any. Depreciation expense is recognized over the assets' estimated useful lives of three - ten years using the straight-line method. Major additions and improvements are capitalized as additions to the property and equipment accounts, while replacements, maintenance and repairs that do not improve or extend the life of the respective assets, are expensed as incurred. Estimated useful lives are periodically reviewed and, when appropriate, changes are made prospectively. When certain events or changes in operating conditions occur, asset lives may be adjusted and an impairment assessment may be performed on the recoverability of the carrying amounts.

Long-Lived Assets

Long-lived assets are evaluated for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable or that the useful lives of these assets are no longer appropriate. Each impairment test is based on a comparison of the undiscounted future cash flows to the recorded value of the asset. If impairment is indicated, the asset is written down to its estimated fair value.

Fair Value Measurements

The Company uses a three-tier fair value hierarchy to classify and disclose all assets and liabilities measured at fair value on a recurring basis, as well as assets and liabilities measured at fair value on a non-recurring basis, in periods subsequent to their initial measurement. The hierarchy requires the Company to use observable inputs when available, and to minimize the use of unobservable inputs, when determining fair value. The three tiers are defined as follows:

- Level 1—Observable inputs that reflect quoted market prices (unadjusted) for identical assets or liabilities in active markets;
- Level 2—Observable inputs other than quoted prices in active markets that are observable either directly or indirectly in the marketplace for identical or similar assets and liabilities; and
- Level 3—Unobservable inputs that are supported by little or no market data, which require the Company to develop its own assumptions.

The Company's financial instruments, including cash, accounts receivable, prepaid expense and other current assets, accounts payable and accrued liabilities, and loans payable, are carried at historical cost. At December 31, 2020 and 2019, the carrying amounts of these instruments approximated their fair values because of the short-term nature of these instruments.

Revenue Recognition

Revenues from fixed price contracts that are still in progress at month end are recognized on the percentage-of-completion method, measured by the percentage of total costs incurred to date to the estimated total costs for each contract. This method is used because management considers total costs to be the best available measure of progress on these contracts. Revenue from fixed price contracts and time-and-materials contracts that are completed in the month the work was started are recognized when the work is shipped.

Revenue related to contracts with customers is evaluated utilizing the following steps: (i) Identify the contract, or contracts, with a customer; (ii) Identify the performance obligations in the contract; (iii) Determine the transaction price; (iv) Allocate the transaction price to the performance obligations in the contract; (v) Recognize revenue when the Company satisfies a performance obligation.

Cost of revenue

Costs are recognized when incurred. Cost of revenue consists of direct labor, subcontract, materials, depreciation on machinery and equipment, and other direct costs.

Net Income (Loss) Per Share of Common Stock

The Company has adopted ASC Topic 260, *"Earnings per Share"* which requires presentation of basic earnings per share on the face of the statements of operations for all entities with complex capital structures and requires a reconciliation of the numerator and denominator of the basic earnings per share computation. In the accompanying financial statements, basic loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per share is computed by dividing net income by the weighted average number of shares of common stock and potentially dilutive outstanding shares of common stock during the period to reflect the potential dilution that could occur from common stock issuable through contingent share arrangements, stock options and warrants unless the result would be antidilutive. There were no potentially dilutive shares of common stock outstanding for the years ended December 31, 2020 and 2019, respectively.

Leases

We determine if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets, operating lease liabilities - current, and operating lease liabilities - noncurrent on the balance sheets. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities in our balance sheets.

ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of our leases do not provide an implicit rate, we generally use our incremental borrowing rate based on the estimated rate of interest for collateralized borrowing over a similar term of the lease payments at commencement date. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Leases with a lease term of 12 months or less at inception are not recorded on our balance sheet and are expensed on a straight-line basis over the lease term in our statement of operations.

Income Taxes

No provision for federal income taxes for the years ended December 31, 2020 and 2019, respectively, is necessary in the financial statements of the partnership for tax purposes and therefore it is not subject to federal income tax and the tax effect of its activities accrues to the members. In certain circumstances, partnerships may be held to be associations taxable as corporations. The IRS has issued regulations specifying circumstances under current law when such a finding may be made, and management, based on those regulations that the partnership is not an association taxable as a corporation. A finding that the partnership is an association taxable as a corporation could have a material adverse effect on the financial position and results of operations of the partnership.

Related Parties

The Company follows ASC 850, *"Related Party Disclosures,"* for the identification of related parties and disclosure of related party transactions and balances.

Recent Accounting Pronouncements

In December 2019, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update No. 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes (ASU 2019-12), which simplifies the accounting for income taxes. This guidance will be effective for entities for the fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020 on a prospective basis, with early adoption permitted. We will adopt the new standard effective January 1, 2021 and do not expect the adoption of this guidance to have a material impact on our financial statements.

The Company has considered all other recently issued accounting pronouncements and does not believe the adoption of such pronouncements will have a material impact on its financial statements.

Note 3. Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the liquidation of liabilities in the normal course of business. The Company had minimal cash as of December 31, 2020, had limited gross profit and incurred a loss from operations for the year ended December 31, 2020. These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The Company proposes to fund operations through sales of its products and equity financing arrangements. However, because of the lack of sales and the absence of any active trading market for its common stock, its financial condition and its lack of an operating history, the Company may not be able to raise funds for capital expenditures, working capital and other cash requirements and will have to rely on advances from a minority stockholder and our officer. If the Company cannot generate revenue from its products, it may not be able to continue in its business.

Note 4. Variable Interest Entity

The consolidated financial statements include Aurea Alas Limited, which is a variable interest entity of which we are the primary beneficiary, and on August 26, 2020, the Company entered into a licensing agreement with Aurea. Aurea is a Limited company organized in the Isle of Man, which entered into a license agreement with a third party vendor, whereby they licensed the rights to use certain available radio frequency spectrum for satellite communications. The Company is responsible for 100% of the operations of Aurea and derives 100% of the net profits or losses derived from the business operations. The assets, liabilities and the operations of Aurea from the date of inception (July 20, 2020), were included in the Company's consolidated financial statements.

Through a declaration of trust, 100% of the voting rights of Aurea's shareholders have been transferred to the Company so that the Company has effective control over Aurea and has the power to direct the activities of Aurea that most significantly impact its economic performance. There are no restrictions on the consolidated VIE's assets and on the settlement of its liabilities and all carrying amounts of VIE's assets and liabilities are consolidated with the Company's financial statements.

If facts and circumstances change such that the conclusion to consolidate the VIE has changed, the Company shall disclose the primary factors that caused the change and the effect on the Company's financial statements in the periods when the change occurs.

As of December 31, 2020, Aurea's assets and liabilities are as follows:

	December 31, 2020
Assets	
Cash	$ 6,348
Prepaid and other current assets	4,593
	$ 10,941
Liabilities	
Accounts payable and other current liabilities	$ 6,559

For the period from inception (July 20, 2021) through December 31, 2020, Aurea's net loss was $9,726.

Note 5. Property and Equipment

At December 31, 2020 and 2019, property and equipment consisted of the following:

	December 31, 2020	December 31, 2019
Office equipment	$ 17,061	$ 17,061
Vehicle	28,143	28,143
Software	80,362	109,800
Machinery	3,254,994	3,155,507
Leasehold improvements	184,890	184,890
	3,565,450	3,495,401

Accumulated depreciation	(2,613,252)	(2,175,855)
Property and equipment, net of accumulated depreciation	$ 952,198	$ 1,319,546

Depreciation expense of property and equipment for the years ended December 31, 2020 and 2019 is $466,836 and $466,805, respectively.

During the years ended December 31, 2020 and 2019, the Company purchased assets of $4,508 and $5,450, respectively.

Note 6. Accounts payable and other current liabilities

At December 31, 2020 and 2019, Accounts payable and other current liabilities consisted of the following:

	December 31, 2020	December 31, 2019
Accounts payable	$ 63,044	$ 405,158
Payroll liabilities	110,710	145,856
Credit cards	82,387	129,761
Other payable	1,635	25,942
Accrued interest	2,415	-
	$ 260,191	$ 682,079

Note 7. Leases

Operating lease

We have a noncancelable operating lease entered into in November 2016 for our office facility that expires in July 2021. The operating lease has renewal options to May 2023. We had operating lease entered into in 2018 for our storage that expired in December 2019. We had also noncancelable operating leases entered in 2018 for a storage and real property that expired in December 2019.

We recognized total lease expense of approximately $138,474 and $229,302 for the years ended December 31, 2020 and 2019, respectively, primarily related to operating lease costs paid to lessors from operating cash flows. As of December 31, 2020 and 2019, the Company recorded security deposit of $10,000.

Future minimum lease payments under operating leases that have initial noncancelable lease terms in excess of one year at December 31, 2020 were as follows:

	Total
Year Ended December 31,	
2021	$ 132,339
2022	134,268
2023	56,520
Thereafter	-
	323,127
Less: Imputed interest	(16,304)
Operating lease liabilities	306,823
Operating lease liability - current	121,613
Operating lease liability - non-current	$ 185,210

The following summarizes other supplemental information about the Company's operating lease as of December 31, 2020:

Weighted average discount rate	4.46%
Weighted average remaining lease term (years)	2.41

Finance lease

The Company leases machinery and office equipment under non-cancellable finance lease arrangements. The term of those capital leases is at the range from 59 months to 83 months and annual interest rate is at the range from 4% to 6%.

At December 31, 2020, future minimum lease payments under the finance lease obligations, are as follows:

	Total
2021	$ 81,661
2022	58,019
2023	50,682
2024	15,732
2025	15,732
Thereafter	22,286
	244,112
Less: Imputed interest	(21,543)
Finance lease liabilities	222,569
Finance lease liability	73,184
Finance lease liability - non-current	$ 149,385

As of December 31, 2020 and 2019, finance lease assets are included in property and equipment as follows:

	December 31, 2020	December 31, 2019
Machinery	$ 888,783	$ 1,734,772
Accumulated depreciation	(544,860)	(814,844)
Finance lease assets, net of accumulated depreciation	$ 343,923	$ 919,928

During the years ended December 31, 2020 and 2019, the Company recoded depreciation of finance lease assets of $166,676 and $252,857 and interest expense of finance lease of $13,770 and $25,070, respectively.

Note 8. Notes Payable

PPP Loan

On April 14, 2020, the Company borrowed a loan in the amount of $322,045 pursuant to the Paycheck Protection Program (the "PPP Loan") under the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"). The PPP Loan has a two-year term and bears interest at a rate of 1.0% per annum. Monthly principal and interest payments are deferred for six months after the date of disbursement. The PPP Loan may be prepaid at any time prior to maturity with no prepayment penalties. The PPP Loan contains events of default and other provisions customary for a loan of this type. The PPP Loan may be forgiven if used under program parameters for payroll, mortgage interest, and rent expenses. During the year ended December 31, 2020, the Company recorded interest expense of $2,415.

In February 2021, the U.S. Small Business Administration has remitted to the Lender the principal and interest for forgiveness of the Borrower's PPP Loan.

Loan payable

The Company borrowed $297,250 to purchase machinery in May 2016 and repaid $63,426 and $60,883 for the years ended December 31, 2020 and 2019, respectively. The maturity date of this loan is in March 2021 and annual interest rate is 4.098%.

At December 31, 2020 and 2019, the Company had loan payable current of $16,266 and $63,426 and loan payable non-current of $0 and $16,266, respectively.

Note 9. Related Party Transactions

Revenue and Accounts receivable

The Company recognized revenue of $175,769 and $114,122 for the years ended December 31, 2020 and 2019 and accounts receivable of $175,769 and $249,168 as of December 31, 2020 and 2019, respectively, from contracts entered into by Craig Technical Consulting, Inc, its majority shareholder, and subcontracted to the Company for four customers.

Due to shareholder

As of December 31, 2020 and 2019, the Company owed $7,302,422 and $5,746,491 to Craig Technical Consulting, Inc.. The loan is unsecured, due on demand and non-bearing-interest.

Note 10. Commitments and Contingencies

Covid-19

A novel strain of coronavirus (COVID-19) was first identified in December 2019, and subsequently declared a global pandemic by the World Health Organization on March 11, 2020. As a result of the outbreak, many companies have experienced disruptions in their operations and in markets served. The Company has instituted some and may take additional temporary precautionary measures intended to help ensure the well-being of its employees and minimize business disruption. The Company considered the impact of COVID-19 on the assumptions and estimates used and determined that there were no material adverse impacts on the Company's results of operations and financial position at December 31, 2020. The full extent of the future impacts of COVID-19 on the Company's operations is uncertain. A prolonged outbreak could have a material adverse impact on financial results and business operations of the Company, including the timing and ability of the Company to collect accounts receivable and the ability of the Company to continue to provide high quality services to its clients.

Litigation

The Company is currently involved in various civil litigation in the normal course of business none of which is considered material.

License Agreement

The consolidated financial statements include Aurea Alas Limited, which is a variable interest entity of which we are the primary beneficiary. On August 18, 2020, Aurea entered into a license agreement with a third-party vendor (the "Vendor"), whereby they licensed the rights to use certain available radio frequency spectrum for satellite communications. The Company shall pay an annual Reservation Fee of $120,000 while the Company pursues up to four (4) NGSO satellite filing(s) via the Vendor. The Reservation Fee is levied on the date the filing(s) is received at the International Telecommunication Union (ITU). The Reservation Fee is payable annually at the anniversary of the date of receipt, as long as the customer retains the NGSO filing(s). The Reservation Fee payment continues to be payable until any of the frequency assignments of the NGSO filing(s) are brought into use. Upon the submission to the ITU to bring into use any of the frequency assignments of a given constellation, an annual License Fee of $120,000 shall be paid in lieu of the Reservation Fee. On February 1, 2021, the Vendor submitted the license filing to the ITU and on April 6, 2021, the ITU published the license filing for LIZZIE IOMSAT. Payments began in February 2021.

Note 11. Stockholder's Equity

Authorized Capital Stock

Common Stock

On December 31, 2020, Mark Mikolajczyk assigned all his rights, title and 10% membership interest in the Company to Craig Technical Consulting, Inc.

In April 2021, as part of the share conversion, the Company converted the 100% membership interest of Craig Technical Consulting, Inc. into 85,000 shares of Common Stock, par value $0.0001, of the Company. The Company has reflected this conversion for all periods presented.

The Company had 85,000 shares of common stock issued and outstanding as of December 31, 2020 and 2019, respectively.

Note 12. Subsequent Events

Management evaluated all additional events subsequent to the balance sheet date through September 28, 2021, the date the financial statements were available to be issued, and determined the following items:

On February 13, 2021, the Company borrowed a loan in the amount of $307,610 pursuant to the Paycheck Protection Program (the "PPP Loan") under the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"). The PPP Loan has a two-year term and bears interest at a rate of 1.0% per annum. Monthly principal and interest payments are deferred for six months after the date of disbursement. The PPP Loan may be prepaid at any time prior to maturity with no prepayment penalties. The PPP Loan contains events of default and other provisions customary for a loan of this type. The PPP Loan may be forgiven if used under program parameters for payroll, mortgage interest, and rent expenses.

On May 1, 2021, Craig Technical Consulting, Inc, our majority shareholder, forgave $3,392,294 in principal amount owed to it by the Company. The forgiven debt was accounted for as contributed capital.

On May 1, 2021, the Company converted $4 million in intercompany accounts receivable owed to Craig Technical Consulting, Inc., our majority shareholder, into a related party Note Payable. The principal balance of this Note outstanding (together with any accrued, but unpaid interest thereon) shall bear interest at a per annum interest rate equal to the long term Applicable Federal Rate (as such term is defined in Section 1274(d) of the Internal Revenue Code of 1986, as amended), and matures on September 30, 2025, and shall be repaid in the amount of $250,000 every quarter for four (4) years beginning on Oct 1, 2021.

On May 21, 2021, the Company entered into a Lease Agreement to rent office space in Cape Canaveral, FL. The Initial Term of the Lease commenced on June 1, 2021, and ends on May 31, 2024. The Company may terminate the lease on May 31, 2022 and May 31, 2023. Base rent for shall be $12,626 per year including all applicable taxes. The Landlord shall have the right to increase the Base Rent by 2.5% each year from the amount currently being charged beginning June 1, 2022.

On August 1, 2021, the Company entered into a Sublease Agreement with its related party Majority Shareholder ("Sublandlord") , whereby the Company shall sublease certain offices, rooms and shared use of common spaces located at 150 Sykes Creek Parkway, Merritt Island, FL. The Lease is a month-to-month lease, and may be terminated with 30 day's notice to the Sublandlord. The monthly rent shall be $4,570 from inception through January 31, 2022, $4,707 from February 1, 2022 to January 31, 2023 and $4,847 from February 1, 2023 to January 31, 2024.

On August 16, 2021, the Company filed an Amended and Restated Certificate of Incorporation with the state of Delaware to authorize the Company to issue 21,000,000 shares, consisting of 10,000,000 shares of Class A Common Stock, $0,0001 par value per share ("Class A Common"), 10,000,000 shares of Class B Common stock, $0.0001 par value per share ("Class B Common"), and 1,000,000 shares of preferred stock, $0.0001 par value (the "Preferred Stock"). On August 16, 2021, all 85,000 shares of the previously issued and outstanding Common Stock, par value $0.0001 were exchanged for 10,000,000 shares of Class B Common Stock, par value $0.0001.

On August 31, 2021, the Company filed an amendment to its Amended and Restated Certificate of Incorporation with the State of Delaware to authorize the Company to issue 36,000,000 shares, consisting of 25,000,000 shares of Class A Common Stock, 10,000,000 shares of Class B Common Stock and 1,000,000 shares of Preferred Stock. The Class B Common Stock is entitled to 10 votes for every 1 vote of the Class A Common Stock.

On August 31, 2021, the Company sold 1,009,500 Class A shares of Common stock for $1.00 per share for aggregate proceeds of $868,665, net of fees and expenses.

On September 3, 2021, the Company sold 1,000,000 Class A shares of Common stock for $1.00 per share for aggregate proceeds of $904,810, net of fees and expenses.

On September 15, 2021, the Company sold 990,500 Class A shares of Common stock for $1.00 per share for aggregate proceeds of $920,860, net of fees and expenses.

On September 22, 2021, the Board of Directors approved an issuance of 200,000 shares of restricted Class A Common Stock to 2 employees. The shares vested immediately upon the grant date.

SIDUS SPACE, INC.
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	September 30, 2021	December 31, 2020
Assets		
Current assets		
Cash	$ 2,234,312	$ 20,162
Accounts receivable, net	154,683	166,450
Accounts receivable - related party, net	-	175,769
Inventory	56,735	205,942
Prepaid and other current assets	41,424	14,294
Total current assets	2,487,154	582,617
Property and equipment, net	687,835	952,198
Operating lease right-of-use assets, net	566,636	297,555
Other	12,486	12,486
Total Assets	$ 3,754,111	$ 1,844,856
Liabilities and Stockholder's Deficit		
Current Liabilities		
Accounts payable and other current liabilities	$ 418,270	$ 260,191
Accounts payable - related party	394,924	-
Deferred revenue – related party	62,712	-
Due to shareholder	-	7,302,422
Notes payable	-	338,311
Notes payable - related party	750,000	-
Operating lease liability	256,900	121,613
Finance lease liability	50,344	73,184
Total Current Liabilities	1,933,150	8,095,721
Notes payable - related party - non-current	3,000,000	-
Operating lease liability - non-current	329,395	185,210
Finance lease liability - non-current	110,045	149,385
Total Liabilities	5,372,590	8,430,316
Stockholder's Deficit		
Preferred Stock: 1,000,000 shares authorized; $0.0001 par value; no shares issued and outstanding	-	-
Common stock: 36,000,000 authorized; $0.0001 par value		
Common stock: 0 and 85,000 shares issued and outstanding	-	9
Class A common stock: 25,000,000 shares authorized; 3,200,000 and 0 shares issued and outstanding	320	-
Class B common stock: 10,000,000 shares authorized; 10,000,000 and 0 shares issued and outstanding	1,000	-
Additional paid-in capital	11,369,589	5,084,271
Accumulated deficit	(12,989,388)	(11,669,740)
Total Stockholder's Deficit	(1,618,479)	(6,585,460)
Total Liabilities and Stockholder's Deficit	$ 3,754,111	$ 1,844,856

The accompanying notes are an integral part of these Unaudited Consolidated financial statements

SIDUS SPACE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	**2020**	**2021**	**2020**
Revenue	$ 123,182	$ 353,201	$ 412,823	$ 1,379,644
Revenue - related party	376,669	55,216	472,482	159,031
Cost of revenue	480,997	374,603	1,057,137	1,479,676
Gross profit (loss)	18,854	33,814	(171,832)	58,999
Operating expenses				
General and administrative	918,199	413,936	1,721,683	1,228,664
Total operating expenses	918,199	413,936	1,721,683	1,228,664
Net loss from operations	(899,345)	(380,122)	(1,893,515)	(1,169,665)
Other income (expense)				
Other expense	-	(318)	(504)	(934)
Interest expense	(32,766)	(1,238)	(59,459)	(7,732)
Gain on forgiveness of PPP loan	309,370	-	633,830	-
Total other income (expense)	276,604	(1,556)	573,867	(8,666)
Loss before income taxes	(622,741)	(381,678)	(1,319,648)	(1,178,331)
Provision for income taxes	-	-	-	-
Net loss	**$ (622,741)**	**$ (381,678)**	**$ (1,319,648)**	**$ (1,178,331)**
Basic and diluted loss per Common Share	$ -	$ (4.49)	$ -	$ (13.86)
Basic and diluted loss per Common A Share	$ (0.74)	$ -	$ (4.68)	$ -
Basic and diluted loss per Common B Share	$ (0.12)	$ -	$ (0.78)	$ -
Basic and diluted weighted average number of common shares outstanding	-	85,000	-	85,000
Basic and diluted weighted average number of common A shares outstanding	836,332	-	281,841	-
Basic and diluted weighted average number of common B shares outstanding	5,000,000	-	1,684,982	-

The accompanying notes are an integral part of these Unaudited Consolidated financial statements

SIDUS SPACE, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDER'S DEFICIT
(UNAUDITED)

For the Three and Nine Months Ended September 30, 2021

	Class A Common Stock		Class B Common Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Shares	Amount			
Balance - December 31, 2020	-	$ -	-	$ -	85,000	$ 9	$ 5,084,271	$ (11,669,740)	$(6,585,460)
Class B common stock issued in exchange with common stock	-	-	10,000,000	1,000	(85,000)	(9)	(991)	-	-
Class A common stock issued for cash	3,000,000	300	-	-	-	-	2,694,035	-	2,694,335
Class A common stock issued for service	200,000	20	-	-	-	-	199,980	-	200,000
Debt forgiveness related party	-	-	-	-	-	-	3,392,294	-	3,392,294
Net loss	-	-	-	-	-	-	-	(1,319,648)	(1,319,648)
Balance - September 30, 2021	3,200,000	$ 320	10,000,000	$ 1,000	-	$ -	$11,369,589	$ (12,989,388)	$(1,618,479)
Balance - June 30, 2021	-	$ -	-	$ -	85,000	$ 9	$ 8,476,565	$ (12,366,647)	$(3,890,073)
Class B common stock issued in exchange with common stock	-	-	10,000,000	1,000	(85,000)	(9)	(991)	-	-
Class A common stock issued for cash	3,000,000	300	-	-	-	-	2,694,035	-	2,694,335
Class A common stock issued for services	200,000	20	-	-	-	-	199,980		200,000
Net loss	-	-	-	-	-	-	-	(622,741)	(622,741)
Balance - September 30, 2021	3,200,000	$ 320	10,000,000	$ 1,000	-	$ -	$11,369,589	$ (12,989,388)	$(1,618,479)

The accompanying notes are an integral part of these Unaudited Consolidated financial statements

SIDUS SPACE, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDER'S DEFICIT
(UNAUDITED)

For the Three and Nine Months Ended September 30, 2020

	Common Stock		Additional Paid-In	Accumulated	
	Shares	Amount	Capital	Deficit	Total
Balance - December 31, 2019	85,000	$ 9	$ 5,084,271	$ (10,126,834)	$ (5,042,554)
Net loss	-	-	-	(1,178,331)	(1,178,331)
Balance - September 30, 2020	85,000	$ 9	$ 5,084,271	$ (11,305,165)	$ (6,220,885)
Balance - June 30, 2020	85,000	$ 9	$ 5,084,271	$ (10,923,487)	$ (5,839,207)
Net loss	-	-	-	(381,678)	(381,678)
Balance - September 30, 2020	85,000	$ 9	$ 5,084,271	$ (11,305,165)	$ (6,220,885)

The accompanying notes are an integral part of these Unaudited Consolidated financial statements

SIDUS SPACE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Nine Months Ended September 30,	
	2021	**2020**
Cash Flows From Operating Activities:		
Net loss	$ (1,319,648)	$ (1,178,331)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock based compensation	200,000	-
Depreciation and amortization	294,629	363,845
Bad debt	618	-
Lease liability amortization	10,391	(1,849)
Gain on forgiveness of PPP loan	(633,830)	-
Changes in operating assets and liabilities:		
Accounts receivable	186,918	177,417
Inventory	149,207	(122,644)
Prepaid expenses and other assets	(27,130)	(257,418)
Accounts payable and accrued liabilities	557,178	(544,719)
Deferred revenue – related party	62,712	-
Net Cash used in Operating Activities	(518,955)	(1,563,699)
Cash Flows From Investing Activities:		
Purchase of property and equipment	(30,266)	(4,508)
Net Cash used in Investing Activities	(30,266)	(4,508)
Cash Flows From Financing Activities:		
Proceeds from issuance from common stock	2,694,335	-
Due to shareholder	89,872	1,465,560
Proceeds from notes payable	307,610	322,045
Repayment of notes payable	(16,266)	(47,325)
Payment of lease liabilities	(62,180)	(168,435)
Repayment of notes payable - related party	(250,000)	-
Net Cash provided by Financing Activities	2,763,371	1,571,845
Net change in cash	2,214,150	3,638
Cash, beginning of period	20,162	57,325
Cash, end of period	$ 2,234,312	$ 60,963
Supplemental cash flow information		
Cash paid for interest	$ 6,713	$ 11,891
Cash paid for taxes	$ -	$ -
Non-cash Investing and Financing transactions:		
Debt forgiveness	$ 3,392,294	$ -
Note payable - related party issued exchange with due to shareholder	$ 4,000,000	$ -
Class B common stock issued in exchange with common stock	$ 1,000	$ -

The accompanying notes are an integral part of these Unaudited Consolidated financial statements

SIDUS SPACE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2021
(UNAUDITED)

Note 1. Organization and Description of Business

Organization

Sidus Space Inc. ("Sidus", "we", "us" or the "Company"), was formed as Craig Technologies Aerospace Solutions, LLC, in the state of Florida, on July 17, 2012. On April 16, 2021, the Company filed a Certificate of Conversion to register and incorporate with the state of Delaware and on August 13, 2021 changed the company name to Sidus Space, Inc.

On August 16, 2021, the Company filed an Amended and Restated Certificate of Incorporation with the state of Delaware to authorize the Company to issue 21,000,000 shares, consisting of 10,000,000 shares of Class A Common Stock, $0,0001 par value per share ("Class A Common"), 10,000,000 shares of Class B Common stock, $0.0001 par value per share ("Class B Common"), and 1,000,000 shares of preferred stock, $0.0001 par value (the "Preferred Stock"). On August 16, 2021, all 85,000 shares of the previously issued and outstanding Common Stock, par value $0.0001 were exchanged for 10,000,000 shares of Class B Common Stock, par value $0.0001.

On August 31, 2021, the Company filed an amendment to its Amended and Restated Certificate of Incorporation with the State of Delaware to authorize the Company to issue 36,000,000 shares, consisting of 25,000,000 shares of Class A Common Stock, 10,000,000 shares of Class B Common Stock and 1,000,000 shares of Preferred Stock. The Class B Common Stock is entitled to 10 votes for every 1 vote of the Class A Common Stock.

Description of Business

The company is a Space-as-a-Service company focused on commercial satellite design, manufacture, launch, and data collection with a vision to enable space flight heritage status for new technologies and deliver data and predictive analytics to both domestic and global customers. We have nine (9) years of commercial, military and government manufacturing experience combined with space qualification experience, existing customers and pipeline, and International Space Station (ISS) heritage hardware. We support Commercial Space, Aerospace, Defense, Underwater Marine and other commercial and government customers. Our services include Multidisciplinary Design Engineering, Precision CNC Machining and Fabrication, Swiss Screw Machining, American Welding Society (AWS) Certified Welding and Fabrication, Electrical and Electronic Assemblies, Wire Cable harness Fabrication, 3D Composite and Metal Printing, Satellite Manufacturing, Satellite Payload Integration and Operations Support, Satellite Deployment and Microgravity testing and Research. We are building an all-inclusive space-as-a-service platform for the global space economy. Carol Craig, the founder and CEO of Sidus, has also built her namesake firm Craig Technologies into a multi-million dollar revenues aerospace and defense contracting company recognized throughout the U.S. government and commercial space industries, backed with proven experience in catalyzing the design, development, and commercialization of new and innovative space technologies and services through aerospace and defense partnerships and collaborations. We are developing and plan to launch 100 kg (220-pound) satellites with available space to rapidly integrate customer sensors and technologies. By developing a plug-and-play operating system for space, we believe we can deliver customer sensors to orbit in months, rather than years. In addition, we intend on delivering high-impact data for insights on aviation, maritime, weather, space services, earth intelligence and observation, financial technology (Fintech) and the Internet of Things.

Note 2. Summary of Signification Accounting Policies

Basis of Presentation

The Company prepares its financial statements in accordance with rules and regulations of the Securities and Exchange Commission ("SEC") and in accordance with generally accepted accounting principles in the United States of America ("GAAP"). The accompanying interim financial statements have been prepared in accordance with GAAP for interim financial information in accordance with Article 8 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the Company's opinion, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the nine months ended September 30, 2021 are not necessarily indicative of the results for the full year. While management of the Company believes that the disclosures presented herein are adequate and not misleading, these interim financial statements should be read in conjunction with the audited consolidated financial statements and the footnotes thereto for the year ended December 31, 2020, contained elsewhere in the Company's Registration Statement on Form S-1.

Principles of Consolidation

The consolidated financial statements include the accounts of our Company and the variable interest entity ("VIE"), Aurea Alas Limited ("Aurea"), of which we are the primary beneficiary. All intercompany transactions and balances have been eliminated on consolidation.

For entities determined to be VIEs, an evaluation is required to determine whether the Company is the primary beneficiary. The Company evaluates its economic interests in the entity specifically determining if the Company has both the power to direct the activities of the VIE that most significantly impact the VIE's economic performance ("the power") and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE ("the benefits"). When making the determination on whether the benefits received from an entity are significant, the Company considers the total economics of the entity, and analyzes whether the Company's share of the economics is significant. The Company utilizes qualitative factors, and, where applicable, quantitative factors, while performing the analysis.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Some of these judgments can be subjective and complex, and, consequently, actual results may differ from these estimates.

Fair Value Measurements

The Company uses a three-tier fair value hierarchy to classify and disclose all assets and liabilities measured at fair value on a recurring basis, as well as assets and liabilities measured at fair value on a non-recurring basis, in periods subsequent to their initial measurement. The hierarchy requires the Company to use observable inputs when available, and to minimize the use of unobservable inputs, when determining fair value. The three tiers are defined as follows:

- Level 1—Observable inputs that reflect quoted market prices (unadjusted) for identical assets or liabilities in active markets;
- Level 2—Observable inputs other than quoted prices in active markets that are observable either directly or indirectly in the marketplace for identical or similar assets and liabilities; and
- Level 3—Unobservable inputs that are supported by little or no market data, which require the Company to develop its own assumptions.

The Company's financial instruments, including cash, accounts receivable, prepaid expense and other current assets, accounts payable and accrued liabilities, and loans payable, are carried at historical cost. At September 30, 2021 and December 31, 2020, the carrying amounts of these instruments approximated their fair values because of the short-term nature of these instruments.

Note 3. Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the liquidation of liabilities in the normal course of business. The Company had minimal cash as of September 30, 2021, had limited gross profit and incurred a loss from operations for the nine months ended September 30, 2021. These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The Company proposes to fund operations through sales of its products and equity financing arrangements. However, because of the lack of sales and the absence of any active trading market for its common stock, its financial condition and its lack of an operating history, the Company may not be able to raise funds for capital expenditures, working capital and other cash requirements and will have to rely on advances from a minority stockholder and our officer. If the Company cannot generate revenue from its products, it may not be able to continue in its business.

Note 4. Variable Interest Entity

The consolidated financial statements include Aurea Alas Limited, which is a variable interest entity of which we are the primary beneficiary, and on August 26, 2020, the Company entered into a licensing agreement with Aurea. Aurea is a Limited company organized in the Isle of Man, which entered into a license agreement with a third party vendor, whereby they licensed the rights to use certain available radio frequency spectrum for satellite communications. The Company is responsible for 100% of the operations of Aurea and derives 100% of the net profits or losses derived from the business operations. The assets, liabilities and the operations of Aurea from the date of inception (July 20, 2020), were included in the Company's consolidated financial statements.

Through a declaration of trust, 100% of the voting rights of Aurea's shareholders have been transferred to the Company so that the Company has effective control over Aurea and has the power to direct the activities of Aurea that most significantly impact its economic performance. There are no restrictions on the consolidated VIE's assets and on the settlement of its liabilities and all carrying amounts of VIE's assets and liabilities are consolidated with the Company's financial statements.

If facts and circumstances change such that the conclusion to consolidate the VIE has changed, the Company shall disclose the primary factors that caused the change and the effect on the Company's financial statements in the periods when the change occurs.

As of September 30, 2021 and December 31, 2020, Aurea's assets and liabilities are as follows;

	September 30, 2021	December 31, 2020
Current Assets		
Cash	$ 13,394	$ 6,348
Prepaid and other current assets	7,932	4,593
	$ 21,326	$ 10,941
Current Liabilities		
Accounts payable and other current liabilities	$ 62,978	$ 6,559

For the nine months ended September 30, 2021 and from inception (July 20, 2021) through September 30, 2020, Aurea's net loss was $58,692 and $7,781, respectively.

Note 5. Property and Equipment

At September 30, 2021 and December 31, 2020, property and equipment consisted of the following:

	September 30, 2021	December 31, 2020
Office equipment	$ 17,061	$ 17,061
Vehicle	28,143	28,143
Software	84,712	80,362
Machinery	3,280,911	3,254,994
Leasehold improvements	184,890	184,890
	3,595,717	3,565,450
Accumulated depreciation	(2,907,882)	(2,613,252)
Property and equipment, net of accumulated depreciation	$ 687,835	$ 952,198

Depreciation expense of property and equipment for the nine months ended September 30, 2021 and 2020 is $294,630 and $363,845, respectively.

During the nine months ended September 30, 2021 and 2020, the Company purchased assets of $30,266 and $4,508, respectively.

Note 6. Accounts payable and other current liabilities

At September 30, 2021 and December 31, 2020, Accounts payable and other current liabilities consisted of the following:

	September 30, 2021	December 31, 2020
Accounts payable	$ 210,424	$ 63,044
Payroll liabilities	130,362	110,710
Credit cards	19,391	82,387
Other payable	20,265	1,635
Accrued interest	-	2,415
Accrued interest – related party	37,828	-
	$ 418,270	$ 260,191

Note 7. Leases

Operating lease

We have a noncancelable operating lease entered into in November 2016 for our office facility that expires in July 2021. The operating lease has renewal options to May 2023. We have a operating lease entered into in June 2021 for our office facility that expires in May 2024.

We recognized total lease expense of approximately $153,974 and $121,910 for the nine months ended September 30, 2021 and 2020, respectively, primarily related to operating lease costs paid to lessors from operating cash flows. As of September 30, 2021 and December 31, 2020, the Company recorded security deposit of $10,000.

Future minimum lease payments under operating leases that have initial noncancelable lease terms in excess of one year at September 30, 2021 were as follows:

	Total
Year Ended December 31,	
2021 (excluding the nine months ended September 30, 2021)	$ 68,651
2022	280,090
2023	205,987
2024	63,835
Thereafter	-
	618,563
Less: Imputed interest	(32,268)
Operating lease liabilities	586,295
Operating lease liability - current	256,900
Operating lease liability - non-current	$ 329,395

The following summarizes other supplemental information about the Company's operating lease as of September 30, 2021:

Weighted average discount rate	4.64%
Weighted average remaining lease term (years)	2.30

Finance lease

The Company leases machinery and office equipment under non-cancellable finance lease arrangements. The term of those capital leases is at the range from 59 months to 83 months and annual interest rate is at the range from 4% to 6%.

At September 30, 2021, future minimum lease payments under the finance lease obligations, are as follows:

	Total
2021 (excluding the nine months ended September 30, 2021)	$ 14,160
2022	56,638
2023	50,682
2024	15,732
2025	15,732
Thereafter	22,286
	175,230
Less: Imputed interest	(14,841)
Finance lease liabilities	160,389
Finance lease liability	50,344
Finance lease liability - non-current	$ 110,045

As of September 30, 2021 and December 31, 2020, finance lease assets are included in property and equipment as follows:

	September 30, 2021	December 31, 2020
Machinery	$ 245,380	$ 888,783
Accumulated depreciation	(124,935)	(544,860)
Finance lease assets, net of accumulated depreciation	$ 120,445	$ 343,923

During the nine months ended September 30, 2021 and 2020, the Company recoded depreciation of finance lease assets of $36,807 and $122,236 and interest expense of finance lease of $6,602 and $13,770, respectively.

Note 8. Notes Payable

PPP Loan

On April 14, 2020, the Company borrowed a loan in the amount of $322,045 pursuant to the Paycheck Protection Program (the "PPP Loan") under the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"). The PPP Loan has a two-year term and bears interest at a rate of 1.0% per annum. Monthly principal and interest payments are deferred for six months after the date of disbursement. The PPP Loan may be prepaid at any time prior to maturity with no prepayment penalties. The PPP Loan contains events of default and other provisions customary for a loan of this type. The PPP Loan may be forgiven if used under program parameters for payroll, mortgage interest, and rent expenses.

In February 2021, the U.S. Small Business Administration has remitted to the Lender the principal and interest for forgiveness of the Borrower's PPP Loan.

On February 13, 2021, the Company borrowed a loan in the amount of $307,610 pursuant to the PPP Loan under the CARES Act. In September 2021, the U.S. Small Business Administration has remitted to the Lender the principal and interest for forgiveness of the Borrower's PPP Loan.

Loan payable

The Company borrowed $297,250 to purchase machinery in May 2016 and fully repaid $16,266 for the nine months ended September 30, 2021. The maturity date of this loan is in March 2021 and annual interest rate is 4.098%.

At September 30, 2021 and December 31, 2020, the Company had loan payable of $0 and $16,266, respectively.

Note 9. Related Party Transactions

Revenue and Accounts receivable

The Company recognized revenue of $472,482 and $159,031 for the nine months ended September 30, 2021 and 2020 and accounts receivable of $0 and $175,769 as of September 30, 2021 and December 31, 2020, respectively, from contracts entered into by Craig Technical Consulting, Inc, its majority shareholder, and subcontracted to the Company for four customers.

Accounts payable

The Company recognized accounts payable to Craig Technical Consulting, Inc, its majority shareholder of $394,924 and $0, respectively as of September 30, 2021 and December 31, 2020.

Deferred revenue

The Company recognized deferred revenue to Craig Technical Consulting, Inc, its majority shareholder of $62,712 and $0, respectively as of September 30, 2021 and December 31, 2020.

Due to shareholder

As of September 30, 2021 and December 31, 2020, the Company owed $0 and $7,302,422 to Craig Technical Consulting, Inc. On May 1, 2021, Craig Technical Consulting, Inc, our majority shareholder, forgave $3,392,294 in principal amount owed to it by the Company. The forgiven debt was accounted for as contributed capital. The loan is unsecured, due on demand and non-bearing-interest.

Note payable – related party

On May 1, 2021, the Company converted $4 million in intercompany accounts receivable owed to Craig Technical Consulting, Inc., our majority shareholder, into a related party Note Payable. The principal balance of this Note outstanding (together with any accrued, but unpaid interest thereon) shall bear interest at a per annum interest rate equal to the long term Applicable Federal Rate (as such term is defined in Section 1274(d) of the Internal Revenue Code of 1986, as amended), and matures on September 30, 2025, and shall be repaid in the amount of $250,000 every quarter for four (4) years beginning on Oct 1, 2021. On September 30, 2021, the Company repaid $250,000. As of September 30, 2021, the Company had note payable – related current of $750,000 and non-current of $3,000,000. During the nine months ended September 30, 2021, the Company recorded interest expense of $37,828.

Sublease

On August 1, 2021, the Company entered into a Sublease Agreement with its related party Majority Shareholder ("Sublandlord") , whereby the Company shall sublease certain offices, rooms and shared use of common spaces located at 150 Sykes Creek Parkway, Merritt Island, FL. The Lease is a month-to-month lease, and may be terminated with 30 day's notice to the Sublandlord. The monthly rent shall be $4,570 from inception through January 31, 2022, $4,707 from February 1, 2022 to January 31, 2023 and $4,847 from February 1, 2023 to January 31, 2024. During the nine months ended September 30, 2021, the Company recorded $9,140.

Note 10. Commitments and Contingencies

Covid-19

A novel strain of coronavirus (COVID-19) was first identified in December 2019, and subsequently declared a global pandemic by the World Health Organization on March 11, 2020. As a result of the outbreak, many companies have experienced disruptions in their operations and in markets served. The Company has instituted some and may take additional temporary precautionary measures intended to help ensure the well-being of its employees and minimize business disruption. The Company considered the impact of COVID-19 on the assumptions and estimates used and determined that there were no material adverse impacts on the Company's results of operations and financial position at September 30, 2021. The full extent of the future impacts of COVID-19 on the Company's operations is uncertain. A prolonged outbreak could have a material adverse impact on financial results and business operations of the Company, including the timing and ability of the Company to collect accounts receivable and the ability of the Company to continue to provide high quality services to its clients.

Litigation

The Company is currently involved in various civil litigation in the normal course of business none of which is considered material.

License Agreement

The consolidated financial statements include Aurea Alas Limited, which is a variable interest entity of which we are the primary beneficiary (see Note 4). On August 18, 2020, Aurea entered into a license agreement with a third-party vendor (the "Vendor"), whereby they licensed the rights to use certain available radio frequency spectrum for satellite communications. The Company shall pay an annual Reservation Fee of $120,000 while the Company pursues up to four (4) NGSO satellite filing(s) via the Vendor. The Reservation Fee is levied on the date the filing(s) is received at the International Telecommunication Union (ITU). The Reservation Fee is payable annually at the anniversary of the date of receipt, as long as the customer retains the NGSO filing(s). The Reservation Fee payment continues to be payable until any of the frequency assignments of the NGSO filing(s) are brought into use. Upon the submission to the ITU to bring into use any of the frequency assignments of a given constellation, an annual License Fee of $120,000 shall be paid in lieu of the Reservation Fee. On February 1, 2021, the Vendor submitted the license filing to the ITU and on April 6, 2021, the ITU published the license filing for LIZZIE IOMSAT. Payments began in February 2021.

Note 11. Stockholder's Equity

Authorized Capital Stock

On August 31, 2021, the Company filed an amendment to its Amended and Restated Certificate of Incorporation with the State of Delaware to authorize the Company to issue 36,000,000 shares, consisting of 25,000,000 shares of Class A Common Stock, 10,000,000 shares of Class B Common Stock and 1,000,000 shares of Preferred Stock. The Class B Common Stock is entitled to 10 votes for every 1 vote of the Class A Common Stock.

In April 2021, as part of the share conversion, the Company converted the 100% membership interest of Craig Technical Consulting, Inc. into 85,000 shares of Common Stock, par value $0.0001, of the Company. The Company has reflected this conversion for all periods presented.

Class A Common Stock

On August 31, 2021, the Company sold 1,009,500 Class A shares of Common stock for $1.00 per share for aggregate proceeds of $868,665, net of fees and expenses.

On September 3, 2021, the Company sold 1,000,000 Class A shares of Common stock for $1.00 per share for aggregate proceeds of $904,810, net of fees and expenses.

On September 15, 2021, the Company sold 990,500 Class A shares of Common stock for $1.00 per share for aggregate proceeds of $920,860, net of fees and expenses.

On September 22, 2021, the Board of Directors approved an issuance of 200,000 shares of restricted Class A Common Stock to 2 employees valued at $200,000. The shares vested immediately upon the grant date.

The Company had 3,200,000 and 0 shares of Class A common stock issued and outstanding as of September 30, 2021 and December 31, 2020, respectively.

Class B Common Stock

On August 16, 2021, all 85,000 shares of the previously issued and outstanding Common Stock, par value $0.0001 were exchanged for 10,000,000 shares of Class B Common Stock, par value $0.0001.

The Company had 10,000,000 and 0 shares of Class B common stock issued and outstanding as of September 30, 2021 and December 31, 2020, respectively.

Shares

Sidus Space, Inc.

Class A Common Stock

Prospectus

, 2021

Boustead Securities, LLC

Until , 2021 (25 days after the date of this prospectus), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to the dealers' obligation to deliver a prospectus when acting as an underwriter and with respect to their unsold allotments or subscriptions.

PART II—INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

The following table sets forth all expenses, other than the underwriting discounts and commissions, payable by the registrant in connection with the sale of the securities being registered. All the amounts shown are estimates except the SEC registration fee and the FINRA filing fee.

	Amount to be paid
SEC registration fee	$ *
FINRA filing fee	$ *
The Nasdaq Capital Market initial listing fee	$ *
Transfer agent and registrar fees	$ *
Accounting fees and expenses	$ *
Legal fees and expenses	$ *
Printing and engraving expenses	$ *
Miscellaneous	$ *
Total	$ *

* To be filed by amendment.

Item 14. Indemnification of Directors and Officers

Section 102 of the General Corporation Law of the State of Delaware (the "DGCL") permits a corporation to eliminate the personal liability of directors of a corporation to the corporation or its stockholders for monetary damages for a breach of fiduciary duty as a director, except where the director breached his duty of loyalty, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, authorized the payment of a dividend or approved a stock repurchase in violation of Delaware corporate law or obtained an improper personal benefit. Our [Amended and Restated] Certificate of Incorporation provides that no director of the Company shall be personally liable to it or its stockholders for monetary damages for any breach of fiduciary duty as a director, notwithstanding any provision of law imposing such liability, except to the extent that the DGCL prohibits the elimination or limitation of liability of directors for breaches of fiduciary duty.

Section 145 of the DGCL provides that a corporation has the power to indemnify a director, officer, employee, or agent of the corporation, or a person serving at the request of the corporation for another corporation, partnership, joint venture, trust or other enterprise in related capacities against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with an action, suit or proceeding to which he was or is a party or is threatened to be made a party to any threatened, ending or completed action, suit or proceeding by reason of such position, if such person acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, in any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful, except that, in the case of actions brought by or in the right of the corporation, no indemnification shall be made with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or other adjudicating court determines that, despite the adjudication of liability but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Upon consummation of this offering, our [Amended and Restated] Certificate of Incorporation and [Amended and Restated] Bylaws will provide indemnification for our directors and officers to the fullest extent permitted by the DGCL. We will indemnify each person who was or is a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than an action by or in the right of us) by reason of the fact that he or she is or was, or has agreed to become, a director or officer, or is or was serving, or has agreed to serve, at our request as a director, officer, partner, employee or trustee of, or in a similar capacity with, another corporation, partnership, joint venture, trust or other enterprise (all such persons being referred to as an "Indemnitee"), or by reason of any action alleged to have been taken or omitted in such capacity, against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding and any appeal therefrom, if such Indemnitee acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, our best interests, and, with respect to any criminal action or proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful. Our [Amended and Restated] Certificate of Incorporation and [Amended and Restated] Bylaws will provide that we will indemnify any Indemnitee who was or is a party to an action or suit by or in the right of us to procure a judgment in our favor by reason of the fact that the Indemnitee is or was, or has agreed to become, a director or officer, or is or was serving, or has agreed to serve, at our request as a director, officer, partner, employee or trustee of, or in a similar capacity with, another corporation, partnership, joint venture, trust or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity, against all expenses (including attorneys' fees) and, to the extent permitted by law, amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding, and any appeal therefrom, if the Indemnitee acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, our best interests, except that no indemnification shall be made with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to us, unless a court determines that, despite such adjudication but in view of all of the circumstances, he or she is entitled to indemnification of such expenses. Notwithstanding the foregoing, to the extent that any Indemnitee has been successful, on the merits or otherwise, he or she will be indemnified by us against all expenses (including attorneys' fees) actually and reasonably incurred in connection therewith. Expenses must be advanced to an Indemnitee under certain circumstances.

Prior to the consummation of this offering, we intend to enter into separate indemnification agreements with each of our directors and executive officers. Each indemnification agreement will provide, among other things, for indemnification to the fullest extent permitted by law and our [Amended and Restated] Certificate of Incorporation and [Amended and Restated] Bylaws against any and all expenses, judgments, fines, penalties and amounts paid in settlement of any claim. The indemnification agreements will provide for the advancement or payment of all expenses to the indemnitee and for the reimbursement to us if it is found that such indemnitee is not entitled to such indemnification under applicable law and our [Amended and Restated] Certificate of Incorporation and [Amended and Restated] Bylaws.

In addition, upon consummation of this offering, we intend to obtain a general liability insurance policy that covers certain liabilities of directors and officers of our corporation arising out of claims based on acts or omissions in their capacities as directors or officers.

In any underwriting agreement we enter into in connection with the sale of common stock being registered hereby, the underwriters will agree to indemnify, under certain conditions, us, our directors, our officers and persons who control us within the meaning of the Securities Act against certain liabilities.

Item 15. Recent Sales of Unregistered Securities

During August and September 2021, we sold 3,000,000 shares of Class A common stock to various investors for gross proceeds of $3,000,000. We deemed the offer, sale and issuance of such securities to be exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act, including Regulation D and Rule 506 promulgated thereunder, relative to transactions by an issuer not involving a public offering.

Item 16. Exhibits and Financial Statement Schedules

EXHIBIT INDEX

Exhibit No.	Description
1.1 *	Form of Underwriting Agreement
3.1	Amended and Restated Certificate of Incorporation, as amended, currently in effect
3.2	Certificate of Amendment of Amended and Restated Certificate of Incorporation dated August 24, 2021
3.3*	Form of Certificate of Amendment of Amended and Restated Certificate of Incorporation to be filed upon consummation of this offering
3.4	Bylaws, currently in effect
3.5*	Form of Amended and Restated Bylaws to be filed upon consummation of this offering
4.1	Specimen Stock Certificate evidencing the shares of common stock
5.1 *	Opinion of Sheppard, Mullin, Richter & Hampton LLP
10.1 +	Sidus Space, Inc. 2021 Omnibus Equity Incentive Plan
10.2 *	Revenue Loan and Security Agreement dated September __, 2021 by and among Sidus Space, Inc., Carol Craig and Decathlon Alpha IV, L.P.
10.3 *	Loan Assignment and Assumption Agreement dated September __, 2021 by and between Decathlon Alpha IV, L.P., Craig Technical Consulting, Inc. and Sidus Space, Inc.
10.4	Loan Agreement dated May 1, 2021 by and between Sidus Space, Inc. and Craig Technical Consulting, Inc.
10.5	Form of Indemnification Agreement for Directors and Officers
10.6	Lease Agreement dated as of November 29, 2016 between 400 W. Central LLC and Craig Technologies Properties, LLC (assigned to Sidus Space, Inc.)
10.7	Lease Agreement dated as of May 21, 2021 between 400 W. Central LLC and Sidus Space, Inc.
10.8	Commercial Sublease Agreement dated August 1, 2021 by and between Sykes Creek Limited Partnership, Craig Technical Consulting, Inc. and Sidus Space, Inc.
10.9#	NASA Contract Award dated November 5, 2018.
10.10*	Form of Employment Agreement between Sidus Space, Inc. and Carol Craig to be entered into upon consummation of this offering
10.11	Consulting Agreement between Sidus Space, Inc. and EverAsia Financial Group, Inc. dated August 21, 2021.
21.1	List of Subsidiaries
23.1 *	Consent of BF Borgers CPA PC , independent registered public accounting firm
23.2 *	Consent of Sheppard, Mullin, Richter & Hampton, LLP (included in Exhibit 5.1)
24.1*	Power of Attorney (included on the signature page to this registration statement)

* To be filed by amendment.

\+ Indicates a management contract or any compensatory plan, contract or arrangement.

\# Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit were omitted by means of marking such portions with an asterisk because the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.

Financial Statement Schedules

Schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

Item 17. Undertakings

(a) The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

b) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of Sidus Space, Inc. pursuant to the foregoing provisions, or otherwise, Sidus Space, Inc. has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by Sidus Space, Inc. of expenses incurred or paid by a director, officer or controlling person of Sidus Space, Inc. in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, Sidus Space, Inc. will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction, the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(c) The undersigned hereby further undertakes that:

(1) For purposes of determining any liability under the Securities Act the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by Sidus Space, Inc. pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this Registration Statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Merritt Island, State of Florida, on the day of November, 2021.

SIDUS SPACE, INC.

By: _____
Carol Craig
Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Carol Craig, his or her true and lawful attorney-in-fact and agent with full power of substitution and re-substitution, for him or her and in his or her name, place and stead, in any and all capacities to sign any or all amendments (including, without limitation, post-effective amendments) to this Registration Statement, any related Registration Statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and any or all pre- or post-effective amendments thereto, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming that said attorney-in-fact and agent, or any substitute or substitutes for him, may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, as amended, the following persons in the capacities and on the dates indicated have signed this Registration Statement below.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement on Form S-1 has been signed by the following persons in the capacities and on the dates indicated below.

Signature	Title	Date
Carol Craig	Chief Executive Officer *(Principal Executive Officer)*	, 2021
Scott Silverman	Chief Financial Officer *(Principal Financial and Accounting Officer)*	, 2021
		, 2021
	Director	, 2021
	Director	

ALTERNATE PAGES FOR SELLING STOCKHOLDER PROSPECTUS

The information in this prospectus is not complete and may be changed. The selling stockholders named in this prospectus may not sell these securities until the registration statement filed with the Securities and Exchange Commission is declared effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state or other jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated November [ ], 2021

PROSPECTUS

Sidus Space, Inc.

200,000 Shares of Class A Common Stock

The selling stockholders plan to sell an aggregate of up to 200,000 shares of Class A common stock.

The selling stockholders must sell their shares at a fixed price per share of $____, which is the per share price of the shares being offered in our initial public offering, until such time as our shares are listed on a national securities exchange. Thereafter, the shares offered by this prospectus may be sold by the selling stockholders from time to time in the open market, through privately negotiated transactions or a combination of these methods, at market prices prevailing at the time of sale or at negotiated prices. By separate prospectus (the "IPO Prospectus"), we have registered an aggregate of 200,000 shares of our Class A common stock which we are offering for sale to the public through our underwriters, excluding any shares issuable upon the underwriters' over-allotment option.

We have applied to have our Class A common stock listed on The Nasdaq Capital Market under the symbol "SIDU" which listing is a condition to this offering.

The distribution of the shares by the selling stockholders is not subject to any underwriting agreement. We will not receive any proceeds from the sale of the shares by the selling stockholders. We will bear all expenses of registration incurred in connection with this offering, but all selling and other expenses incurred by the selling stockholders will be borne by them.

We are an "emerging growth company" under the federal securities laws and have elected to be subject to reduced public company reporting requirements. An investment in our common stock may be considered speculative and involves a high degree of risk, including the risk of a substantial loss of your investment. See "Risk Factors" beginning on page __ to read about the risks you should consider before buying shares of our common stock. An investment in our common stock is not suitable for all investors.

Sales of the shares of our Class A common stock registered in this prospectus and the IPO Prospectus will result in two offerings taking place concurrently which might affect price, demand, and liquidity of our common stock.

You should rely only on the information contained in this prospectus and any prospectus supplement or amendment. We have not authorized anyone to provide you with different information. This prospectus may only be used where it is legal to sell these securities. The information in this prospectus is only accurate on the date of this prospectus, regardless of the time of any sale of securities.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is , 2021

EXPLANATORY NOTE

Concurrent with this offering, the Company is registering shares of common stock in connection with an initial public offering of _____ shares of our Class A common stock through the underwriters. Sales by stockholders that purchased shares in the initial public offering may reduce the price of our Class A common stock, demand for our shares and, as a result, the liquidity of your investment.

SELLING STOCKHOLDERS

This prospectus relates to the resale from time to time by the selling stockholders identified herein of up to an aggregate of 200,000 shares of our Class A common stock (the "Resale Shares"). The selling stockholders have expressed an intent not to sell stock concurrently with the initial public offering.

The transactions by which the selling stockholders acquired their securities from us were exempt under the registration provisions of the Securities Act.

The Resale Shares referred to above are being registered to permit public sales of the Resale Shares, and the selling stockholders may offer the shares for resale from time to time pursuant to this prospectus. The selling stockholders may also sell, transfer or otherwise dispose of all or a portion of their shares in transactions exempt from the registration requirements of the Securities Act or pursuant to another effective registration statement covering those shares.

The table below sets forth certain information regarding the selling stockholders and the Resale Shares offered in this prospectus. The selling stockholders have had no material relationship with us within the past three years other than as described in the footnotes to the table below or as a result of their acquisition of our shares or other securities.

Beneficial ownership is determined in accordance with the rules of the SEC. The selling stockholder's percentage of ownership of our outstanding shares in the table below is based upon _____ shares of Class A common stock issued and outstanding as of _____, 2021.

Name of Selling Stockholder	Number of Shares of Class A Common Stock Beneficially Owned Before this Offering[(1)]	Percentage of Class A Common Stock Beneficially Owned Before this Offering	Shares of Class A Common Stock Offered in this Offering	Shares of Class A Common Stock Beneficially Owned After this Offering[(2)]	Percentage of Class A Common Stock Beneficially Owned After this Offering[(2)]
AOS Holdings, LLC	50,000		3,333	46,667	
BaseStones, Inc.	200,000		13,333	186,667	
Gerald Belanger	25,000		1,667	23,333	
Castle Rising Media Co.	25,000		1,667	23,333	
Daniel Vincent	25,000		1,667	23,333	
Collin Eardley	100,000		6,666	93,334	
Esports Group Inc.	100,000		6,666	93,334	
Bryan Henry	25,000		1,667	23,333	
Laura Jensen	325,000		21,667	303,333	
Karmic Payback, LLC	262,000		17,467	244,533	
Derek Kennedy	25,000		1,667	23,333	
Kerry Kennedy	115,000		7,667	107,333	
Matthew Lewis	25,000		1,667	23,333	
Jordan Lutz	25,000		1,667	23,333	
Michael McAleer	50,000		3,333	46,667	
Susana Ng	25,000		1,667	23,333	
Oleta Investments, LLC	667,000		44,466	622,534	
Robert Oliver	125,550		8,370	117,180	
Jaskaran Parmar	25,000		1,667	23,333	
Richard Allen Sanders and Marlayna Glynn JTWROS	53,500		3,567	49,933	
Roy Earl Mullin and Carol Diana Mullin JTWROS	27,000		1,800	25,200	
Roy Earl Mullin IRA	24,950		1,663	23,287	
Stock Loan Solutions	100,000		6,666	93,334	
Vertical Holdings, LLC	200,000		13,333	186,667	
Daniel Vincent	50,000		3,333	46,667	
Geoff Wall	325,000		21,667	303,333	

(1) Under applicable SEC rules, a person is deemed to beneficially own securities which the person has the right to acquire within 60 days through the exercise of any option or warrant or through the conversion of a convertible security. Also under applicable SEC rules, a person is deemed to be the "beneficial owner" of a security with regard to which the person directly or indirectly, has or shares (a) voting power, which includes the power to vote or direct the voting of the security, or (b) investment power, which includes the power to dispose, or direct the disposition, of the security, in each case, irrespective of the person's economic interest in the security. To our knowledge, subject to community property laws where applicable, each person named in the table has sole voting and investment power with respect to the shares of Class A common stock shown as beneficially owned by such selling stockholder, except as otherwise indicated in the footnotes to the table.

(2) Represents the amount of shares that will be held by the selling stockholder after completion of this offering based on the assumptions that (a) all Resale Shares registered for sale by the registration statement of which this prospectus is part will be sold and (b) no other shares of our Class A common stock are acquired or sold by the selling stockholder prior to completion of this offering. However, each selling stockholder may sell all, some or none of the Resale Shares offered pursuant to this prospectus and may sell other shares of our common stock that they may own pursuant to another registration statement under the Securities Act or sell some or all of their shares pursuant to an exemption from the registration provisions of the Securities Act, including under Rule 144.

PLAN OF DISTRIBUTION

The selling stockholders may, from time to time, sell any or all of their Resale Shares on any stock exchange, market or trading facility on which the shares are traded or in private transactions. If the Resale Shares are sold through underwriters, the selling stockholders will be responsible for underwriting discounts or commissions or agent's commissions. The Resale Shares may be sold in one or more transactions at a price of $___ per share until our shares are listed on The Nasdaq Capital Market and thereafter at prevailing market prices or privately negotiated prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale or at negotiated prices. The selling stockholders may use any one or more of the following methods when selling shares:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the securities as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- settlement of short sales entered into after the effective date of the registration statement of which this prospectus is a part;
- in transactions through broker-dealers that agree with the selling stockholders to sell a specified number of such securities at a stipulated price per security;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- a combination of any such methods of sale; or
- any other method permitted pursuant to applicable law.

The selling stockholders may also sell shares under Rule 144 under the Securities Act, if available, rather than under this prospectus. In general, a person who has beneficially owned restricted shares of our common stock for at least six months, in the event we have been a reporting company under the Exchange Act for at least 90 days, would be entitled to sell such securities, provided that such person is not deemed to be an affiliate of ours at the time of sale or to have been an affiliate of ours at any time during the three months preceding the sale.

The selling stockholders may also engage in short sales against the box, puts and calls and other transactions in our securities or derivatives of our securities and may sell or deliver shares in connection with these trades.

Broker-dealers engaged by the selling stockholders may arrange for other broker-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the selling stockholders (or, if any broker-dealer acts as agent for the purchaser of shares, from the purchaser) in amounts to be negotiated. The selling stockholders do not expect these commissions and discounts to exceed what is customary in the types of transactions involved. Any profits on the Resale Shares by a broker-dealer acting as principal might be deemed to be underwriting discounts or commissions under the Securities Act. Discounts, concessions, commissions and similar selling expenses, if any, attributable to the sale of the Resale Shares will be borne by a selling stockholder. The selling stockholders may agree to indemnify any agent, dealer or broker-dealer that participates in transactions involving sales of the Resale Shares if liabilities are imposed on that person under the Securities Act.

In connection with the sale of the Resale Shares, the selling stockholders may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the shares of our Class A common stock in the course of hedging in positions they assume. The selling stockholders may also sell Resale Shares short and deliver shares of our Class A common stock covered by this prospectus to close out short positions and to return borrowed shares in connection with such short sales. The selling stockholders may also loan or pledge the Resale Shares to broker-dealers that in turn may sell such shares.

The selling stockholders may from time to time pledge or grant a security interest in some or all of the Resale Shares owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the Resale Shares from time to time under this prospectus after we have filed an amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus.

The selling stockholders also may transfer the Resale Shares in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus and may sell the Resale Shares from time to time under this prospectus after we have filed an amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgees, transferees or other successors in interest as selling stockholders under this prospectus. The selling stockholders also may transfer and donate the Resale Shares in other circumstances in which case the transferees, donees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

The selling stockholders and any broker-dealers or agents that are involved in selling the Resale Shares may be deemed to be an "Underwriter" within the meaning of the Securities Act in connection with such sales. In such event, any commissions paid, or any discounts or concessions allowed to, such broker-dealers or agents and any profit realized on the Resale Shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. At the time a particular offering of the Resale Shares is made, a prospectus supplement, if required, will be distributed which will set forth the aggregate amount of Resale Shares being offered and the terms of the offering, including the name or names of any broker-dealers or agents, any discounts, commissions and other terms constituting compensation from the selling stockholders and any discounts, commissions or concessions allowed or re-allowed or paid to broker-dealers. Under the securities laws of some states, the Resale Shares may be sold in such states only through registered or licensed brokers or dealers. In addition, in some states the Resale Shares may not be sold unless such shares have been registered or qualified for sale in such state or an exemption from registration or qualification is available and is complied with. There can be no assurance that any selling stockholder will sell any or all of the Resale Shares registered pursuant to the registration statement, of which this prospectus forms a part.

Each selling stockholder has informed us that it does not have any agreement or understanding, directly or indirectly, with any person to distribute the Resale Shares. None of the selling stockholders who are affiliates of broker-dealers, other than the initial purchasers in private transactions, purchased the Resale Shares outside of the ordinary course of business or, at the time of the purchase of the Resale Shares, had any agreements, plans or understandings, directly or indirectly, with any person to distribute the securities.

We are required to pay all fees and expenses incident to the registration of the Resale Shares. Except as provided for indemnification of the selling stockholders, we are not obligated to pay any of the expenses of any attorney or other advisor engaged by a selling stockholder. We have agreed to indemnify the selling stockholders against certain losses, claims, damages and liabilities, including liabilities under the Securities Act.

If we are notified by any selling stockholder that any material arrangement has been entered into with a broker-dealer for the sale of the Resale Shares, we will file a post-effective amendment to the registration statement. If the selling stockholders use this prospectus for any sale of the Resale Shares, they will be subject to the prospectus delivery requirements of the Securities Act.

The anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of the Resale Shares and activities of the selling stockholders, which may limit the timing of purchases and sales of any of the Resale Shares by the selling stockholders and any other participating person. Regulation M may also restrict the ability of any person engaged in the distribution of the Resale Shares to engage in passive market-making activities with respect to the Resale Shares. Passive market making involves transactions in which a market maker acts as both our underwriter and as a purchaser of our common stock in the secondary market. All of the foregoing may affect the marketability of the Resale Shares and the ability of any person or entity to engage in market-making activities with respect to the Resale Shares.

Once sold under the registration statement, of which this prospectus forms a part, the Resale Shares will be freely tradable in the hands of persons other than our affiliates.

USE OF PROCEEDS

We will not receive proceeds from sales of the Resale Shares made under this prospectus.

DETERMINATION OF OFFERING PRICE

There currently is no public market for our Class A common stock. The shares of Class A common stock may be sold in one or more transactions at a price of $____ per share until our shares are listed on The Nasdaq Capital Market and thereafter at prevailing market prices or privately negotiated prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale or at negotiated prices. See “Plan of Distribution” above for more information.

LEGAL MATTERS

Certain legal matters with respect to the validity of the securities being offered by this prospectus will be passed upon by Sheppard, Mullin, Richter & Hampton LLP, New York, New York.

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
CRAIG TECHNOLOGIES AEROSPACE SOLUTIONS INC.

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

Craig Technologies Aerospace Solutions, Inc. (the "***Corporation***"), a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "***DGCL***"), does hereby certify as follows:

1. The Corporation's original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on April 15, 2021 (the "***Original Charter***").

2. The Board duly adopted resolutions proposing to amend and restate the Original Charter, declaring said amendment and restatement to be advisable and in the best interests of the Corporation and its stockholders, and authorizing the appropriate officers of the Corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:

RESOLVED, that the Original Charter be amended and restated in its entirety to read as follows:

ARTICLE I
NAME

The name of the Corporation is Sidus Space, Inc.

ARTICLE II
REGISTERED AGENT AND REGISTERED OFFICE

The address of the corporation's registered office in the State of Delaware is 300 Creek View Road, Suite 209, Newark, DE 19711, New Castle County. The name of its registered agent at such address is Universal Registered Agents, Inc.

ARTICLE III
BUSINESS PURPOSE

The nature of the business or purpose to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

ARTICLE IV
CAPITAL STOCK

4.1 **Authorized Capital Stock.** The aggregate number of shares which the Corporation shall have authority to issue is Twenty One Million (21,000,000), consisting of Ten Million (10,000,000) shares of Class A Common Stock, $0.0001 par value per share (the "**Class A Common Stock**"), and Ten Million (10,000,000) shares of Class B Common Stock, $0.0001 par value per share (the "**Class B Common Stock**," and together with the Class A Common Stock, the "**Common Stock**, and One Million (1,000,000) shares of preferred stock ("***Preferred Stock***"), $0.0001 par value.

4.2 **Common Stock**. The rights, privileges, preferences and restrictions of the Class A Common Stock and Class B Common Stock are as follows:,

4.2.1 **Dividends**. The holders of the Class A Common Stock and the holders of the Class B Common Stock shall be entitled to receive, on a pari passu basis, when and as declared by the Board of Directors, out of any assets of the Corporation legally available therefore, such dividends as may be declared from time to time by the Board of Directors; provided, however, that in the event that such dividends are paid in the form of shares of Common Stock or rights to acquire Common Stock, the holders of shares of Class A Common Stock shall receive shares of Class A Common Stock or rights to acquire shares of Class A Common Stock, as the case may be, and the holders of shares of Class B Common Stock shall receive shares of Class B Common Stock or rights to acquire shares of Class B Common Stock, as the case may be.

4.2.2 **Liquidation Rights**. In the event of the voluntary or involuntary liquidation, dissolution, distribution of assets or winding up of the Corporation, the holders of Class A Common Stock and the holders of Class B Common Stock shall be entitled to share equally, on a per share basis, in all assets of the Corporation of whatever kind available for distribution to the holders of Common Stock.

4.2.3 **Voting.** Except as otherwise provided herein or by applicable law, the holders of the Class A Common Stock and the holders of the Class B Common Stock shall at all times vote together as one class on all matters (including the election of directors) submitted to a vote or for the consent of the stockholders of the Corporation. Each holder of shares of Class B Common Stock shall be entitled to ten (10) votes for each share of Class B Common Stock held as of the applicable date on any matter that is submitted to a vote or for the consent of the stockholders of the Corporation. Each holder of shares of Class A Common Stock shall be entitled to one (1) vote for each share of Class A Common Stock held as of the applicable date on any matter that is submitted to a vote or for the consent of the stockholders of the Corporation.

4.2.4 **Amendments and Changes.** As long as any shares of Class B Common Stock shall be issued and outstanding, the Corporation shall not, without first obtaining the approval (by vote or written consent as provided by law) of the holders of more than fifty percent (50%) of the outstanding shares of Class B Common Stock:

(A) amend, alter or repeal any provision of the Certificate of Incorporation or bylaws of the Corporation (including pursuant to a merger) if such action would adversely alter the rights, preferences, privileges or powers of, or restrictions provided for the benefit of, the Class B Common Stock;

(B) increase or decrease the authorized number of shares of Class B Common Stock;

(C) authorize or create (by reclassification, merger or otherwise) or issue or obligate itself to issue any new class or series of equity security (including any security convertible into or exercisable for any equity security) having rights, preferences or privileges with respect to dividends or payments upon liquidation senior to or on a parity with the Class B Common Stock or having voting rights more favorable than those granted to the Class B Common Stock generally;

(D) enter into a Liquidation Event (as defined below);

(E) increase the size of the Board of Directors;

(F) declare or pay any dividend or other distribution to the stockholders of the Corporation; or

(G) amend this Section 4.

For purposes hereof, a "**Liquidation Event**" shall mean any of the following: (i) the acquisition of the Corporation by another entity by means of any transaction or series of related transactions to which the Corporation is party (including, without limitation, any stock acquisition, reorganization, merger or consolidation but excluding any sale of stock for capital raising purposes) other than a transaction or series of related transactions in which the holders of the voting securities of the Corporation outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of related transactions, as a result of shares in the Corporation held by such holders prior to such transaction or series of related transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Corporation or such other surviving or resulting entity (or if the Corporation or such other surviving or resulting entity is a wholly-owned subsidiary immediately following such acquisition, its parent); (ii) a sale, lease or other disposition of all or substantially all of the assets of the Corporation and its subsidiaries taken as a whole by means of any transaction or series of related transactions, except where such sale, lease or other disposition is to a wholly-owned subsidiary of the Corporation; or (iii) any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary

4.2.5 **Subdivision or Combinations**. If the Corporation in any manner subdivides or combines the outstanding shares of one class of Common Stock, then the outstanding shares of the other class of Common Stock shall be subdivided or combined in the same manner.

4.2.6 **Mergers, Consolidation or other Combination Transactions**. In the event that the Corporation shall enter into any consolidation, merger, combination or other transaction or series of related transactions in which shares of Common Stock are exchanged for or converted into other stock or securities, or the right to receive cash or any other property, then, and in such event, the shares of Class A Common Stock and Class B Common Stock shall be entitled to be exchanged for or converted into the same kind and amount of stock, securities, cash or any other property, as the case may be, into which or for which each share of the other class of Common Stock is exchanged or converted; provided, however, that if the stock or securities of the resulting entity issued upon such exchange or conversion of the shares of Common Stock outstanding immediately prior to such consolidation, merger, combination or other transaction would represent at least a majority of the voting power of such resulting entity (without giving effect to any differences in the voting rights of the stock or securities of the resulting entity to be received by the holders of shares of Class A Common Stock and the holders of Class B Common Stock), then the holders of shares of Class A Common Stock and the holders of shares of Class B Common Stock shall be entitled to receive stock or securities of the resulting entity issuable upon such exchange or conversion that differ with respect to voting rights in a similar manner to which the shares of Class A Common Stock and Class B Common Stock differ under this Certificate of Incorporation as provided under Section 4.2.3 of this Article IV.

4.2.7 **Equal Status**. Except as expressly provided in this Article IV, Class A Common Stock and Class B Common Stock shall have the same rights and privileges and rank equally, share ratably and be identical in all respects as to all matters.

4.2.8 **Conversion**.

A. Certain Definitions. As used in this Section 4.2.8, the following terms shall have the following meanings:

(i) "**Class B Stockholder**" shall mean any individual that is issued Class B Common Stock by the Company.

(ii) "**Permitted Entity**" shall mean, with respect to any Class B Stockholder, any trust, account, plan, corporation, partnership, or limited liability company specified in Section 4.2.8.C established by or for such Class B Stockholder, so long as such entity meets the requirements set forth in Section 4.2.8.C.

(iii) "**Transfer**" shall mean, with respect to a share of Class B Common Stock, any sale, assignment, transfer, conveyance, hypothecation or other transfer or disposition of such share or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law.

(iv) "**Voting Control**" shall mean, with respect to a share of Class B Common Stock, the power (whether exclusive or shared) to vote or direct the voting of such share of Class B Common Stock by proxy, voting agreement or otherwise.

B. Optional Conversion. Each share of Class B Common Stock shall be convertible into one (1) fully paid and nonassessable share of Class A Common Stock at the option of the holder thereof at any time upon written notice to the transfer agent of the Company.

C. Automatic Conversion upon Transfer. Each share of Class B Common Stock shall automatically, without any further action, convert into one (1) fully paid and nonassessable share of Class A Common Stock upon the Transfer of such share; provided, however, that a Transfer of Class B Common Stock by a Class B Stockholder or such Class B Stockholder's Permitted Entities to another Class B Stockholder or such Class B Stockholder's Permitted Entities shall not trigger such automatic conversion; provided further, however, that a Transfer by a Class B Stockholder to any of the following Permitted Entities, and from any of the following Permitted Entities back to such Class B Stockholder and/or any other Permitted Entity by or for such Class B Stockholder shall not trigger such automatic conversion:

(i) a trust for the benefit of such Class B Stockholder and for the benefit of no other person, provided such Transfer does not involve any payment of cash, securities, property or other consideration (other than an interest in such trust) to the Class B Stockholder and, provided, further, that in the event such Class B Stockholder is no longer the exclusive beneficiary of such trust, each share of Class B Common Stock then held by such trust shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(ii) a trust for the benefit of persons other than the Class B Stockholder so long as the Class B Stockholder has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such trust, provided such Transfer does not involve any payment of cash, securities, property or other consideration (other than an interest in such trust) to the Class B Stockholder, and, provided, further, that in the event the Class B Stockholder no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such trust, each share of Class B Common Stock then held by such trust shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(iii) a trust under the terms of which such Class B Stockholder has retained a "qualified interest" within the meaning of §2702(b)(1) of the Internal Revenue Code (the "**Code**") and/or a reversionary interest so long as the Class B Stockholder has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such trust; provided, however, that in the event the Class B Stockholder no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such trust, each share of Class B Common Stock then held by such trust shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(iv) an Individual Retirement Account, as defined in Section 408(a) of the Code, or a pension, profit sharing, stock bonus or other type of plan or trust of which such Class B Stockholder is a participant or beneficiary and which satisfies the requirements for qualification under Section 401 of the Code; provided that in each case such Class B Stockholder has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held in such account, plan or trust, and provided, further, that in the event the Class B Stockholder no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such account, plan or trust, each share of Class B Common Stock then held by such trust shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(v) a corporation in which such Class F Stockholder directly, or indirectly through one or more Permitted Entities, owns shares with sufficient Voting Control in the corporation, or otherwise has legally enforceable rights, such that the Class F Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class F Common Stock held by such corporation; provided that in the event the Class F Stockholder no longer owns sufficient shares or has sufficient legally enforceable rights to enable the Class F Stockholder to retain sole dispositive power and exclusive Voting Control with respect to the shares of Class F Common Stock held by such corporation, each share of Class F Common Stock then held by such corporation shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(vi) a partnership in which such Class B Stockholder directly, or indirectly through one or more Permitted Entities, owns partnership interests with sufficient Voting Control in the partnership, or otherwise has legally enforceable rights, such that the Class B Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such partnership; provided that in the event the Class B Stockholder no longer owns sufficient partnership interests or has sufficient legally enforceable rights to enable the Class B Stockholder to retain sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such partnership, each share of Class B Common Stock then held by such partnership shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock; or

(vii) a limited liability company in which such Class B Stockholder directly, or indirectly through one or more Permitted Entities, owns membership interests with sufficient Voting Control in the limited liability company, or otherwise has legally enforceable rights, such that the Class B Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such limited liability company; provided that in the event the Class B Stockholder no longer owns sufficient membership interests or has sufficient legally enforceable rights to enable the Class B Stockholder to retain sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such limited liability company, each share of Class B Common Stock then held by such limited liability company shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock.

D. Automatic Conversion upon Death of Class B Stockholder. Each share of Class B Common Stock held of record by a Class B Stockholder, or by such Class B Stockholder's Permitted Entities, shall automatically, without any further action, convert into one (1) fully paid and nonassessable share of Class A Common Stock upon the death of such Class B Stockholder.

E. Effect of Conversion. In the event of a conversion of shares of Class B Common Stock to shares of Class A Common Stock pursuant to this Section 4.2.8, such conversion shall be deemed to have been made at the time that the Company's transfer agent receives the written notice required pursuant to Section 4.2.8.B, the time that the Transfer of such shares occurred or the death of the Class B Stockholder, as applicable. Upon any conversion of Class B Common Stock to Class A Common Stock, all rights of the holder of such shares of Class B Common Stock shall cease and the person or persons in whose names or names the certificate or certificates representing the shares of Class B Common Stock are to be issued, if any, shall be treated for all purposes as having become the record holder or holders of such number of shares of Class A Common Stock into which such Class B Common Stock were convertible. Shares of Class B Common Stock that are converted into shares of Class A Common Stock as provided in this Section 4.2.8 shall be retired and shall not be reissued.

F. Reservation of Stock. The Company shall at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, solely for the purpose of effecting the conversion of the shares of Class B Common Stock, such number of its shares of Class A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Class B Common Stock into shares of Class A Common Stock.

4.2.9 **Adjustment in Authorized Class A Common Stock.** The number of authorized shares of Class A Common Stock may be increased or decreased (but not below the number of shares of Class A Common Stock then outstanding) by an affirmative vote of the holders of a majority of the voting power of the Corporation.

4.2.10 **Administration**. The Corporation may, from time to time, establish such policies and procedures relating to the conversion of the Class B Common Stock to Class A Common Stock and the general administration of this dual class Common Stock structure, including the issuance of stock certificates with respect thereto, as it may deem necessary or advisable, and may request that holders of shares of Class B Common Stock furnish affidavits or other proof to the Corporation as it deems necessary to verify the ownership of Class B Common Stock and to confirm that a conversion to Class A Common Stock has not occurred.

4.3 **Preferred Stock.** Preferred Stock may be issued from time to time in one or more series, each of such series to have such terms as stated or expressed herein and in the resolution or resolutions providing for the issue of such series adopted by the Board as hereinafter provided.

Authority is hereby expressly granted to the Board from time to time to issue the Preferred Stock in one or more series, and in connection with the creation of any such series, by adopting a resolution or resolutions providing for the issuance of the shares thereof and by filing a certificate of designations relating thereto in accordance with the DGCL, to determine and fix the number of shares of such series and such voting powers, full or limited, or no voting powers, and such designations, preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof, including without limitation thereof, dividend rights, conversion rights, redemption privileges and liquidation preferences, as shall be stated and expressed in such resolutions, all to the fullest extent now or hereafter permitted by the DGCL. The powers, preferences and relative, participating, optional and other special rights of each such series of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding. Without limiting the generality of the foregoing, the resolution or resolutions providing for the issuance of any series of Preferred Stock may provide that such series shall be superior or rank equally or be junior to any other series of Preferred Stock to the extent permitted by law.

Subject to the rights of the holders of any series of Preferred Stock pursuant to the terms of this Certificate or any resolution or resolutions providing for the issuance of such series of stock adopted by the Board, the number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the DGCL.

ARTICLE V
BYLAWS

In furtherance and not in limitation of the powers conferred upon it by the DGCL, and subject to the terms of any series of Preferred Stock, the Board shall have the power to adopt, amend, alter or repeal the Bylaws of the Corporation, as amended, restated or modified from time to time (the "***Bylaws***"). The stockholders may not adopt, amend, alter or repeal the Bylaws, or adopt any provision inconsistent therewith.

ARTICLE VI
DIRECTORS

6.1 **General Powers.** The business and affairs of the Corporation shall be managed by or under the direction of the Board.

6.2 **Number of Directors; Election of Directors**. Subject to the rights of holders of any series of Preferred Stock to elect directors, the number of directors of the Corporation shall be established from time to time by the Board. Election of directors need not be by written ballot, except as and to the extent provided in the Bylaws.

6.3 **Quorum**. A majority of the directors in office shall constitute a quorum of the Board. If at any meeting of the Board there shall be less than such a quorum, a majority of the directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting, until a quorum shall be present.

6.4 **Action at Meeting.** Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board unless a greater number is required by law or by this Certificate.

6.5 **Removal**. Subject to the rights of holders of any series of Preferred Stock, directors of the Corporation may be removed but only for cause and only by the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote at an election of directors.

6.6 **Vacancies**. Subject to the rights of holders of any series of Preferred Stock, any vacancy or newly created directorship in the Board, however occurring, shall be filled only by vote of a majority of the directors then in office, or by a sole remaining director and shall not be filled by the stockholders, unless the Board determines by resolution that any such vacancy or newly created directorship shall be filled by the stockholders. A director elected to fill a vacancy shall hold office until such director's earlier death, resignation or removal.

ARTICLE VII
LIABILITY OF DIRECTORS

To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the DGCL or any other law of the State of Delaware is amended after approval by the stockholders of this Article VII to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL as so amended. Any repeal or modification of the foregoing provisions of this Article VII by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

ARTICLE VIII
STOCKHOLDERS

8.1 No action that is required or permitted to be taken by the stockholders of the Corporation at any annual or special meeting of stockholders may be effected by written consent of stockholders in lieu of a meeting.

8.2 Special meetings of stockholders for any purpose or purposes may be called at any time only by the Board, the chairperson of the Board, the chief executive officer or the president (in the absence of a chief executive officer) of the Corporation, and may not be called by any other person or persons. Business transacted at any special meeting of stockholders shall be limited to the purpose or purposes stated in the notice of meeting.

8.3 Advance notice of stockholder nominations for election of directors and other business to be brought by stockholders before a meeting of stockholders shall be given in the manner provided by the Bylaws.

8.4 Notwithstanding any other provisions of law, this Certificate or the Bylaws, and notwithstanding the fact that a lesser percentage may be specified by law, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend or repeal, or to adopt any provision inconsistent with, this Article VIII.

ARTICLE IX
EXCLUDED OPPORTUNITY

The Corporation renounces, to the fullest extent permitted by law, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any Excluded Opportunity. An "***Excluded Opportunity***" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, or (ii) any holder of Designated Preferred Stock or any partner, member, director, stockholder, employee or agent of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (collectively, the persons delineated in (i) and (ii) are "***Covered Persons***"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Corporation. Any repeal or modification of this Article VIII will only be prospective and will not affect the rights under this Article VIII in effect at the time of the alleged occurrence of any action or omission to act giving rise to liability.

ARTICLE X
EXCLUSIVE FORUM IN DELAWARE

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the DGCL or this Certificate or the Bylaws or (iv) any action asserting a claim against the Corporation, its directors, officers or employees governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction, provided, that the provisions in this Article X shall not apply to suits brought to enforce any liability or duty created by the Securities Act of 1933, as amended, or the Exchange Act of 1934, as amended, or other federal securities laws for which there is exclusive federal or concurrent federal and state jurisdiction. To the fullest extent permitted by applicable law, any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article X. Notwithstanding any other provisions of law, this Certificate or the Bylaws, and notwithstanding the fact that a lesser percentage may be specified by law, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend or repeal, or to adopt any provision inconsistent with, this Article X. If any provision or provisions of this Article X shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article X (including, without limitation, each portion of any sentence of this Article X containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

Unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

ARTICLE XI
INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

11.1 **Right to Indemnification of Directors and Officers.** The Corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any current or former director or officer of the Corporation (an "***Indemnified Person***") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "***Proceeding***"), by reason of the fact that such person, or a person for whom such person is the legal representative, is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, limited liability company, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Indemnified Person in such Proceeding. Notwithstanding the preceding sentence, except as otherwise provided in Section 10.3, the Corporation shall be required to indemnity an Indemnified Person in connection with a Proceeding (or part thereof) commenced by such Indemnified Person only if the commencement of such Proceeding (or part thereof) by the Indemnified Person was authorized in advance by the Board.

11.2 **Prepayment of Expenses of Officers and Directors.** The Corporation shall pay the expenses (including attorneys' fees) incurred by an Indemnified Person in defending any Proceeding in advance of its final disposition, *provided, however,* that, to the extent required by law, such payment of expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the Indemnified Person to repay all amounts advanced if it should be ultimately determined that the Indemnified Person is not entitled to be indemnified under this Article X or otherwise.

11.3 **Claims by Directors and Officers.** If a claim for indemnification or advancement of expenses under this Article XI is not paid in full within thirty (30) days after a written claim therefor by the Indemnified Person has been received by the Corporation, the Indemnified Person may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the Corporation shall have the burden of proving that the Indemnified Person is not entitled to the requested indemnification or advancement of expenses under applicable law.

11.4 **Indemnification of Employees and Agents.** The Corporation may indemnify and advance expenses to any person who was or is made or is threatened to be made or is otherwise involved in any Proceeding by reason of the fact that such person, or a person for whom such person is the legal representative, is or was an employee or agent of the Corporation or, while an employee or agent of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, limited liability company, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such person in connection with such Proceeding. The ultimate determination of entitlement to indemnification of persons who are non-director or officer employees or agents shall be made in such manner as is determined by the Board in its sole discretion. The Board, in its sole discretion, may indemnify a person in connection with a Proceeding initiated by such person if the Proceeding was not authorized in advance by the Board.

11.5 **Advancement of Expenses of Employees and Agents.** The Corporation may pay the expenses (including attorneys' fees) incurred by an employee or agent in defending any Proceeding in advance of its final disposition on such terms and conditions as may be determined by the Board.

11.6 **Non-Exclusivity of Rights.** The rights conferred on any person by this Article X shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of this Certificate or the Bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

11.7 **Other Indemnification.** The Corporation's obligation, if any, to indemnify any person who was or is serving at its request as a director, officer or employee of another Corporation, partnership, limited liability company, joint venture, trust, organization or other enterprise shall be reduced by any amount such person may collect as indemnification from such other Corporation, partnership, limited liability company, joint venture, trust, organization or other enterprise.

11.8 **Insurance**. The Board may, to the fullest extent permitted by applicable law as it presently exists, or may hereafter be amended from time to time, authorize an appropriate officer or officers to purchase and maintain at the Corporation's expense insurance: (a) to indemnify the Corporation for any obligation which it incurs as a result of the indemnification of directors, officers and employees under the provisions of this Article XI; and (b) to indemnify or insure directors, officers and employees against liability in instances in which they may not otherwise be indemnified by the Corporation under the provisions of this Article XI.

11.9 **Amendment or Repeal.** Any repeal or modification of the foregoing provisions of this Article XI shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification. The rights provided hereunder shall inure to the benefit of any Indemnified Person and such person's heirs, executors and administrators.

ARTICLE XII
AMENDMENT

Except as otherwise provided herein, the Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate, in the manner now or hereafter prescribed by statute and this Certificate, and all rights conferred upon stockholders, directors or any other persons herein are granted subject to this reservation.

* * *

4. The foregoing amendment and restatement was approved by the holders of the requisite number of shares of the Corporation in accordance with Section 228 of the DGCL.

5. This Certificate, which restates and integrates and further amends the provisions of the Original Charter, has been duly adopted in accordance with Sections 242 and 245 of the DGCL.

IN WITNESS WHEREOF, this Certificate has been executed by a duly authorized officer of the Corporation on this 13th day of August, 2021.

By: */s/ Carol Craig*
Name: Carol Craig
Title: Chief Executive Officer

EXHIBIT 3.2

CERTIFICATE OF AMENDMENT OF
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF
SIDUS SPACE, INC.

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

Sidus Space, Inc. (the "***Corporation***"), a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "***DGCL***"), does hereby certify as follows:

1. The Board of Directors of the Corporation duly adopted resolutions proposing to amend the Amended and Restated Certificate of Incorporation of the Corporation, declaring said amendment to be advisable and in the best interests of the Corporation and its stockholders, and authorizing the appropriate officers of the Corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:

RESOLVED, that the Amended and Restated Certificate of Incorporation be amended by replacing Article IV, Section 4.1 in its entirety as follows:

"4.1 **Authorized Capital Stock.** The aggregate number of shares which the Corporation shall have authority to issue is 36,000,000, consisting of 25,000,000 shares of Class A Common Stock, $0.0001 par value per share (the "**Class A Common Stock**"), and 10,000,000 shares of Class B Common Stock, $0.0001 par value per share (the "**Class B Common Stock**," and together with the Class A Common Stock, the "**Common Stock**, and 1,000,000 shares of preferred stock ("***Preferred Stock***"), $0.0001 par value."

2. The foregoing amendment was approved by the holders of the requisite number of shares of the Corporation in accordance with Section 228 of the DGCL.

3. That said amendment has been duly adopted in accordance with Sections 242 of the DGCL.

IN WITNESS WHEREOF, this Certificate has been executed by a duly authorized officer of the Corporation on this 24th day of August, 2021.

By: */s/ Carol Craig*
Name: Carol Craig
Title: CEO

BYLAWS OF
CRAIG TECHNOLOGIES AEROSPACE SOLUTIONS, INC.

ARTICLE I
CORPORATE OFFICES

1.1 Registered Office.

The registered office of the corporation shall be at such location as may be designated from time to time by the Board of Directors of the Corporation and the name of the registered agent of the corporation in Delaware shall be Corporation Service Company, or such other agent as may be designated from time to time by the Board of Directors of the Corporation

1.2 Other Offices.

The Board of Directors may at any time establish other offices at any place or places where the corporation is qualified to do business.

ARTICLE II
MEETINGS OF STOCKHOLDERS

2.1 Place Of Meetings.

Meetings of stockholders shall be held at any place, within or outside the State of Delaware, designated by the Board of Directors. In the absence of any such designation, stockholders' meetings shall be held at the registered office of the corporation.

2.2 Annual Meeting.

The annual meeting of stockholders shall be held on such date, time and place, either within or without the State of Delaware, as may be designated by resolution of the Board of Directors each year. At the meeting, directors shall be elected and any other proper business may be transacted.

2.3 Special Meeting.

A special meeting of the stockholders may be called at any time by the Board of Directors, the chairman of the board, the president or by one or more stockholders holding shares in the aggregate entitled to cast not less than ten percent (10%) of the votes at that meeting. If a special meeting is called by any person or persons other than the Board of Directors, the president or the chairman of the board, the request shall be in writing, specifying the time of such meeting and the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by telegraphic or other facsimile transmission to the chairman of the board, the president, any vice president, or the secretary of the corporation. No business may be transacted at such special meeting otherwise than specified in such notice. The officer receiving the request shall cause notice to be promptly given to the stockholders entitled to vote, in accordance with the provisions of Sections 2.4 and 2.5 of this Article II, that a meeting will be held at the time requested by the person or persons calling the meeting, not less than thirty-five (35) nor more than sixty (60) days after the receipt of the request. If the notice is not given within twenty (20) days after the receipt of the request, the person or persons requesting the meeting may give the notice. Nothing contained in this paragraph of this Section 2.3 shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board of Directors may be held.

2.4 Notice Of Stockholders' Meetings.

All notices of meetings with stockholders shall be in writing and shall be sent or otherwise given in accordance with Section 2.5 of these Bylaws not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at such meeting. The notice shall specify the place (if any), date and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called.

2.5 Manner Of Giving Notice; Affidavit Of Notice.

Written notice of any meeting of stockholders, if mailed, is given when deposited in the United States mail, postage prepaid, directed to the stockholder at his address as it appears on the records of the corporation. Without limiting the manner by which notice otherwise maybe given effectively to stockholders, any notice to stockholders may be given by electronic mail or other electronic transmission, in the manner provided in Section 232 of the Delaware General Corporation Law. An affidavit of the secretary or an assistant secretary or of the transfer agent of the corporation that the notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

2.6 Quorum.

The holders of a majority of the shares of stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by statute or by the certificate of incorporation. If, however, such quorum is not present or represented at any meeting of the stockholders, then either (a) the chairman of the meeting or (b) holders of a majority of the shares of stock entitled to vote who are present, in person or by proxy, shall have power to adjourn the meeting to another place (if any), date or time.

2.7 Adjourned Meeting; Notice.

When a meeting is adjourned to another place (if any), date or time, unless these Bylaws otherwise require, notice need not be given of the adjourned meeting if the time and place (if any), thereof and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present and vote at such adjourned meeting, are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business that might have been transacted at the original meeting. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the place (if any), date and time of the adjourned meeting and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

2.8 Organization; Conduct of Business.

(a) Such person as the Board of Directors may have designated or, in the absence of such a person, the President of the corporation or, in his or her absence, such person as may be chosen by the holders of a majority of the shares entitled to vote who are present, in person or by proxy, shall call to order any meeting of the stockholders and act as Chairman of the meeting. In the absence of the Secretary of the corporation, the Secretary of the meeting shall be such person as the Chairman of the meeting appoints.

(b) The Chairman of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including the manner of voting and the conduct of business. The date and time of opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting.

2.9 Voting.

The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Section 2.12 of these Bylaws, subject to the provisions of Sections 217 and 218 of the General Corporation Law of Delaware (relating to voting rights of fiduciaries, pledgors and joint owners of stock and to voting trusts and other voting agreements). Except as may be otherwise provided in the certificate of incorporation, each stockholder shall be entitled to one vote for each share of capital stock held by such stockholder. All elections shall be determined by a plurality of the votes cast, and except as otherwise required by law, all other matters shall be determined by a majority of the votes cast affirmatively or negatively.

2.10 Waiver Of Notice.

Whenever notice is required to be given under any provision of the General Corporation Law of Delaware or of the certificate of incorporation or these Bylaws, a written waiver thereof, signed by the person entitled to notice, or waiver by electronic mail or other electronic transmission by such person, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice, or any waiver of notice by electronic transmission, unless so required by the certificate of incorporation or these Bylaws.

2.11 Stockholder Action By Written Consent Without A Meeting.

Unless otherwise provided in the certificate of incorporation, any action required to be taken at any annual or special meeting of stockholders of the corporation, or any action that may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, is (i) signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted, and (ii) delivered to the corporation in accordance with Section 228(a) of the Delaware General Corporation Law.

Every written consent shall bear the date of signature of each stockholder who signs the consent and no written consent shall be effective to take the corporate action referred to therein unless, within 60 days of the date the earliest dated consent is delivered to the corporation, a written consent or consents signed by a sufficient number of holders to take action are delivered to the corporation in the manner prescribed in this Section. A telegram, cablegram, electronic mail or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, or by a person or persons authorized to act for a stockholder or proxyholder, shall be deemed to be written, signed and dated for purposes of this Section to the extent permitted by law. Any such consent shall be delivered in accordance with Section 228(d)(1) of the Delaware General Corporation Law.

Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing (including by electronic mail or other electronic transmission as permitted by law). If the action which is consented to is such as would have required the filing of a certificate under any section of the General Corporation Law of Delaware if such action had been voted on by stockholders at a meeting thereof, then the certificate filed under such section shall state, in lieu of any statement required by such section concerning any vote of stockholders, that written notice and written consent have been given as provided in Section 228 of the General Corporation Law of Delaware.

2.12 Record Date For Stockholder Notice; Voting; Giving Consents.

In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than 60 nor less than 10 days before the date of such meeting, nor more than 60 days prior to any other action.

If the Board of Directors does not so fix a record date:

(a) The record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

(b) The record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is necessary, shall be the day on which the first written consent (including consent by electronic mail or other electronic transmission as permitted by law) is delivered to the corporation.

(c) The record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting, if such adjournment is for thirty (30) days or less; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

2.13 Proxies.

Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by an instrument in writing or by an electronic transmission permitted by law filed with the secretary of the corporation, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be deemed signed if the stockholder's name is placed on the proxy (whether by manual signature, typewriting, facsimile, electronic or telegraphic transmission or otherwise) by the stockholder or the stockholder's attorney-in- fact. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212(e) of the General Corporation Law of Delaware.

ARTICLE III
DIRECTORS

3.1 Powers.

Subject to the provisions of the General Corporation Law of Delaware and any limitations in the certificate of incorporation or these Bylaws relating to action required to be approved by the stockholders or by the outstanding shares, the business and affairs of the corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors.

3.2 Number Of Directors.

Upon the adoption of these Bylaws, the number of directors constituting the entire Board of Directors shall be one (1). Thereafter, this number may be changed by a resolution of the Board of Directors or of the stockholders, subject to Section 3.4 of these Bylaws. No reduction of the authorized number of directors shall have the effect of removing any director before such director's term of office expires.

3.3 Election, Qualification And Term Of Office Of Directors.

Except as provided in Section 3.4 of these Bylaws, and unless otherwise provided in the certificate of incorporation, directors shall be elected at each annual meeting of stockholders to hold office until the next annual meeting. Directors need not be stockholders unless so required by the certificate of incorporation or these Bylaws, wherein other qualifications for directors may be prescribed. Each director, including a director elected to fill a vacancy, shall hold office until his or her successor is elected and qualified or until his or her earlier resignation or removal.

Unless otherwise specified in the certificate of incorporation, elections of directors need not be by written ballot.

3.4 Resignation And Vacancies.

Any director may resign at any time upon written notice to the attention of the Secretary of the corporation. When one or more directors so resigns and the resignation is effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in this section in the filling of other vacancies. Unless otherwise provided in the certificate of incorporation or these Bylaws, vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all of the stockholders having the right to vote as a single class may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

If at any time, by reason of death or resignation or other cause, the corporation should have no directors in office, then any officer or any stockholder or an executor, administrator, trustee or guardian of a stockholder, or other fiduciary entrusted with like responsibility for the person or estate of a stockholder, may call a special meeting of stockholders in accordance with the provisions of the certificate of incorporation or these Bylaws, or may apply to the Court of Chancery for a decree summarily ordering an election as provided in Section 211 of the General Corporation Law of Delaware.

If, at the time of filling any vacancy or any newly created directorship, the directors then in office constitute less than a majority of the whole board (as constituted immediately prior to any such increase), then the Court of Chancery may, upon application of any stockholder or stockholders holding at least 10% of the total number of the shares at the time outstanding having the right to vote for such directors, summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office as aforesaid, which election shall be governed by the provisions of Section 211 of the General Corporation Law of Delaware as far as applicable.

3.5 Place Of Meetings; Meetings By Telephone.

The Board of Directors of the corporation may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the certificate of incorporation or these Bylaws, members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

3.6 Regular Meetings.

Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by the board.

3.7 Special Meetings; Notice.

Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the chairman of the board, the president, any vice president, the secretary or any director.

Notice of the time and place of special meetings shall be delivered personally or by telephone to each director or sent by first-class mail, facsimile, electronic transmission, or telegram, charges prepaid, addressed to each director at that director's address as it is shown on the records of the corporation. If the notice is mailed, it shall be deposited in the United States mail at least four days before the time of the holding of the meeting. If the notice is delivered personally or by facsimile, electronic transmission, telephone or telegram, it shall be delivered at least 48 hours before the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director. The notice need not specify the purpose of the meeting. The notice need not specify the place of the meeting, if the meeting is to be held at the principal executive office of the corporation. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

3.8 Quorum.

At all meetings of the Board of Directors, a majority of the total number of directors shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the certificate of incorporation. If a quorum is not present at any meeting of the Board of Directors, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

3.9 Waiver Of Notice.

Whenever notice is required to be given under any provision of the General Corporation Law of Delaware or of the certificate of incorporation or these Bylaws, a written waiver thereof, signed by the person entitled to notice, or waiver by electronic mail or other electronic transmission by such person, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the directors, or members of a committee of directors, need be specified in any written waiver of notice unless so required by the certificate of incorporation or these Bylaws.

3.10 Board Action By Written Consent Without A Meeting.

Unless otherwise restricted by the certificate of incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the board or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

3.11 Fees And Compensation Of Directors.

Unless otherwise restricted by the certificate of incorporation or these Bylaws, the Board of Directors shall have the authority to fix the compensation of directors. No such compensation shall preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

3.12 Approval Of Loans To Officers.

The corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiary, including any officer or employee who is a director of the corporation or its subsidiary, whenever, in the judgment of the directors, such loan, guaranty or assistance may reasonably be expected to benefit the corporation. The loan, guaranty or other assistance may be with or without interest and may be unsecured, or secured in such manner as the Board of Directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing in this section shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

3.13 Removal Of Directors.

Unless otherwise restricted by statute, by the certificate of incorporation or by these Bylaws, any director or the entire Board of Directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors; provided, however, that if the stockholders of the corporation are entitled to cumulative voting, if less than the entire Board of Directors is to be removed, no director may be removed without cause if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire Board of Directors.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director’s term of office.

3.14 Chairman Of The Board Of Directors.

The corporation may also have, at the discretion of the Board of Directors, a chairman of the Board of Directors who shall not be considered an officer of the corporation.

ARTICLE IV
COMMITTEES

4.1 Committees Of Directors.

The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors, or in these Bylaws, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following matters: (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the General Corporate Law of Delaware to be submitted to stockholders for approval or (ii) adopting, amending or repealing any Bylaw of the corporation.

4.2 Committee Minutes.

Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

4.3 Meetings And Action Of Committees.

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of Section 3.5 (place of meetings and meetings by telephone), Section 3.6 (regular meetings), Section 0 (special meetings and notice), Section 3.8 (quorum), Section 3.9 (waiver of notice), and Section 0 (action without a meeting) of these Bylaws, with such changes in the context of such provisions as are necessary to substitute the committee and its members for the Board of Directors and its members; provided, however, that the time of regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee, that special meetings of committees may also be called by resolution of the Board of Directors and that notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board of Directors may adopt rules for the government of any committee not inconsistent with the provisions of these Bylaws.

ARTICLE V
OFFICERS

5.1 Officers.

The officers of the corporation shall be a president, a secretary, and a treasurer. The corporation may also have, at the discretion of the Board of Directors, a chief executive officer, chief financial officer, one or more vice presidents, one or more assistant secretaries, one or more assistant treasurers, and any such other officers as may be appointed in accordance with the provisions of Section 5.3 of these Bylaws. Any number of offices may be held by the same person.

5.2 Appointment Of Officers.

The officers of the corporation, except for the initial officers and such officers as may be appointed in accordance with the provisions of Sections 5.3 or 5.5 of these Bylaws, shall be appointed by the Board of Directors, subject to the rights, if any, of an officer under any contract of employment.

5.3 Subordinate Officers.

The Board of Directors may appoint, or empower the chief executive officer or the president to appoint, such other officers and agents as the business of the corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board of Directors may from time to time determine.

5.4 Removal And Resignation Of Officers.

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by an affirmative vote of the majority of the Board of Directors at any regular or special meeting of the board or, except in the case of an officer chosen by the Board of Directors, by any officer upon whom the power of removal is conferred by the Board of Directors.

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

5.5 Vacancies In Offices.

Any vacancy occurring in any office of the corporation shall be filled by the Board of Directors.

5.6 Chief Executive Officer.

Subject to such supervisory powers, if any, as may be given by the Board of Directors to the chairman of the board, if any, the chief executive officer of the corporation (if such an officer is appointed) shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and the officers of the corporation. He or she shall preside at all meetings of the stockholders and, in the absence or nonexistence of a chairman of the board, at all meetings of the Board of Directors and shall have the general powers and duties of management usually vested in the office of chief executive officer of a corporation and shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

5.7 President.

Subject to such supervisory powers, if any, as may be given by the Board of Directors to the chairman of the board (if any) or the chief executive officer, the president shall have general supervision, direction, and control of the business and other officers of the corporation. He or she shall have the general powers and duties of management usually vested in the office of president of a corporation and such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

5.8 Vice Presidents.

In the absence or disability of the chief executive officer and president, the vice presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a vice president designated by the Board of Directors, shall perform all the duties of the president and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The vice presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors, these Bylaws, the president or the chairman of the board.

5.9 Secretary.

The secretary shall keep or cause to be kept, at the principal executive office of the corporation or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors, and stockholders. The minutes shall show the time and place of each meeting, the names of those present at directors' meetings or committee meetings, the number of shares present or represented at stockholders' meetings, and the proceedings thereof.

The secretary shall keep, or cause to be kept, at the principal executive office of the corporation or at the office of the corporation's transfer agent or registrar, as determined by resolution of the Board of Directors, a share register, or a duplicate share register, showing the names of all stockholders and their addresses, the number and classes of shares held by each, the number and date of certificates evidencing such shares, and the number and date of cancellation of every certificate surrendered for cancellation.

The secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors required to be given by law or by these Bylaws. He or she shall keep the seal of the corporation, if one be adopted, in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by these Bylaws.

5.10 Treasurer.

The treasurer shall be the treasurer and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital retained earnings, and shares. The books of account shall at all reasonable times be open to inspection by any director. The treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. He or she shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the president, the chief executive officer, or the directors, upon request, an account of all his or her transactions as the treasurer and of the financial condition of the corporation, and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

5.11 Representation Of Shares Of Other Corporations.

The chairman of the board, the chief executive officer, the president, the treasurer, any vice president, the chief financial officer, the secretary or assistant secretary of this corporation, or any other person authorized by the Board of Directors or the chief executive officer or the president or a vice president, is authorized to vote, represent, and exercise on behalf of this corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of this corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by the person having such authority.

5.12 Authority And Duties Of Officers.

In addition to the foregoing authority and duties, all officers of the corporation shall respectively have such authority and perform such duties in the management of the business of the corporation as may be designated from time to time by the Board of Directors or the stockholders.

ARTICLE VI
INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

6.1 Indemnification Of Directors And Officers.

The corporation shall, to the maximum extent and in the manner permitted by the General Corporation Law of Delaware, indemnify each of its directors and officers against expenses (including attorneys' fees), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such person is or was an agent of the corporation. For purposes of this Section 6.1, a "director" or "officer" of the corporation includes any person (a) who is or was a director or officer of the corporation, (b) who is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, or (c) who was a director or officer of a corporation which was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation.

6.2 Indemnification Of Others.

The corporation shall have the power, to the maximum extent and in the manner permitted by the General Corporation Law of Delaware, to indemnify each of its employees and agents (other than directors and officers) against expenses (including attorneys' fees), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such person is or was an agent of the corporation. For purposes of this Section 6.2, an "employee" or "agent" of the corporation (other than a director or officer) includes any person (a) who is or was an employee or agent of the corporation, (b) who is or was serving at the request of the corporation as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise, or (c) who was an employee or agent of a corporation which was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation.

6.3 Payment Of Expenses In Advance.

Expenses incurred in defending any action or proceeding for which indemnification is required pursuant to Section 6.1 or for which indemnification is permitted pursuant to Section 6.2 following authorization thereof by the Board of Directors shall be paid by the corporation in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of the indemnified party to repay such amount if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that the indemnified party is not entitled to be indemnified as authorized in this Article VI.

6.4 Indemnity Not Exclusive.

The indemnification provided by this Article VI shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office, to the extent that such additional rights to indemnification are authorized in the certificate of incorporation.

6.5 Insurance.

The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability under the provisions of the General Corporation Law of Delaware.

6.6 Conflicts.

No indemnification or advance shall be made under this Article VI, except where such indemnification or advance is mandated by law or the order, judgment or decree of any court of competent jurisdiction, in any circumstance where it appears:

(a) That it would be inconsistent with a provision of the certificate of incorporation, these Bylaws, a resolution of the stockholders or an agreement in effect at the time of the accrual of the alleged cause of the action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

ARTICLE VII
RECORDS AND REPORTS

7.1 Maintenance And Inspection Of Records.

The corporation shall, either at its principal executive offices or at such place or places as designated by the Board of Directors, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these Bylaws as amended to date, accounting books, and other records.

Any stockholder of record, in person or by attorney or other agent, shall, upon written demand under oath stating the purpose thereof, have the right during the usual hours for business to inspect for any proper purpose the corporation's stock ledger, a list of its stockholders, and its other books and records and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to such person's interest as a stockholder. In every instance where an attorney or other agent is the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing that authorizes the attorney or other agent to so act on behalf of the stockholder. The demand under oath shall be directed to the corporation at its registered office in Delaware or at its principal place of business.

A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in each such stockholder's name, shall be open to the examination of any such stockholder for a period of at least ten (10) days prior to the meeting in the manner provided by law. The stock list shall also be open to the examination of any stockholder during the whole time of the meeting as provided by law. This list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

7.2 Inspection By Directors.

Any director shall have the right to examine the corporation's stock ledger, a list of its stockholders, and its other books and records for a purpose reasonably related to his or her position as a director. The Court of Chancery is hereby vested with the exclusive jurisdiction to determine whether a director is entitled to the inspection sought. The Court may summarily order the corporation to permit the director to inspect any and all books and records, the stock ledger, and the stock list and to make copies or extracts therefrom. The Court may, in its discretion, prescribe any limitations or conditions with reference to the inspection, or award such other and further relief as the Court may deem just and proper.

ARTICLE VIII
GENERAL MATTERS

8.1 Checks.

From time to time, the Board of Directors shall determine by resolution which person or persons may sign or endorse all checks, drafts, other orders for payment of money, notes or other evidences of indebtedness that are issued in the name of or payable to the corporation, and only the persons so authorized shall sign or endorse those instruments.

8.2 Execution Of Corporate Contracts And Instruments.

The Board of Directors, except as otherwise provided in these Bylaws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation; such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

8.3 Stock Certificates; Partly Paid Shares.

The shares of a corporation shall be represented by certificates, provided that the Board of Directors of the corporation may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the corporation. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

The corporation may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, upon the books and records of the corporation in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the corporation shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

8.4 Special Designation On Certificates.

If the corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the corporation shall issue to represent such class or series of stock; provided, however, that, except as otherwise provided in Section 202 of the General Corporation Law of Delaware, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the corporation shall issue to represent such class or series of stock a statement that the corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

8.5 Lost Certificates.

Except as provided in this Section 8.5, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the corporation and cancelled at the same time. The corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate previously issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or the owner’s legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

8.6 Construction; Definitions.

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Delaware General Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

8.7 Dividends.

The directors of the corporation, subject to any restrictions contained in (a) the General Corporation Law of Delaware or (b) the certificate of incorporation, may declare and pay dividends upon the shares of its capital stock. Dividends may be paid in cash, in property, or in shares of the

corporation's capital stock.

The directors of the corporation may set apart out of any of the funds of the corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the corporation, and meeting contingencies.

8.8 Fiscal Year.

The fiscal year of the corporation shall be fixed by resolution of the Board of Directors and may be changed by the Board of Directors.

8.9 Seal.

The corporation may adopt a corporate seal, which may be altered at pleasure, and may use the same by causing it or a facsimile thereof, to be impressed or affixed or in any other manner reproduced.

8.10 Transfer Of Stock.

Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate, and record the transaction in its books.

8.11 Stock Transfer Agreements.

The corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the corporation to restrict the transfer of shares of stock of the corporation of any one or more classes owned by such stockholders in any manner not prohibited by the General Corporation Law of Delaware.

8.12 Registered Stockholders.

The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner, shall be entitled to hold liable for calls and assessments the person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

8.13 Facsimile Signature.

In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these Bylaws, facsimile signatures of any officer or officers of the corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

ARTICLE IX
AMENDMENTS

The Bylaws of the corporation may be adopted, amended or repealed by the stockholders entitled to vote; provided, however, that the corporation may, in its certificate of incorporation, confer the power to adopt, amend or repeal Bylaws upon the directors. The fact that such power has been so conferred upon the directors shall not divest the stockholders of the power, nor limit their power to adopt, amend or repeal Bylaws.


0000
Certificate Number
SIDUS SPACE
* 0,000,000 *
Shares
Par Value $0.0001
Class A Common Stock
CUSIP No. 826165102
This Certifies That
* SPECIMEN *
* SPECIMEN *
* SPECIMEN *
* SPECIMEN *
Is The Owner Of * ZERO *
FULLY PAID AND NON-ASSESSABLE SHARES OF THE CLASS A COMMON STOCK PAR VALUE OF $0.0001 EACH OF
SIDUS SPACE, INC.
TRANSFERABLE ON THE BOOKS OF THE CORPORATION IN PERSON OR BY DULY AUTHORIZED ATTORNEY UPON SURRENDER OF THIS CERTIFICATE PROPERLY ENDORSED. THIS CERTIFICATE IS NOT VALID UNTIL COUNTERSIGNED BY THE TRANSFER AGENT AND REGISTERED BY THE REGISTRAR. WITNESS THE FACSIMILE SEAL OF THE CORPORATION AND THE FACSIMILE SIGNATURES OF ITS DULY AUTHORIZED OFFICERS.
Dated: MONTH DD, YYYY
Countersigned and Registered By:
ClearTrust, LLC
Carol M Craig
CAROL CRAIG
Chief Executive Officer
SIDUS SPACE, INC.
Corporate
Seal
DELAWARE
Transfer Agent Authorized Signature
www.ClearTrustOnline.com

TRANSFER INSTRUCTIONS:

For Value Received, the undersigned hereby assigns and transfers _____ shares represented by this Certificate to the new registration name as outlined below. The undersigned does hereby irrevocably constitute and appoint said Transfer Agent and Registrar of these securities to transfer the said stock on the books of the within-named Issuer with full power of substitution in the premises.

Transfer Type: *(Select one.)*

- ☐ Gift. The gift date is _____.
- ☐ Private sale. The sale date is _____. The sale price was $_____ per share.
- ☐ Inheritance. The date of death was _____.
- ☐ Change registration name *(no beneficial owner change).*
- ☐ Transfer certificate to electronic shares.

NEW SHAREHOLDER INFORMATION:

(In this section, please detail the full name and contact information of the person/entity the shares are being transferred to. If transferring to multiple shareholders, attach a separate sheet with shareholder and delivery instructions, and complete only the signature section below.)

New registration name: *(This name will appear on the new statement or certificate.)* _____

Account type: *(Select one.)*

- ☐ INDIVIDUAL
- ☐ CORPORATION
- ☐ TRUST
- ☐ JT TEN *(Joint Tenants)*
- ☐ TEN COM *(Tenants in Common)*
- ☐ TEN ENT *(Tenants by the Entirety)*
- ☐ JTWROS *(Joint Tenants With Rights Of Survivorship)*
- ☐ UGMA *(Uniform Gift to Minors Act)*
- ☐ UTMA *(Uniform Transfer to Minors Act)*
- ☐ Other: _____

Address of record: _____

_____

Primary EIN/SSN: _____ **Joint SSN** *(If applicable):* _____

Email: _____ **Phone:** _____

DELIVERY INSTRUCTIONS:

(Select only one. Any portion of shares represented by this certificate remaining in the current name will be moved into book entry/electronic shares unless otherwise noted in the attached special instructions.)

- ☐ Mail a **Certificate.** Enclosed is either a pre-paid shipping label or additional fees to cover the shipping cost.
- ☐ Email a statement representing book entry/**electronic shares.** *(Mailed if a valid email is not provided.)*
- ☐ See attached letter for special instructions.

SIGNATURE(S):

(In this section, the shareholder named on the front of this certificate must sign to execute the transfer.)

Date: _____

Reserved for Medallion Guarantee Stamp & Guarantor's Signature

X _____
Shareholder Signature

X _____
Joint Shareholder Signature

(A Medallion Signature Guarantee stamp is NOT required if the shares are staying in the exact same name. For all other transfers, the stamp is required, & the original must be mailed to the Transfer Agent and Registrar. If a stamp is required, the guarantee stamp must be provided by an Eligible Financial Institution or member of a registered National Securities Exchange approved by the Securities Transfer Association, Inc. pursuant to Securities and Exchange Commission Rule 17Ad-15. No other form of signature guarantee will be accepted.)

SIDUS SPACE, INC.
2021 OMNIBUS EQUITY INCENTIVE PLAN

Section 1. Purpose of Plan.

The name of the Plan is the Sidus Space, Inc. 2021 Omnibus Equity Incentive Plan. The purposes of the Plan are to (i) provide an additional incentive to selected employees, directors, independent contractors and consultants of the Company or its Affiliates whose contributions are essential to the growth and success of the Company, (ii) strengthen the commitment of such individuals to the Company and its Affiliates, (iii) motivate those individuals to faithfully and diligently perform their responsibilities and (iv) attract and retain competent and dedicated individuals whose efforts will result in the long-term growth and profitability of the Company. To accomplish these purposes, the Plan provides that the Company may grant Options, Share Appreciation Rights, Restricted Shares, Restricted Stock Units, Other Share-Based Awards, Cash Awards or any combination of the foregoing.

Section 2. Definitions.

For purposes of the Plan, the following terms shall be defined as set forth below:

(a) "Administrator" means the Board, or, if and to the extent the Board does not administer the Plan, the Committee in accordance with Section 3 hereof.

(b) "Affiliate" means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified as of any date of determination.

(c) "Applicable Laws" means the applicable requirements under U.S. federal and state corporate laws, U.S. federal and state securities laws, including the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any other country or jurisdiction where Awards are granted under the Plan, as are in effect from time to time.

(d) "Award" means any Option, Share Appreciation Right, Restricted Share, Restricted Stock Unit, Other Share-Based Award or Cash Award granted under the Plan.

(e) "Award Agreement" means any written notice, agreement, contract or other instrument or document evidencing an Award, including through electronic medium, which shall contain such terms and conditions with respect to an Award as the Administrator shall determine, consistent with the Plan.

(f) "Beneficial Owner" (or any variant thereof) has the meaning defined in Rule 13d-3 under the Exchange Act.

(g) "Board" means the Board of Directors of the Company.

(h) "Bylaws" mean the bylaws of the Company, as may be amended and/or restated from time to time.

(i) "Cash Award" means cash awarded under Section 11 of the Plan, including cash awarded as a bonus or upon the attainment of performance goals or otherwise as permitted under the Plan.

(j) "Cause" has the meaning assigned to such term in any individual service, employment or severance agreement or Award Agreement with the Participant or, if no such agreement exists or if such agreement does not define "Cause," then "Cause" means (i) the conviction, guilty plea or plea of "no contest" by the Participant to any felony or a crime involving moral turpitude or the Participant's commission of any other act or omission involving dishonesty or fraud, (ii) the substantial and repeated failure of the Participant to perform duties of the office held by the Participant, (iii) the Participant's gross negligence, willful misconduct or breach of fiduciary duty with respect to the Company or any of its Subsidiaries or Affiliates, (iv) any breach by the Participant of any restrictive covenants to which the Participant is subject, and/or (v) the Participant's engagement in any conduct which is or can reasonably be expected to be materially detrimental or injurious to the business or reputation of the Company or its Affiliates. Any voluntary termination of employment or service by the Participant in anticipation of an involuntary termination of the Participant's employment or service, as applicable, for Cause shall be deemed to be a termination for Cause.

(k) "Change in Capitalization" means any (i) merger, consolidation, reclassification, recapitalization, spin-off, spin-out, repurchase or other reorganization or corporate transaction or event, (ii) special or extraordinary dividend or other extraordinary distribution (whether in the form of cash, equity interests of the Company or other property), stock split, reverse stock split, share subdivision or consolidation, (iii) combination or exchange of shares or (iv) other change in corporate structure, which, in any such case, the Administrator determines, in its sole discretion, affects the Shares such that an adjustment pursuant to Section 5 hereof is appropriate.

(l) "Change in Control" means the first occurrence of an event set forth in any one of the following paragraphs following the Effective Date:

(1) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person which were acquired directly from the Company or any Affiliate thereof) representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (i) of paragraph (3) below; or

(2) the date on which individuals who constitute the Board as of the Effective Date and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including, but not limited to, a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the Effective Date or whose appointment, election or nomination for election was previously so approved or recommended cease for any reason to constitute a majority of the number of directors serving on the Board; or

(3) there is consummated a merger or consolidation of the Company or any direct or indirect Subsidiary with any other corporation or other entity, other than (i) a merger or consolidation (A) which results in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary, fifty percent (50%) or more of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation and (B) following which the individuals who comprise the Board immediately prior thereto constitute at least a majority of the board of directors of the Company, the entity surviving such merger or consolidation or, if the Company or the entity surviving such merger or consolidation is then a Subsidiary, the ultimate parent thereof, or (ii) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities; or

(4) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets, other than (A) a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are owned by stockholders of the Company following the completion of such transaction in substantially the same proportions as their ownership of the Company immediately prior to such sale or (B) a sale or disposition of all or substantially all of the Company's assets immediately following which the individuals who comprise the Board immediately prior thereto constitute at least a majority of the board of directors of the entity to which such assets are sold or disposed or, if such entity is a subsidiary, the ultimate parent thereof.

Notwithstanding the foregoing, (i) a Change in Control shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the holders of Company's equity interests immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions and (ii) to the extent required to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, a Change in Control shall be deemed to have occurred under the Plan with respect to any Award that constitutes deferred compensation under Section 409A of the Code only if a change in the ownership or effective control of the Company or a change in ownership of a substantial portion of the assets of the Company shall also be deemed to have occurred under Section 409A of the Code. For purposes of this definition of Change in Control, the term "Person" shall not include (i) the Company or any Subsidiary thereof, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary thereof, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of shares of the Company.

(m) "Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor thereto.

(n) "Committee" means any committee or subcommittee the Board may appoint to administer the Plan. Subject to the discretion of the Board, the Committee shall be composed entirely of individuals who meet the qualifications of a "non-employee director" within the meaning of Rule 16b-3 under the Exchange Act and any other qualifications required by the applicable stock exchange on which the Common Stock is traded.

(o) "Common Stock" means the Class A common stock of the Company, having a par value of $0.0001 per share.

(p) "Company" means Sidus Space, Inc., a Delaware corporation (or any successor company, except as the term "Company" is used in the definition of "Change in Control" above).

(q) "Disability" has the meaning assigned to such term in any individual service, employment or severance agreement or Award Agreement with the Participant or, if no such agreement exists or if such agreement does not define "Disability," then "Disability" means that a Participant, as determined by the Administrator in its sole discretion, (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of the Company or an Affiliate thereof.

(r) "Effective Date" has the meaning set forth in Section 18 hereof.

(s) "Eligible Recipient" means an employee, director, independent contractor or consultant of the Company or any Affiliate of the Company who has been selected as an eligible participant by the Administrator; provided, however, to the extent required to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, an Eligible Recipient of an Option or a Stock Appreciation Right means an employee, non-employee director, independent contractor or consultant of the Company or any Affiliate of the Company with respect to whom the Company is an "eligible issuer of service recipient stock" within the meaning of Section 409A of the Code.

(t) "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

(u) "Exempt Award" shall mean the following:

(1) An Award granted in assumption of, or in substitution for, outstanding awards previously granted by a corporation or other entity acquired by the Company or any of its Subsidiaries or with which the Company or any of its Subsidiaries combines by merger or otherwise. The terms and conditions of any such Awards may vary from the terms and conditions set forth in the Plan to the extent the Administrator at the time of grant may deem appropriate, subject to Applicable Laws.

(2) An "employment inducement" award as described in the applicable stock exchange listing manual or rules may be granted under the Plan from time to time. The terms and conditions of any "employment inducement" award may vary from the terms and conditions set forth in the Plan to such extent as the Administrator at the time of grant may deem appropriate, subject to Applicable Laws.

(3) An award that an Eligible Recipient purchases at Fair Market Value (including awards that an Eligible Recipient elects to receive in lieu of fully vested compensation that is otherwise due) whether or not the shares of Common Stock are delivered immediately or on a deferred basis.

(v) "Exercise Price" means, (i) with respect to any Option, the per share price at which a holder of such Option may purchase Shares issuable upon exercise of such Award, and (ii) with respect to a Share Appreciation Right, the base price per share of such Share Appreciation Right.

(w) "Fair Market Value" of a share of Common Stock or another security as of a particular date shall mean the fair market value as determined by the Administrator in its sole discretion; provided, that, (i) if the Common Stock or other security is admitted to trading on a national securities exchange, the fair market value on any date shall be the closing sale price reported on such date, or if no shares were traded on such date, on the last preceding date for which there was a sale of a share of Common Stock on such exchange, or (ii) if the Common Stock or other security is then traded in an over-the-counter market, the fair market value on any date shall be the average of the closing bid and asked prices for such share in such over-the-counter market for the last preceding date on which there was a sale of such share in such market.

(x) "Free Standing Rights" has the meaning set forth in Section 8.

(y) "Good Reason" has the meaning assigned to such term in any individual service, employment or severance agreement or Award Agreement with the Participant or, if no such agreement exists or if such agreement does not define "Good Reason," "Good Reason" and any provision of this Plan that refers to "Good Reason" shall not be applicable to such Participant.

(z) "Incentive Compensation" means annual cash bonus and any Award.

(aa) "ISO" means an Option intended to be and designated as an "incentive stock option" within the meaning of Section 422 of the Code.

(bb) "Nonqualified Stock Option" shall mean an Option that is not designated as an ISO.

(cc) "Option" means an option to purchase shares of Common Stock granted pursuant to Section 7 hereof. The term "Option" as used in the Plan includes the terms "Nonqualified Stock Option" and "ISO."

(dd) "Other Share-Based Award" means a right or other interest granted pursuant to Section 10 hereof that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Common Stock, including, but not limited to, unrestricted Shares, dividend equivalents or performance units, each of which may be subject to the attainment of performance goals or a period of continued provision of service or employment or other terms or conditions as permitted under the Plan.

(ee) "Participant" means any Eligible Recipient selected by the Administrator, pursuant to the Administrator's authority provided for in Section 3 below, to receive grants of Awards, and, upon his or her death, his or her successors, heirs, executors and administrators, as the case may be.

(ff) "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof.

(gg) "Plan" means this 2020 Omnibus Equity Incentive Plan.

(hh) "Related Rights" has the meaning set forth in Section 8.

(ii) "Restricted Share" means a Share granted pursuant to Section 9 below subject to certain restrictions that lapse at the end of a specified period (or periods) of time and/or upon attainment of specified performance objectives.

(jj) "Restricted Period" has the meaning set forth in Section 9.

(kk) "Restricted Stock Unit" means the right granted pursuant to Section 9 hereof to receive a Share at the end of a specified restricted period (or periods) of time and/or upon attainment of specified performance objectives.

(ll) "Rule 16b-3" has the meaning set forth in Section 3.

(mm) "Section 16 Officer" means any officer of the Company whom the Board has determined is subject to the reporting requirements of Section 16 of the Exchange Act, whether or not such individual is a Section 16 Officer at the time the determination to recoup compensation is made.

(nn) "Shares" means Common Stock reserved for issuance under the Plan, as adjusted pursuant to the Plan, and any successor (pursuant to a merger, consolidation or other reorganization) security.

(oo) "Share Appreciation Right" means a right granted pursuant to Section 8 hereof to receive an amount equal to the excess, if any, of (i) the aggregate Fair Market Value, as of the date such Award or portion thereof is surrendered, of the Shares covered by such Award or such portion thereof, over (ii) the aggregate Exercise Price of such Award or such portion thereof.

(pp) "Subsidiary" means, with respect to any Person, as of any date of determination, any other Person as to which such first Person owns or otherwise controls, directly or indirectly, more than 50% of the voting shares or other similar interests or a sole general partner interest or managing member or similar interest of such other Person.

(qq) "Term" has the meaning set forth in Section 3.

(rr) "Transfer" has the meaning set forth in Section 16.

Section 3. Administration.

(a) The Plan shall be administered by the Administrator and shall be administered, to the extent applicable, in accordance with Rule 16b-3 under the Exchange Act ("Rule 16b-3").

(b) Pursuant to the terms of the Plan, the Administrator, subject, in the case of any Committee, to any restrictions on the authority delegated to it by the Board, shall have the power and authority, without limitation:

(1) to select those Eligible Recipients who shall be Participants;

(2) to determine whether and to what extent Options, Share Appreciation Rights, Restricted Shares, Restricted Stock Units, Cash Awards, Other Share-Based Awards or a combination of any of the foregoing, are to be granted hereunder to Participants;

(3) to determine the number of Shares to be covered by each Award granted hereunder;

(4) to determine the terms and conditions, not inconsistent with the terms of the Plan, of each Award granted hereunder (including, but not limited to, (i) the restrictions applicable to Restricted Shares or Restricted Stock Units and the conditions under which restrictions applicable to such Restricted Shares or Restricted Stock Units shall lapse, (ii) the performance goals and periods applicable to Awards, (iii) the Exercise Price of each Option and each Share Appreciation Right or the purchase price of any other Award, (iv) the vesting schedule and terms applicable to each Award, (v) the number of Shares or amount of cash or other property subject to each Award and (vi) subject to the requirements of Section 409A of the Code (to the extent applicable), any amendments to the terms and conditions of outstanding Awards, including, but not limited to, extending the exercise period of such Awards and accelerating the vesting and/or payment schedules of such Awards);

(5) to determine the terms and conditions, not inconsistent with the terms of the Plan, which shall govern all written instruments evidencing Awards;

(6) to determine the Fair Market Value in accordance with the terms of the Plan;

(7) to determine the duration and purpose of leaves of absence which may be granted to a Participant without constituting termination of the Participant's service or employment for purposes of Awards granted under the Plan;

(8) to adopt, alter and repeal such administrative rules, regulations, guidelines and practices governing the Plan as it shall from time to time deem advisable;

(9) to construe and interpret the terms and provisions of, and supply or correct omissions in, the Plan and any Award issued under the Plan (and any Award Agreement relating thereto), and to otherwise supervise the administration of the Plan and to exercise all powers and authorities either specifically granted under the Plan or necessary and advisable in the administration of the Plan; and

(10) to prescribe, amend and rescind rules and regulations relating to sub-plans established for the purpose of satisfying applicable non-United States laws or for qualifying for favorable tax treatment under applicable non-United States laws, which rules and regulations may be set forth in an appendix or appendixes to the Plan.

(c) Subject to Section 5, neither the Board nor the Committee shall have the authority to reprice or cancel and regrant any Award at a lower exercise, base or purchase price or cancel any Award with an exercise, base or purchase price in exchange for cash, property or other Awards without first obtaining the approval of the Company's shareholders.

(d) All decisions made by the Administrator pursuant to the provisions of the Plan shall be final, conclusive and binding on all Persons, including the Company and the Participants.

(e) The expenses of administering the Plan shall be borne by the Company and its Affiliates.

(f) If at any time or to any extent the Board shall not administer the Plan, then the functions of the Administrator specified in the Plan shall be exercised by the Committee. Except as otherwise provided in the Certificate of Incorporation or Bylaws of the Company, any action of the Committee with respect to the administration of the Plan shall be taken by a majority vote at a meeting at which a quorum is duly constituted or unanimous written consent of the Committee's members.

Section 4. Shares Reserved for Issuance Under the Plan.

(a) Subject to Section 5 hereof, the number of shares of Common Stock that are reserved and available for issuance pursuant to Awards granted under the Plan shall be equal to _____ shares of Common Stock; provided, that, shares of Common Stock issued under the Plan with respect to an Exempt Award shall not count against such share limit.

(b) Shares issued under the Plan may, in whole or in part, be authorized but unissued Shares or Shares that shall have been or may be reacquired by the Company in the open market, in private transactions or otherwise. If an Award entitles the Participant to receive or purchase Shares, the number of Shares covered by such Award or to which such Award relates shall be counted on the date of grant of such Award against the aggregate number of Shares available for granting Awards under the Plan. If any Shares subject to an Award are forfeited, cancelled, exchanged or surrendered or if an Award otherwise terminates or expires without a distribution of shares to the Participant, the Shares with respect to such Award shall, to the extent of any such forfeiture, cancellation, exchange, surrender, termination or expiration, again be available for granting Awards under the Plan. Notwithstanding the foregoing, Shares surrendered or withheld as payment of either the Exercise Price of an Award (including Shares otherwise underlying a Share Appreciation Right that are retained by the Company to account for the Exercise Price of such Share Appreciation Right) and/or withholding taxes in respect of an Award shall no longer be available for grant under the Plan. In addition, (i) to the extent an Award is denominated in shares of Common Stock, but paid or settled in cash, the number of shares of Common Stock with respect to which such payment or settlement is made shall again be available for grants of Awards pursuant to the Plan and (ii) shares of Common Stock underlying Awards that can only be settled in cash shall not be counted against the aggregate number of shares of Common Stock available for Awards under the Plan. Upon the exercise of any Award granted in tandem with any other Awards, such related Awards shall be cancelled to the extent of the number of Shares as to which the Award is exercised and, notwithstanding the foregoing, such number of shares shall no longer be available for grant under the Plan.

(c) No more than _____ Shares shall be issued pursuant to the exercise of ISOs.

(d) No Participant who is a non-employee director of the Company shall be granted Awards during any calendar year that, when aggregated with such non-employee director's cash fees with respect to such calendar year, exceed $_____ in total value (with Cash Awards or other cash fees measured for this purpose at their value upon payment and any other Awards measured for this purpose at their grant date fair value as determined for the Company's financial reporting purposes).

Section 5. Equitable Adjustments.

In the event of any Change in Capitalization, an equitable substitution or proportionate adjustment shall be made in (i) the aggregate number and kind of securities reserved for issuance under the Plan pursuant to Section 4, (ii) the kind, number of securities subject to, and the Exercise Price subject to outstanding Options and Share Appreciation Rights granted under the Plan, (iii) the kind, number and purchase price of Shares or other securities or the amount of cash or amount or type of other property subject to outstanding Restricted Shares, Restricted Stock Units or Other Share-Based Awards granted under the Plan; and/or (iv) the terms and conditions of any outstanding Awards (including, without limitation, any applicable performance targets or criteria with respect thereto); provided, however, that any fractional shares resulting from the adjustment shall be eliminated. Such other equitable substitutions or adjustments shall be made as may be determined by the Administrator, in its sole discretion. Without limiting the generality of the foregoing, in connection with a Change in Capitalization, the Administrator may provide, in its sole discretion, but subject in all events to the requirements of Section 409A of the Code, for the cancellation of any outstanding Award granted hereunder in exchange for payment in cash or other property having an aggregate Fair Market Value equal to the Fair Market Value of the Shares, cash or other property covered by such Award, reduced by the aggregate Exercise Price or purchase price thereof, if any; provided, however, that if the Exercise Price or purchase price of any outstanding Award is equal to or greater than the Fair Market Value of the shares of Common Stock, cash or other property covered by such Award, the Administrator may cancel such Award without the payment of any consideration to the Participant. Further, without limiting the generality of the foregoing, with respect to Awards subject to foreign laws, adjustments made hereunder shall be made in compliance with applicable requirements. Except to the extent determined by the Administrator, any adjustments to ISOs under this Section 5 shall be made only to the extent not constituting a "modification" within the meaning of Section 424(h)(3) of the Code. The Administrator's determinations pursuant to this Section 5 shall be final, binding and conclusive.

Section 6. Eligibility.

The Participants in the Plan shall be selected from time to time by the Administrator, in its sole discretion, from those individuals that qualify as Eligible Recipients.

Section 7. Options.

(a) General. Options granted under the Plan shall be designated as Nonqualified Stock Options or ISOs. Each Participant who is granted an Option shall enter into an Award Agreement with the Company, containing such terms and conditions as the Administrator shall determine, in its sole discretion, including, among other things, the Exercise Price of the Option, the term of the Option and provisions regarding exercisability of the Option, and whether the Option is intended to be an ISO or a Nonqualified Stock Option (and in the event the Award Agreement has no such designation, the Option shall be a Nonqualified Stock Option). The provisions of each Option need not be the same with respect to each Participant. More than one Option may be granted to the same Participant and be outstanding concurrently hereunder. Options granted under the Plan shall be subject to the terms and conditions set forth in this Section 7 and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Administrator shall deem desirable and set forth in the applicable Award Agreement.

(b) Exercise Price. The Exercise Price of Shares purchasable under an Option shall be determined by the Administrator in its sole discretion at the time of grant, but in no event shall the exercise price of an Option be less than one hundred percent (100%) of the Fair Market Value of a share of Common Stock on the date of grant.

(c) Option Term. The maximum term of each Option shall be fixed by the Administrator, but no Option shall be exercisable more than ten (10) years after the date such Option is granted. Each Option's term is subject to earlier expiration pursuant to the applicable provisions in the Plan and the Award Agreement. Notwithstanding the foregoing, the Administrator shall have the authority to accelerate the exercisability of any outstanding Option at such time and under such circumstances as the Administrator, in its sole discretion, deems appropriate.

(d) Exercisability. Each Option shall be exercisable at such time or times and subject to such terms and conditions, including the attainment of performance goals, as shall be determined by the Administrator in the applicable Award Agreement. The Administrator may also provide that any Option shall be exercisable only in installments, and the Administrator may waive such installment exercise provisions at any time, in whole or in part, based on such factors as the Administrator may determine in its sole discretion.

(e) Method of Exercise. Options may be exercised in whole or in part by giving written notice of exercise to the Company specifying the number of whole Shares to be purchased, accompanied by payment in full of the aggregate Exercise Price of the Shares so purchased in cash or its equivalent, as determined by the Administrator. As determined by the Administrator, in its sole discretion, with respect to any Option or category of Options, payment in whole or in part may also be made (i) by means of consideration received under any cashless exercise procedure approved by the Administrator (including the withholding of Shares otherwise issuable upon exercise), (ii) in the form of unrestricted Shares already owned by the Participant which have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which such Option shall be exercised, (iii) any other form of consideration approved by the Administrator and permitted by Applicable Laws or (iv) any combination of the foregoing.

(f) ISOs. The terms and conditions of ISOs granted hereunder shall be subject to the provisions of Section 422 of the Code and the terms, conditions, limitations and administrative procedures established by the Administrator from time to time in accordance with the Plan. At the discretion of the Administrator, ISOs may be granted only to an employee of the Company, its "parent corporation" (as such term is defined in Section 424(e) of the Code) or a Subsidiary of the Company.

(1) *ISO Grants to 10% Stockholders.* Notwithstanding anything to the contrary in the Plan, if an ISO is granted to a Participant who owns shares representing more than ten percent (10%) of the voting power of all classes of shares of the Company, its "parent corporation" (as such term is defined in Section 424(e) of the Code) or a Subsidiary of the Company, the term of the ISO shall not exceed five (5) years from the time of grant of such ISO and the Exercise Price shall be at least one hundred and ten percent (110%) of the Fair Market Value of the Shares on the date of grant.

(2) *$100,000 Per Year Limitation For ISOs*. To the extent the aggregate Fair Market Value (determined on the date of grant) of the Shares for which ISOs are exercisable for the first time by any Participant during any calendar year (under all plans of the Company) exceeds $100,000, such excess ISOs shall be treated as Nonqualified Stock Options.

(3) *Disqualifying Dispositions*. Each Participant awarded an ISO under the Plan shall notify the Company in writing immediately after the date the Participant makes a "disqualifying disposition" of any Share acquired pursuant to the exercise of such ISO. A "disqualifying disposition" is any disposition (including any sale) of such Shares before the later of (i) two years after the date of grant of the ISO and (ii) one year after the date the Participant acquired the Shares by exercising the ISO. The Company may, if determined by the Administrator and in accordance with procedures established by it, retain possession of any Shares acquired pursuant to the exercise of an ISO as agent for the applicable Participant until the end of the period described in the preceding sentence, subject to complying with any instructions from such Participant as to the sale of such Shares.

(g) Rights as Stockholder. A Participant shall have no rights to dividends, dividend equivalents or distributions or any other rights of a stockholder with respect to the Shares subject to an Option until the Participant has given written notice of the exercise thereof, and has paid in full for such Shares and has satisfied the requirements of Section 15 hereof.

(h) Termination of Employment or Service. Treatment of an Option upon termination of employment of a Participant shall be provided for by the Administrator in the Award Agreement.

(i) Other Change in Employment or Service Status. An Option shall be affected, both with regard to vesting schedule and termination, by leaves of absence, including unpaid and un-protected leaves of absence, changes from full-time to part-time employment, partial Disability or other changes in the employment status or service status of a Participant, in the discretion of the Administrator.

Section 8. Share Appreciation Rights.

(a) General. Share Appreciation Rights may be granted either alone ("Free Standing Rights") or in conjunction with all or part of any Option granted under the Plan ("Related Rights"). Related Rights may be granted either at or after the time of the grant of such Option. The Administrator shall determine the Eligible Recipients to whom, and the time or times at which, grants of Share Appreciation Rights shall be made. Each Participant who is granted a Share Appreciation Right shall enter into an Award Agreement with the Company, containing such terms and conditions as the Administrator shall determine, in its sole discretion, including, among other things, the number of Shares to be awarded, the Exercise Price per Share, and all other conditions of Share Appreciation Rights. Notwithstanding the foregoing, no Related Right may be granted for more Shares than are subject to the Option to which it relates. The provisions of Share Appreciation Rights need not be the same with respect to each Participant. Share Appreciation Rights granted under the Plan shall be subject to the following terms and conditions set forth in this Section 8 and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Administrator shall deem desirable, as set forth in the applicable Award Agreement.

(b) Awards; Rights as Stockholder. A Participant shall have no rights to dividends or any other rights of a stockholder with respect to the shares of Common Stock, if any, subject to a Stock Appreciation Right until the Participant has given written notice of the exercise thereof and has satisfied the requirements of Section 15 hereof.

(c) Exercise Price. The Exercise Price of Shares purchasable under a Share Appreciation Rights shall be determined by the Administrator in its sole discretion at the time of grant, but in no event shall the exercise price of a Share Appreciation Rights be less than one hundred percent (100%) of the Fair Market Value of a share of Common Stock on the date of grant.

(d) Exercisability.

(1) Share Appreciation Rights that are Free Standing Rights shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Administrator in the applicable Award Agreement.

(2) Share Appreciation Rights that are Related Rights shall be exercisable only at such time or times and to the extent that the Options to which they relate shall be exercisable in accordance with the provisions of Section 7 hereof and this Section 8 of the Plan.

(e) Payment Upon Exercise.

(1) Upon the exercise of a Free Standing Right, the Participant shall be entitled to receive up to, but not more than, that number of Shares equal in value to the excess of the Fair Market Value as of the date of exercise over the Exercise Price per share specified in the Free Standing Right multiplied by the number of Shares in respect of which the Free Standing Right is being exercised.

(2) A Related Right may be exercised by a Participant by surrendering the applicable portion of the related Option. Upon such exercise and surrender, the Participant shall be entitled to receive up to, but not more than, that number of Shares equal in value to the excess of the Fair Market Value as of the date of exercise over the Exercise Price specified in the related Option multiplied by the number of Shares in respect of which the Related Right is being exercised. Options which have been so surrendered, in whole or in part, shall no longer be exercisable to the extent the Related Rights have been so exercised.

(3) Notwithstanding the foregoing, the Administrator may determine to settle the exercise of a Share Appreciation Right in cash (or in any combination of Shares and cash).

(f) Termination of Employment or Service. Treatment of an Share Appreciation Right upon termination of employment of a Participant shall be provided for by the Administrator in the Award Agreement.

(g) Term.

(1) The term of each Free Standing Right shall be fixed by the Administrator, but no Free Standing Right shall be exercisable more than ten (10) years after the date such right is granted.

(2) The term of each Related Right shall be the term of the Option to which it relates, but no Related Right shall be exercisable more than ten (10) years after the date such right is granted.

(h) Other Change in Employment or Service Status. Share Appreciation Rights shall be affected, both with regard to vesting schedule and termination, by leaves of absence, including unpaid and un-protected leaves of absence, changes from full-time to part-time employment, partial Disability or other changes in the employment or service status of a Participant, in the discretion of the Administrator.

Section 9. Restricted Shares and Restricted Stock Units.

(a) General. Restricted Shares or Restricted Stock Units may be issued under the Plan. The Administrator shall determine the Eligible Recipients to whom, and the time or times at which, Restricted Shares or Restricted Stock Units shall be made. Each Participant who is granted Restricted Shares or Restricted Stock Units shall enter into an Award Agreement with the Company, containing such terms and conditions as the Administrator shall determine, in its sole discretion, including, among other things, the number of Shares to be awarded; the price, if any, to be paid by the Participant for the acquisition of Restricted Shares or Restricted Stock Units; the period of time restrictions, performance goals or other conditions that apply to Transferability, delivery or vesting of such Awards (the "Restricted Period"); and all other conditions applicable to the Restricted Shares and Restricted Stock Units. If the restrictions, performance goals or conditions established by the Administrator are not attained, a Participant shall forfeit his or her Restricted Shares or Restricted Stock Units, in accordance with the terms of the grant. The provisions of the Restricted Shares or Restricted Stock Units need not be the same with respect to each Participant.

(b) Awards and Certificates. Except as otherwise provided below in Section 9(c), (i) each Participant who is granted an Award of Restricted Shares may, in the Company's sole discretion, be issued a share certificate in respect of such Restricted Shares; and (ii) any such certificate so issued shall be registered in the name of the Participant, and shall bear an appropriate legend referring to the terms, conditions and restrictions applicable to any such Award. The Company may require that the share certificates, if any, evidencing Restricted Shares granted hereunder be held in the custody of the Company until the restrictions thereon shall have lapsed, and that, as a condition of any Award of Restricted Shares, the Participant shall have delivered a share transfer form, endorsed in blank, relating to the Shares covered by such Award. Certificates for shares of unrestricted Common Stock may, in the Company's sole discretion, be delivered to the Participant only after the Restricted Period has expired without forfeiture in such Restricted Stock Award. With respect to Restricted Stock Units to be settled in Shares, at the expiration of the Restricted Period, share certificates in respect of the shares of Common Stock underlying such Restricted Stock Units may, in the Company's sole discretion, be delivered to the Participant, or his legal representative, in a number equal to the number of shares of Common Stock underlying the Restricted Stock Units Award. Notwithstanding anything in the Plan to the contrary, any Restricted Shares or Restricted Stock Units to be settled in Shares (at the expiration of the Restricted Period, and whether before or after any vesting conditions have been satisfied) may, in the Company's sole discretion, be issued in uncertificated form. Further, notwithstanding anything in the Plan to the contrary, with respect to Restricted Stock Units, at the expiration of the Restricted Period, Shares, or cash, as applicable, shall promptly be issued (either in certificated or uncertificated form) to the Participant, unless otherwise deferred in accordance with procedures established by the Company in accordance with Section 409A of the Code, and such issuance or payment shall in any event be made within such period as is required to avoid the imposition of a tax under Section 409A of the Code.

(c) Restrictions and Conditions. The Restricted Shares or Restricted Stock Units granted pursuant to this Section 9 shall be subject to the following restrictions and conditions and any additional restrictions or conditions as determined by the Administrator at the time of grant or, subject to Section 409A of the Code where applicable, thereafter:

(1) The Administrator may, in its sole discretion, provide for the lapse of restrictions in installments and may accelerate or waive such restrictions in whole or in part based on such factors and such circumstances as the Administrator may determine, in its sole discretion, including, but not limited to, the attainment of certain performance goals, the Participant's termination of employment or service with the Company or any Affiliate thereof, or the Participant's death or Disability. Notwithstanding the foregoing, upon a Change in Control, the outstanding Awards shall be subject to Section 12 hereof.

(2) Except as provided in the applicable Award Agreement, the Participant shall generally have the rights of a stockholder of the Company with respect to Restricted Shares during the Restricted Period; provided, however, that dividends declared during the Restricted Period with respect to an Award, shall only become payable if (and to the extent) the underlying Restricted Shares vest. Except as provided in the applicable Award Agreement, the Participant shall generally not have the rights of a stockholder with respect to Shares subject to Restricted Stock Units during the Restricted Period; provided, however, that, subject to Section 409A of the Code, an amount equal to dividends declared during the Restricted Period with respect to the number of Shares covered by Restricted Stock Units shall, unless otherwise set forth in an Award Agreement, be paid to the Participant at the time (and to the extent) Shares in respect of the related Restricted Stock Units are delivered to the Participant. Certificates for Shares of unrestricted Common Stock may, in the Company's sole discretion, be delivered to the Participant only after the Restricted Period has expired without forfeiture in respect of such Restricted Shares or Restricted Stock Units, except as the Administrator, in its sole discretion, shall otherwise determine.

(3) The rights of Participants granted Restricted Shares or Restricted Stock Units upon termination of employment or service as a director, independent contractor or consultant to the Company or to any Affiliate thereof terminates for any reason during the Restricted Period shall be set forth in the Award Agreement.

(d) Form of Settlement. The Administrator reserves the right in its sole discretion to provide (either at or after the grant thereof) that any Restricted Stock Unit represent the right to receive the amount of cash per unit that is determined by the Administrator in connection with the Award.

Section 10. Other Share-Based Awards.

Other Share-Based Awards may be issued under the Plan. Subject to the provisions of the Plan, the Administrator shall have sole and complete authority to determine the individuals to whom and the time or times at which such Other Share-Based Awards shall be granted. Each Participant who is granted an Other Share-Based Award shall enter into an Award Agreement with the Company, containing such terms and conditions as the Administrator shall determine, in its sole discretion, including, among other things, the number of shares of Common Stock to be granted pursuant to such Other Share-Based Awards, or the manner in which such Other Share-Based Awards shall be settled (e.g., in shares of Common Stock, cash or other property), or the conditions to the vesting and/or payment or settlement of such Other Share-Based Awards (which may include, but not be limited to, achievement of performance criteria) and all other terms and conditions of such Other Share-Based Awards. In the event that the Administrator grants a bonus in the form of Shares, the Shares constituting such bonus shall, as determined by the Administrator, be evidenced in uncertificated form or by a book entry record or a certificate issued in the name of the Participant to whom such grant was made and delivered to such Participant as soon as practicable after the date on which such bonus is payable. Notwithstanding anything set forth in the Plan to the contrary, any dividend or dividend equivalent Award issued hereunder shall be subject to the same restrictions, conditions and risks of forfeiture as apply to the underlying Award.

Section 11. Cash Awards.

The Administrator may grant Awards that are denominated in, or payable to Participants solely in, cash, as deemed by the Administrator to be consistent with the purposes of the Plan, and, such Cash Awards shall be subject to the terms, conditions, restrictions and limitations determined by the Administrator, in its sole discretion, from time to time. Awards granted pursuant to this Section 11 may be granted with value and payment contingent upon the achievement of performance goals.

Section 12. Change in Control.

Unless otherwise determined by the Administrator and evidenced in an Award Agreement, in the event that (a) a Change in Control occurs, and (b) the Participant's employment or service is terminated by the Company, its successor or an Affiliate thereof without Cause or by the Participant for Good Reason (if applicable) on or after the effective date of the Change in Control but prior to twelve (12) months following the Change in Control, then:

(a) any unvested or unexercisable portion of any Award carrying a right to exercise shall become fully vested and exercisable; and

(b) the restrictions, deferral limitations, payment conditions and forfeiture conditions applicable to an Award granted under the Plan shall lapse and such Awards shall be deemed fully vested and any performance conditions imposed with respect to such Awards shall be deemed to be fully achieved at target performance levels.

If the Administrator determines in its discretion pursuant to Section 3(b)(4) hereof to accelerate the vesting of Options and/or Share Appreciation Rights in connection with a Change in Control, the Administrator shall also have discretion in connection with such action to provide that all Options and/or Share Appreciation Rights outstanding immediately prior to such Change in Control shall expire on the effective date of such Change in Control.

Section 13. Amendment and Termination.

The Board may amend, alter or terminate the Plan at any time, but no amendment, alteration or termination shall be made that would impair the rights of a Participant under any Award theretofore granted without such Participant's consent. The Board shall obtain approval of the Company's stockholders for any amendment that would require such approval in order to satisfy the requirements of any rules of the stock exchange on which the Common Stock is traded or other Applicable Law. The Administrator may amend the terms of any Award theretofore granted, prospectively or retroactively, but, subject to Section 5 of the Plan and the immediately preceding sentence, no such amendment shall materially impair the rights of any Participant without his or her consent.

Section 14. Unfunded Status of Plan.

The Plan is intended to constitute an "unfunded" plan for incentive compensation. With respect to any payments not yet made to a Participant by the Company, nothing contained herein shall give any such Participant any rights that are greater than those of a general creditor of the Company.

Section 15. Withholding Taxes.

Each Participant shall, no later than the date as of which the value of an Award first becomes includible in the gross income of such Participant for purposes of applicable taxes, pay to the Company, or make arrangements satisfactory to the Administrator regarding payment of an amount up to the maximum statutory tax rates in the Participant's applicable jurisdiction with respect to the Award, as determined by the Company. The obligations of the Company under the Plan shall be conditional on the making of such payments or arrangements, and the Company shall, to the extent permitted by Applicable Laws, have the right to deduct any such taxes from any payment of any kind otherwise due to such Participant. Whenever cash is to be paid pursuant to an Award, the Company shall have the right to deduct therefrom an amount sufficient to satisfy any applicable withholding tax requirements related thereto. Whenever Shares or property other than cash are to be delivered pursuant to an Award, the Company shall have the right to require the Participant to remit to the Company in cash an amount sufficient to satisfy any related taxes to be withheld and applied to the tax obligations; provided, that, with the approval of the Administrator, a Participant may satisfy the foregoing requirement by either (i) electing to have the Company withhold from delivery of Shares or other property, as applicable, or (ii) delivering already owned unrestricted shares of Common Stock, in each case, having a value not exceeding the applicable taxes to be withheld and applied to the tax obligations. Such already owned and unrestricted shares of Common Stock shall be valued at their Fair Market Value on the date on which the amount of tax to be withheld is determined and any fractional share amounts resulting therefrom shall be settled in cash. Such an election may be made with respect to all or any portion of the Shares to be delivered pursuant to an award. The Company may also use any other method of obtaining the necessary payment or proceeds, as permitted by Applicable Laws, to satisfy its withholding obligation with respect to any Award.

Section 16. Transfer of Awards.

Until such time as the Awards are fully vested and/or exercisable in accordance with the Plan or an Award Agreement, no purported sale, assignment, mortgage, hypothecation, transfer, charge, pledge, encumbrance, gift, transfer in trust (voting or other) or other disposition of, or creation of a security interest in or lien on, any Award or any agreement or commitment to do any of the foregoing (each, a "Transfer") by any holder thereof in violation of the provisions of the Plan or an Award Agreement will be valid, except with the prior written consent of the Administrator, which consent may be granted or withheld in the sole discretion of the Administrator. Any purported Transfer of an Award or any economic benefit or interest therein in violation of the Plan or an Award Agreement shall be null and void *ab initio* and shall not create any obligation or liability of the Company, and any Person purportedly acquiring any Award or any economic benefit or interest therein transferred in violation of the Plan or an Award Agreement shall not be entitled to be recognized as a holder of such Shares or other property underlying such Award. Unless otherwise determined by the Administrator in accordance with the provisions of the immediately preceding sentence, an Option or a Share Appreciation Right may be exercised, during the lifetime of the Participant, only by the Participant or, during any period during which the Participant is under a legal Disability, by the Participant's guardian or legal representative.

Section 17. Continued Employment or Service.

Neither the adoption of the Plan nor the grant of an Award shall confer upon any Eligible Recipient any right to continued employment or service with the Company or any Affiliate thereof, as the case may be, nor shall it interfere in any way with the right of the Company or any Affiliate thereof to terminate the employment or service of any of its Eligible Recipients at any time.

Section 18. Effective Date.

The Plan was adopted by the Board on ____, 2021 and shall become effective upon the closing of the initial public offering (the "Effective Date").

Section 19. Electronic Signature.

Participant's electronic signature of an Award Agreement shall have the same validity and effect as a signature affixed by hand.

Section 20. Term of Plan.

No Award shall be granted pursuant to the Plan on or after the tenth anniversary of the Effective Date, but Awards theretofore granted may extend beyond that date.

Section 21. Securities Matters and Regulations.

(a) Notwithstanding anything herein to the contrary, the obligation of the Company to sell or deliver Shares with respect to any Award granted under the Plan shall be subject to all Applicable Laws, rules and regulations, including all applicable federal and state securities laws, and the obtaining of all such approvals by governmental agencies as may be deemed necessary or appropriate by the Administrator. The Administrator may require, as a condition of the issuance and delivery of certificates evidencing shares of Common Stock pursuant to the terms hereof, that the recipient of such shares make such agreements and representations, and that such certificates bear such legends, as the Administrator, in its sole discretion, deems necessary or advisable.

(b) Each Award is subject to the requirement that, if at any time the Administrator determines that the listing, registration or qualification of Shares is required by any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory body is necessary or desirable as a condition of, or in connection with, the grant of an Award or the issuance of Shares, no such Award shall be granted or payment made or Shares issued, in whole or in part, unless listing, registration, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Administrator.

(c) In the event that the disposition of Shares acquired pursuant to the Plan is not covered by a then current registration statement under the Securities Act and is not otherwise exempt from such registration, such Shares shall be restricted against transfer to the extent required by the Securities Act or regulations thereunder, and the Administrator may require a Participant receiving Common Stock pursuant to the Plan, as a condition precedent to receipt of such Common Stock, to represent to the Company in writing that the Common Stock acquired by such Participant is acquired for investment only and not with a view to distribution.

Section 22. Section 409A of the Code.

The Plan as well as payments and benefits under the Plan are intended to be exempt from, or to the extent subject thereto, to comply with Section 409A of the Code, and, accordingly, to the maximum extent permitted, the Plan shall be interpreted in accordance therewith. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, the Participant shall not be considered to have terminated employment or service with the Company for purposes of the Plan and no payment shall be due to the Participant under the Plan or any Award until the Participant would be considered to have incurred a "separation from service" from the Company and its Affiliates within the meaning of Section 409A of the Code. Any payments described in the Plan that are due within the "short term deferral period" as defined in Section 409A of the Code shall not be treated as deferred compensation unless Applicable Law requires otherwise. Notwithstanding anything to the contrary in the Plan, to the extent that any Awards (or any other amounts payable under any plan, program or arrangement of the Company or any of its Affiliates) are payable upon a separation from service and such payment would result in the imposition of any individual tax and penalty interest charges imposed under Section 409A of the Code, the settlement and payment of such awards (or other amounts) shall instead be made on the first business day after the date that is six (6) months following such separation from service (or death, if earlier). Each amount to be paid or benefit to be provided under this Plan shall be construed as a separate identified payment for purposes of Section 409A of the Code. The Company makes no representation that any or all of the payments or benefits described in this Plan will be exempt from or comply with Section 409A of the Code and makes no undertaking to preclude Section 409A of the Code from applying to any such payment. The Participant shall be solely responsible for the payment of any taxes and penalties incurred under Section 409A.

Section 23. Notification of Election Under Section 83(b) of the Code.

If any Participant shall, in connection with the acquisition of shares of Common Stock under the Plan, make the election permitted under Section 83(b) of the Code, such Participant shall notify the Company of such election within ten (10) days after filing notice of the election with the Internal Revenue Service.

Section 24. No Fractional Shares.

No fractional shares of Common Stock shall be issued or delivered pursuant to the Plan. The Administrator shall determine whether cash, other Awards, or other property shall be issued or paid in lieu of such fractional shares or whether such fractional shares or any rights thereto shall be forfeited or otherwise eliminated.

Section 25. Beneficiary.

A Participant may file with the Administrator a written designation of a beneficiary on such form as may be prescribed by the Administrator and may, from time to time, amend or revoke such designation. If no designated beneficiary survives the Participant, the executor or administrator of the Participant's estate shall be deemed to be the Participant's beneficiary.

Section 26. Paperless Administration.

In the event that the Company establishes, for itself or using the services of a third party, an automated system for the documentation, granting or exercise of Awards, such as a system using an internet website or interactive voice response, then the paperless documentation, granting or exercise of Awards by a Participant may be permitted through the use of such an automated system.

Section 27. Severability.

If any provision of the Plan is held to be invalid or unenforceable, the other provisions of the Plan shall not be affected but shall be applied as if the invalid or unenforceable provision had not been included in the Plan.

Section 28. Clawback.

(a) If the Company is required to prepare a financial restatement due to the material non-compliance of the Company with any financial reporting requirement, then the Committee may require any Section 16 Officer to repay or forfeit to the Company, and each Section 16 Officer agrees to so repay or forfeit, that part of the Incentive Compensation received by that Section 16 Officer during the three-year period preceding the publication of the restated financial statement that the Committee determines was in excess of the amount that such Section 16 Officer would have received had such Incentive Compensation been calculated based on the financial results reported in the restated financial statement. The Committee may take into account any factors it deems reasonable in determining whether to seek recoupment of previously paid Incentive Compensation and how much Incentive Compensation to recoup from each Section 16 Officer (which need not be the same amount or proportion for each Section 16 Officer), including any determination by the Committee that a Section 16 Officer engaged in fraud, willful misconduct or committed grossly negligent acts or omissions which materially contributed to the events that led to the financial restatement. The amount and form of the Incentive Compensation to be recouped shall be determined by the Committee in its sole and absolute discretion, and recoupment of Incentive Compensation may be made, in the Committee's sole and absolute discretion, through the cancellation of vested or unvested Awards, cash repayment or both.

(b) Notwithstanding any other provisions in this Plan, any Award which is subject to recovery under any Applicable Laws, government regulation or stock exchange listing requirement, will be subject to such deductions and clawback as may be required to be made pursuant to such Applicable Law, government regulation or stock exchange listing requirement (or any policy adopted by the Company pursuant to any such law, government regulation or stock exchange listing requirement).

Section 29. Governing Law.

The Plan shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to principles of conflicts of law of such state.

Section 30. Indemnification.

To the extent allowable pursuant to applicable law, each member of the Board and the Administrator and any officer or other employee to whom authority to administer any component of the Plan is delegated shall be indemnified and held harmless by the Company from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by such member in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action or failure to act pursuant to the Plan and against and from any and all amounts paid by him or her in satisfaction of judgment in such action, suit, or proceeding against him or her; provided, however, that he or she gives the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such individuals may be entitled pursuant to the Company's Certificate of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

Section 31. Titles and Headings, References to Sections of the Code or Exchange Act.

The titles and headings of the sections in the Plan are for convenience of reference only and, in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control. References to sections of the Code or the Exchange Act shall include any amendment or successor thereto.

Section 32. Successors.

The obligations of the Company under the Plan shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company.

Section 33. Relationship to other Benefits.

No payment pursuant to the Plan shall be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare, or other benefit plan of the Company or any Affiliate except to the extent otherwise expressly provided in writing in such other plan or an agreement thereunder.

EXHIBIT 10.4

LOAN AGREEMENT

This LOAN AGREEMENT ("Agreement") is entered into effective as of May 1, 2021 ("Effective Date") by and between:

Craig Technical Consulting, Inc., a Delaware corporation having its principal place of business at 150 N. Sykes Creek Parkway, Suite 200, Merritt Island, FL 32953 ("Lender"),

and

Craig Technologies Aerospace Solutions, Inc. d/b/a Sidus Space, a Delaware corporation having its principal place of business at 150 N. Sykes Creek Parkway, Suite 200, Merritt Island, FL 32953 ("Borrower").

(Lender and Borrower are collectively referred to as the "Parties" and individually referred to as "Party.")

WHEREAS Borrower desires to borrow funds from Lender in order to finance its operations; and

WHEREAS Lender is willing to lend funds to Borrower on the terms and conditions provided herein;

NOW THEREFORE, the Parties agree as follows:

1. Loan Amount. The Lender hereby agrees to make a loan to the Borrower in the amount of four million ($4,000,000) (the "Loan").

2. Interest. From the Effective Date until such date as this Loan (together with all interest thereon) is paid in full, the principal balance of this Note outstanding (together with any accrued but unpaid interest thereon) shall bear interest at a per annum interest rate equal to the long term Applicable Federal Rate (as such term is defined in Section 1274(d) of the Internal Revenue Code of 1986, as amended).

3. Loan Term. The term of this Loan shall commence on the Effective Date, and shall be repaid in the amount of $250,000 every quarter for four (4) years beginning on Oct 1, 2021. This Agreement and the Loan may be extended by mutual consent of the Parties, provided that any amendment complies with all applicable legal requirements

4. Repayment; Nonrecourse. The indebtedness under this Loan Agreement shall be nonrecourse except to the extent of any assets and income of Borrower.

5. Prepayment. The Loan and any interest accrued hereunder may be repaid fully or partially, at any time, without premium, penalty, or notice. All prepayment amounts received by the Lender shall be applied first to interest, and then to any unpaid principal balance.

6. Representations and Warranties of Borrower. The Borrower hereby makes the following representations and warranties to Lender:

a. The Borrower is a company duly formed and validly existing under the laws of the State of Delaware and it has the power and authority to own its own property and assets; to carry on its business as it is now being conducted and to enter into, deliver and perform its obligations under this Agreement; and

b. This Agreement constitutes the valid and legal obligation of the Borrower, binding upon and enforceable against the Borrower in accordance with the terms and conditions hereof.

7. Covenants of the Borrower. The Borrower covenants with the Lender that, so long as this Agreement shall remain in effect:

a. Use of Proceeds. The Borrower shall use the proceeds of the Loan for general working capital purposes. Without the written permission of the Lender, the Borrower shall not directly or indirectly use the proceeds of the Loan for the repayment or retirement of indebtedness of the Borrower.

b. No Subordination. The Loan shall rank senior to and shall not be subordinated to any future indebtedness debt of the Borrower, unless otherwise agreed to in writing by Lender.

c. Limitation on Dividends and Distributions. The Borrower shall not (i) declare or pay any dividends on any class of its capital stock; (ii) directly or indirectly or through any subsidiary or affiliate purchase, redeem or retire any of its capital stock or warrants or options for capital stock; or (iii) make any other distribution of any kind or character in respect of its capital stock.

d. Notice of Default. The Borrower shall furnish the Lender prompt written notice of any Default or Event of Default (as defined below), which notice shall specify the nature and extent thereof and the corrective action (if any) taken or proposed to be taken with respect thereto.

8. Other Negative Covenants. The Borrower will not, unless the Lender shall otherwise consent in writing (a) create, assume or suffer to exist, any liens or security interest upon or with respect to any other assets material to the consolidated operations of the Borrower, (b) create, assume or suffer to exist any other debt, or (c) merge or consolidate with any person or entity.

9. Defaults and Events of Default. The occurrence of any of the following events shall constitute an "Event of Default": (a) the Borrower fails to perform any other covenant, condition, or agreement set forth in this Agreement, or any other agreement by and between Borrower and Lender, and such failure continues unremedied for thirty (30) days after the Borrower's receipt of written notice thereof from the Lender; (b) an Act of Insolvency (as defined below) occurs in relation to the Borrower; or (c) the Borrower becomes bankrupt or insolvent as defined in any bankruptcy or insolvency law applicable to it. As used in this
Agreement, "Default" means any event or circumstance which, with notice and/or the passage of time, would constitute an Event of Default, and "Act of Insolvency" means the occurrence of any of the following events:

(i) the filing of a voluntary petition in bankruptcy or insolvency or a petition for reorganization under any bankruptcy or insolvency law by the Borrower or the admission by the Borrower that it is unable to pay its debts as they become due; or
(ii) the entering of an order, judgment or decree by any court of competent jurisdiction, on the application of a creditor adjudicating the Borrower as bankrupt or insolvent or approving a petition seeking reorganisation or appointing a receiver, trustee, liquidator, administrative receiver, administrator, compulsory manager or other similar officer over all or a substantial part of the Borrower's assets, and such order, judgment or decree continuing unstayed and in effect for a period of ninety (90) days; or
(iii) the consent to an involuntary petition in bankruptcy or the failure to vacate, within ninety (90) days from the date of entry thereof, any order approving an involuntary petition by the Borrower.

Upon the occurrence of any Event of Default, the Lender may, by notice to the Borrower, declare the Loan, all interest thereon and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Loan, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower.

10. Successors and Assigns. The terms, covenants, and conditions contained in this Agreement and the Loan shall be binding upon the successors and permitted assigns of the Borrower and shall inure to the benefit of the successors and permitted assigns of the Lender.

11. Enforceability. In the event any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect. The parties commit to make their best efforts to amend any invalid, illegal or unenforceable clause of this Agreement.

12. Non-negotiable. The Agreement is non-negotiable and shall not be sold, transferred, assigned, or pledged by Lender except with the prior written approval of Borrower; *provided, however*, that the Lender may transfer this Agreement to any related party by written endorsement specifying the related party to which the Agreement is being transferred. For purposes of this paragraph, the term "related party" means any existing or newly formed entity or association directly or indirectly controlled by Lender, through an ownership interest or contractual rights.

13. Remedies Cumulative. The remedies of the Lender, as provided herein or in law or in equity, shall be cumulative and concurrent, and may be pursued singularly, successively, or together at the sole discretion of the Lender, and may be exercised as often as occasion therefor shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or a release thereof.

14. Governing Law. The Agreement is governed by the laws of the State of Delaware, and may be modified only by a written agreement executed by the person against whom the change, modification, or waiver is to be enforced.

15. Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered by hand, when actually received by facsimile or email with scan attachment (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, at the addresses set forth on the first page. The addresses for each party hereto may be changed by a notice delivered as set forth in this Section.

16. Counterparts. This Agreement may be executed in any number of counterparts each of which when executed and delivered shall be an original, but all of which when taken together shall constitute one single instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

The Parties have caused this Agreement to be executed by their duly authorized representatives effective as of the Effective Date.

Craig Technical Consulting, Inc.,

By: */s/ Carol M Craig*
Name: Carol M Craig
Title: CEO

Craig Technologies Aerospace Solutions, Inc. d/b/a Sidus Space.

By: */s/ Carol M Craig*
Name: Carol M Craig
Title: CEO

EXHIBIT 10.5

SIDUS SPACE, INC.

INDEMNIFICATION AGREEMENT

This INDEMNIFICATION AGREEMENT ("Agreement") is made as of _____, 2021 by and between Sidus Space, Inc., a Delaware corporation (the "Company"), and _____ ("Indemnitee"). This Agreement supersedes and replaces any and all previous Agreements between the Company and Indemnitee covering the subject matter of this Agreement.

RECITALS

WHEREAS, highly competent persons have become more reluctant to serve publicly held corporations as directors or officers or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation;

WHEREAS, the Board of Directors of the Company (the "Board") has determined that, in order to attract and retain qualified individuals, the Company will attempt to maintain on an ongoing basis, at its sole expense, liability insurance to protect persons serving the Company from certain liabilities. The By-Laws (the "By-Laws") of the Company and the Certificate of Incorporation of the Company ("the Certificate of Incorporation") require indemnification of the officers and directors of the Company. Indemnitee may also be entitled to indemnification pursuant to the General Corporation Law of the State of Delaware (the "DGCL"). The By-Laws and the Certificate of Incorporation and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the board of directors, officers and other persons with respect to indemnification;

WHEREAS, the uncertainties relating to such insurance and to indemnification have increased the difficulty of attracting and retaining such persons;

WHEREAS, the Board has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company and its stockholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, it is reasonable, prudent and necessary for the Company to contractually obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified;

WHEREAS, this Agreement is a supplement to and in furtherance of the By-Laws and the Certificate of Incorporation and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder;

WHEREAS, Indemnitee does not regard the protection available under the By-Laws and insurance as adequate in the present circumstances, and may not be willing to serve as an officer or director without adequate protection, and the Company desires Indemnitee to serve in such capacity. Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company on the condition that he be so indemnified; and

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Services to the Company. Indemnitee agrees to continue to serve as an officer of the Company. Indemnitee may at any time and for any reason resign from such position (subject to any other contractual obligation or any obligation imposed by operation of law), in which event the Company shall have no obligation under this Agreement to keep Indemnitee in such position. This Agreement shall not be deemed an employment contract between the Company and Indemnitee. Indemnitee specifically acknowledges that Indemnitee's employment with the Company, if any, is at will, and the Indemnitee may be discharged at any time for any reason, with or without cause, except as may be otherwise provided in any written employment contract between Indemnitee and the Company, other applicable formal severance policies duly adopted by the Board, or, with respect to service as a director or officer of the Company, by the Certificate of Incorporation, the By-Laws, and the DGCL. The foregoing notwithstanding, this Agreement shall continue in force after Indemnitee has ceased to serve as an officer of the Company.

Section 2. Definitions. As used in this Agreement:

(a) References to "agent" shall mean any person who is or was a director, officer, or employee of the Company or other person authorized by the Company to act for the Company, to include such person serving in such capacity as a director, officer, employee, fiduciary or other official of another corporation, partnership, limited liability company, joint venture, trust or other Enterprise at the request of, for the convenience of, or to represent the interests of the Company.

(b) A "Change in Control" shall be deemed to occur upon the earliest to occur after the date of this Agreement of any of the following events:

(i) Acquisition of Stock by Third Party. Any Person (as defined below) is or becomes the Beneficial Owner (as defined below), directly or indirectly, of securities of the Company representing more than fifty percent (50%) or more of the combined voting power of the Company's then outstanding securities;

(ii) Change in Board. During any period of two (2) consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in Sections 2(b)(i), 2(b)(iii) or 2(b)(iv)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the members of the Board;

(iii) Corporate Transactions. The effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 51% of the combined voting power of the voting securities of the surviving entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving entity;

(iv) Liquidation. The approval by the stockholders of the Company of a complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; and

(v) Other Events. There occurs any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item on any similar schedule or form) promulgated under the Exchange Act (as defined below), whether or not the Company is then subject to such reporting requirement.

For purposes of this Section 2(b), the following terms shall have the following meanings:

(A) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time.

(B) "Person" shall have the meaning as set forth in Sections 13(d) and 14(d) of the Exchange Act; provided, however, that Person shall exclude (i) the Company, (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and (iii) any corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(C) "Beneficial Owner" shall have the meaning given to such term in Rule 13d-3 under the Exchange Act; provided, however, that Beneficial Owner shall exclude any Person otherwise becoming a Beneficial Owner by reason of the stockholders of the Company approving a merger of the Company with another entity.

(c) "Corporate Status" describes the status of a person who is or was a director, officer, employee or agent of the Company or of any other corporation, limited liability company, partnership or joint venture, trust, employee benefit plan or other enterprise which such person is or was serving at the request of the Company.

(d) "Disinterested Director" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(e) "Enterprise" shall mean the Company and any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary.

(f) "Expenses" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, arbitrator's fees, mediator's fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, any federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, ERISA excise taxes and penalties, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding. Expenses also shall include (i) Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond or other appeal bond or its equivalent, and (ii) for purposes of Section 14(d) only, Expenses incurred by Indemnitee in connection with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement, by litigation or otherwise. The parties agree that for the purposes of any advancement of Expenses for which Indemnitee has made written demand to the Company in accordance with this Agreement, all Expenses included in such demand that are certified by affidavit of Indemnitee's counsel as being reasonable shall be presumed conclusively to be reasonable. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(g) "Independent Counsel" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning the Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(h) The term "Proceeding" shall include any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, claim, allegation, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative legislative, or investigative (formal or informal) nature, including any appeal therefrom, in which Indemnitee was, is or will be involved as a party, potential party, non-party witness or otherwise by reason of the fact that Indemnitee is or was a director or officer of the Company, by reason of any action taken (or failure to act) by him or of any action (or failure to act) on his or her part while acting as director or officer of the Company, or by reason of the fact that he is or was serving at the request of the Company, including prior to the date of this Agreement, as a director, officer, trustee, general partner, managing member, fiduciary, employee or agent of another corporation, limited liability company, partnership, joint venture, trust or other enterprise, in each case whether or not serving in such capacity at the time any liability or expense is incurred for which indemnification, reimbursement, or advancement of expenses can be provided under this Agreement. If the Indemnitee believes in good faith that a given situation may lead to or culminate in the institution of a Proceeding, this shall be considered a Proceeding under this paragraph.

(i) Reference to "other enterprise" shall include employee benefit plans; references to "fines" shall include any excise tax assessed with respect to any employee benefit plan; references to "serving at the request of the Company" shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Company" as referred to in this Agreement.

Section 3. Indemnity in Third-Party Proceedings. The Company shall indemnify Indemnitee in accordance with the provisions of this Section 3 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 3, Indemnitee shall be indemnified to the fullest extent permitted by applicable law against all Expenses, judgments, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines and amounts paid in settlement) actually and reasonably incurred by Indemnitee or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal proceeding had no reasonable cause to believe that his or her conduct was unlawful. The parties hereto intend that this Agreement shall provide to the fullest extent permitted by law for indemnification in excess of that expressly permitted by statute, including, without limitation, any indemnification provided by the Certificate of Incorporation, the By-Laws, vote of the Company's stockholders or disinterested directors or applicable law.

Section 4. Indemnity in Proceedings by or in the Right of the Company. The Company shall indemnify Indemnitee in accordance with the provisions of this Section 4 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 4, Indemnitee shall be indemnified to the fullest extent permitted by applicable law against all Expenses actually and reasonably incurred by him/her or on his/her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company. No indemnification for Expenses shall be made under this Section 4 in respect of any claim, issue or matter as to which Indemnitee shall have been finally adjudged by a court to be liable to the Company, unless and only to the extent that the Delaware Court of Chancery or any court in which the Proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification.

Section 5. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provisions of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is a party to (or a participant in) and is successful, on the merits or otherwise, in any Proceeding or in defense of any claim, issue or matter therein, in whole or in part, the Company shall indemnify Indemnitee against all Expenses, judgments, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines and amounts paid in settlement) actually and reasonably incurred by him in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses, judgments, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines and amounts paid in settlement) actually and reasonably incurred by him/her or on his/her behalf in connection with or related to each successfully resolved claim, issue or matter to the fullest extent permitted by law. For purposes of this Section 5 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, or a settlement of such claim, issue or matter (with or without payment of money or consideration), or a plea of *nolo contendere* shall be deemed to be a successful result as to such claim, issue or matter.

Section 6. Indemnification For Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is, by reason of his/her Corporate Status, a witness or otherwise asked to participate in any Proceeding to which Indemnitee is not a party, he/she shall be indemnified against all Expenses ()actually and reasonably incurred by him/her or on his/her behalf in connection therewith.

Section 7. Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of Expenses, but not, however, for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

Section 8. Additional Indemnification.

(a) Notwithstanding any limitation in Sections 3, 4, or 5, the Company shall indemnify Indemnitee to the fullest extent permitted by applicable law if Indemnitee is a party to or threatened to be made a party to any Proceeding (including a Proceeding by or in the right of the Company to procure a judgment in its favor) against all Expenses, judgments, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines, and amounts paid in settlement) actually and reasonably incurred by Indemnitee in connection with the Proceeding.

(b) For purposes of Section 8(a), the meaning of the phrase "to the fullest extent permitted by applicable law" shall include, but not be limited to:

(i) to the fullest extent permitted by the provision of the DGCL that authorizes or contemplates additional indemnification by agreement, or the corresponding provision of any amendment to or replacement of the DGCL, and

(ii) to the fullest extent authorized or permitted by any amendments to or replacements of the DGCL adopted after the date of this Agreement that increase the extent to which a corporation may indemnify its officers and directors.

Section 9. Exclusions. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnity in connection with any claim made against Indemnitee:

(a) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision; or

(b) for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act (as defined in Section 2(b) hereof) or similar provisions of state statutory law or common law, or (ii) any reimbursement of the Company by the Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by the Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act); or

(c) except as provided in Section 14(d) of this Agreement, in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation or (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law.

Section 10. Advances of Expenses; Settlement. In accordance with Section 3 of Article XI of the By-Laws, and notwithstanding any provision of this Agreement to the contrary, the Company shall advance, to the extent not prohibited by law, the Expenses, judgments, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines and amounts paid in settlement) incurred by Indemnitee in connection with any Proceeding, and such advancement shall be made within thirty (30) days after the receipt by the Company of a statement or statements requesting such advances from time to time, whether prior to or after final disposition of any Proceeding. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnitee's ability to repay the Expenses and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement. Advances shall include any and all reasonable Expenses incurred pursuing an action to enforce this right of advancement, including Expenses incurred preparing and forwarding statements to the Company to support the advances claimed. The Indemnitee shall qualify for advances upon the execution and delivery to the Company of this Agreement, which shall constitute an undertaking providing that the Indemnitee undertakes to repay the amounts advanced (without interest) to the extent that it is ultimately determined that Indemnitee is not entitled to be indemnified by the Company. No other form of undertaking shall be required other than the execution of this Agreement. This Section 10 shall not apply to any claim made by Indemnitee for which indemnity is excluded pursuant to Section 9.

The Company shall not settle any action, claim or Proceeding (in whole or in part) which would impose any Expense, judgment, fine, penalty or limitation on Indemnitee without Indemnitee's prior written consent.

Section 11. Procedure for Notification and Defense of Claim.

(a) Indemnitee shall notify the Company in writing of any matter with respect to which Indemnitee intends to seek indemnification or advancement of Expenses hereunder as soon as reasonably practicable following the receipt by Indemnitee of written notice thereof. The written notification to the Company shall include a description of the nature of the Proceeding and the facts underlying the Proceeding. To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification following the final disposition of such action, suit or proceeding. The omission by Indemnitee to notify the Company hereunder will not relieve the Company from any liability which it may have to Indemnitee hereunder or otherwise than under this Agreement, and any delay in so notifying the Company shall not constitute a waiver by Indemnitee of any rights under this Agreement. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification.

(b) The Company will be entitled to participate in the Proceeding at its own expense.

Section 12. Procedure Upon Application for Indemnification.

(a) Upon written request by Indemnitee for indemnification pursuant to Section 11(a), a determination with respect to Indemnitee's entitlement thereto shall be made in the specific case by one of the following four methods, which shall be at the election of the Board: (i) if a Change in Control shall have occurred, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee; or (ii) if a Change in Control shall not have occurred, the Board may elect one of the following: (A) by a majority vote of the Disinterested Directors, even if less than a quorum of the Board, (B) by a committee of Disinterested Directors designated by a majority vote of the Disinterested Directors, even if less than a quorum of the Board, (C) if there are no such Disinterested Directors or, if such Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee or (D) if so directed by the Board, by the stockholders of the Company; and, if it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten (10) days after such determination. Indemnitee shall reasonably cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or Expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(b) In the event the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 12(a) hereof, the Independent Counsel shall be selected as provided in this Section 12(b). If a Change in Control shall not have occurred, the Independent Counsel shall be selected by the Board, and the Company shall give written notice to Indemnitee advising him or her of the identity of the Independent Counsel so selected. If a Change in Control shall have occurred, the Independent Counsel shall be selected by Indemnitee (unless Indemnitee shall request that such selection be made by the Board, in which event the preceding sentence shall apply), and Indemnitee shall give written notice to the Company advising it of the identity of the Independent Counsel so selected. In either event, Indemnitee or the Company, as the case may be, may, within ten (10) days after such written notice of selection shall have been received, deliver to the Company or to Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 2 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within twenty (20) days after the submission by Indemnitee of a written request for indemnification pursuant to Section 11(a) hereof, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition a court of competent jurisdiction for resolution of any objection which shall have been made by the Company or Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the Court or by such other person as the Court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 12(a) hereof. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 14(a) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

Section 13. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall, to the fullest extent not prohibited by law, presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 11(a) of this Agreement, and the Company shall, to the fullest extent not prohibited by law, have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption. Neither the failure of the Company (including by its directors or independent legal counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or independent legal counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(b) Subject to Section 14(e), if the person, persons or entity empowered or selected under Section 12 of this Agreement to determine whether Indemnitee is entitled to indemnification shall not have made a determination within sixty (60) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall, to the fullest extent not prohibited by law, be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (i) an intentional misstatement by Indemnitee of a material fact, or an intentional omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; provided, however, that such 60-day period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this Section 13(b) shall not apply (i) if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 12(a) of this Agreement and if (A) within fifteen (15) days after receipt by the Company of the request for such determination the Board has resolved to submit such determination to the stockholders for their consideration at an annual meeting thereof to be held within seventy-five (75) days after such receipt and such determination is made thereat, or (B) a special meeting of stockholders is called within fifteen (15) days after such receipt for the purpose of making such determination, such meeting is held for such purpose within sixty (60) days after having been so called and such determination is made thereat, or (ii) if the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 12(a) of this Agreement.

(c) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his conduct was unlawful.

(d) Reliance as Safe Harbor. For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise, including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with the reasonable care by the Enterprise. The provisions of this Section 13(d) shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement.

(e) Actions of Others. The knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

Section 14. Remedies of Indemnitee.

(a) Subject to Section 14(e), in the event that (i) a determination is made pursuant to Section 12 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 10 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 12(a) of this Agreement within ninety (90) days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 5, 6 or 7 or the last sentence of Section 12(a) of this Agreement within ten (10) days after receipt by the Company of a written request therefor, (v) payment of indemnification pursuant to Section 3, 4 or 8 of this Agreement is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification, or (vi) in the event that the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or Proceeding designed to deny, or to recover from, the Indemnitee the benefits provided or intended to be provided to the Indemnitee hereunder, Indemnitee shall be entitled to an adjudication by a court of his entitlement to such indemnification or advancement of Expenses. Alternatively, Indemnitee, at his or her option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee shall commence such proceeding seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 14(a); provided, however, that the foregoing clause shall not apply in respect of a proceeding brought by Indemnitee to enforce his or her rights under Section 5 of this Agreement. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 12(a) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 14 shall be conducted in all respects as a de novo trial, or arbitration, on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Section 14 the Company shall have the burden of proving Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be. If Indemnitee commences a judicial proceeding or arbitration pursuant to this Section 14, Indemnitee shall not be required to reimburse the Company for any advances pursuant to Section 10 until a final determination is made with respect to Indemnitee's entitlement to indemnification (as to which all rights of appeal have been exhausted or lapsed).

(c) If a determination shall have been made pursuant to Section 12(a) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 14, absent (i) an intentional misstatement by Indemnitee of a material fact, or an intentional omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) The Company shall, to the fullest extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 14 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement. It is the intent of the Company that, to the fullest extent permitted by law, the Indemnitee not be required to incur legal fees or other Expenses associated with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to the Indemnitee hereunder. The Company shall, to the fullest extent permitted by law, indemnify Indemnitee against any and all Expenses and, if requested by Indemnitee, shall (within ten (10) days after receipt by the Company of a written request therefor) advance, to the extent not prohibited by law, such Expenses to Indemnitee, which are incurred by Indemnitee in connection with any action brought by Indemnitee for indemnification or advancement of Expenses from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company if Indemnitee is wholly successful on the underlying claims; if Indemnitee is not wholly successful on the underlying claims, then such indemnification and advancement shall be only to the extent Indemnitee is successful on such underlying claims or otherwise as permitted by law, whichever is greater.

(e) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement of Indemnitee to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding.

Section 15. Non-exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Certificate of Incorporation, the By-Laws, any agreement, a vote of stockholders or a resolution of directors, or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in Delaware law, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the By-Laws, the Certificate of Incorporation and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) The Company shall use its best efforts to maintain an insurance policy or policies providing liability insurance for directors and officers in effect at all times. To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person serves at the request of the Company, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee or agent under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such claim or of the commencement of a proceeding, as the case may be, to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(d) The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable (or for which advancement is provided hereunder) hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

(e) The Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company as a director, officer, employee or agent of any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of Expenses from such other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise.

Section 16. Duration of Agreement. This Agreement shall continue until and terminate upon the later of: (a) ten (10) years after the date that Indemnitee shall have ceased to serve as an officer of the Company or as a director, officer, trustee, partner, managing member, fiduciary, employee or agent of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which Indemnitee served at the request of the Company; or (b) one (1) year after the final termination of any Proceeding (including any rights of appeal thereto) then pending in respect of which Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any proceeding commenced by Indemnitee pursuant to Section 14 of this Agreement relating thereto. This Agreement shall be binding upon the Company and its successors and assigns and shall inure to the benefit of Indemnitee and his/her heirs, executors and administrators.

Section 17. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 18. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director or officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as a director or officer of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the Certificate of Incorporation, the By-Laws and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

(c) The indemnification and advancement of expenses provided by or granted pursuant to this Agreement shall apply to Indemnitee's service as an officer, director or key employee of the Company prior to the date of this Agreement.

(d) The indemnification and advancement of expenses provided by or granted pursuant to this Agreement shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 19. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless it specifically states the intent of both parties hereto to supplement the terms herein and is executed in writing by the parties thereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement nor shall any waiver constitute a continuing waiver.

Section 20. Notice by Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement of Expenses covered hereunder. The failure of Indemnitee to so notify the Company shall not relieve the Company of any obligation which it may have to the Indemnitee under this Agreement or otherwise.

Section 21. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed, (c) mailed by reputable overnight courier and receipted for by the party to whom said notice or other communication shall have been directed or (d) sent by facsimile transmission, with receipt of oral confirmation that such transmission has been received:

(i) If to Indemnitee, at the address indicated on the signature page of this Agreement, or such other address as Indemnitee shall provide to the Company.

(ii) If to the Company to

Carol Craig
Chief Executive Officer
Sidus Space, Inc.
150 N. Sykes Creek Parkway, Suite 200
Merritt Island, FL 32953

or to any other address as may have been furnished in writing to Indemnitee by the Company.

Section 22. Contribution.

(a) Whether or not the indemnification provided under this Agreement is available, in respect of any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), the Company shall pay, in the first instance, the entire amount of any judgment or settlement of such action, suit or proceeding without requiring Indemnitee to contribute to such payment and the Company hereby waives and relinquishes any right of contribution it may have against Indemnitee. The Company shall not enter into any settlement of any action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding) unless such settlement provides for a full and final release of all claims asserted against Indemnitee.

(b) Without diminishing or impairing the obligations of the Company set forth in the preceding subparagraph, if, for any reason, Indemnitee shall elect or be required to pay all or any portion of any judgment or settlement in any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), the Company shall contribute to the amount of Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Indemnitee in proportion to the relative benefits received by the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, from the transaction from which such action, suit or proceeding arose; provided, however, that the proportion determined on the basis of relative benefit may, to the extent necessary to conform to law, be further adjusted by reference to the relative fault of the Company and all officers, directors or employees of the Company other than Indemnitee who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other equitable considerations which applicable law may require to be considered. The relative fault of the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, shall be determined by reference to, among other things, the degree to which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary and the degree to which their conduct is active or passive.

(c) The Company hereby agrees to fully indemnify and hold Indemnitee harmless from any claims of contribution which may be brought by officers, directors or employees of the Company, other than Indemnitee, who may be jointly liable with Indemnitee.

(d) To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (a) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (b) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

Section 23. Applicable Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. Except with respect to any arbitration commenced by Indemnitee pursuant to Section 14(a) of this Agreement, the Company and Indemnitee hereby irrevocably and unconditionally (a) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Chancery Court of the State of Delaware (the "Delaware Court"), and not in any other state or federal court in the United States of America or any court in any other country, (b) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (c) appoint, to the extent such party is not otherwise subject to service of process in the State of Delaware, irrevocably The Corporation Service Company, 2711 Centerville Road, City of Wilmington, County of New Castle, Delaware 19808 as its agent in the State of Delaware as such party's agent for acceptance of legal process in connection with any such action or proceeding against such party with the same legal force and validity as if served upon such party personally within the State of Delaware, (d) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court, and (e) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

Section 24. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 25. Miscellaneous. Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate. The headings of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

SIDUS SPACE, INC.

By: _____

Title: CEO

INDEMNITEE

_____

Address:

_____

_____

EXHIBIT 10.6

LEASE AGREEMENT

This Lease made and entered into as of the _29__day of November, 2016, between 400 W Central LLC, a Florida Limited Liability company (hereinafter called "Landlord"), and Craig Technologies Properties, LLC (hereinafter called "Tenant"), for the premises known as 175 Imperial Blvd, Cape Canaveral, Florida 32920. Landlord and Tenant, in consideration of the covenants herein contained, hereby agree as follows:

1.01 **Definitions.**

A. "Rent" means the amount payable by the Tenant to the Landlord in respect of each year of the Term under Article 4.01.

B. "Article" means an article of this Lease

C. "Commencement Date" means the first day of the Term.

D. "Lease" means this Lease, exhibits to this Lease, and every properly executed instrument, which by its terms amends, modifies or supplements this Lease.

E. "Premises" shall mean the area described within the building more particularly in Appendix A, attached hereto. (If requested by Tenant, Landlord shall allow Tenant from time to time to vacate the Premises and move to other space in the Building (paying the same rental rate per square foot as provided for the Premises), in which case Landlord and Tenant will revise Appendix A accordingly to reflect the location and total monthly rental of the new "Premises".)

F. "Term" means the period of time set out in Article 3.01.

G. (See also Definitions contained in Section 4.02).

ARTICLE II – GRANT OF LEASE

2.01 GRANT. Landlord hereby demises and leases the Premises to Tenant, and Tenant hereby leases and accepts the Premises from Landlord, to have and to hold during the Term, subject to the terms and conditions of the Lease.

2.02 Covenants of Landlord and Tenant. Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by Landlord under this Lease. Tenant covenants to pay the Rent when due under this Lease and to observe and perform all of the terms and conditions to be observed and performed by Tenant under this Lease.

ARTICLE III – TERM, POSSESSION; AND CONDITION

3.01 **Term.** The term of this Lease shall commence at 12:01 am on November 21, 2016 ("Commencement Date"). The initial term shall end on December 31, 2019 (the "Initial Term" referred to as the "Term").

a. The Tenant shall notify the Landlord in writing on or before September 30, 2019 its intent to terminate this Lease at the end of the Initial Term, with no penalty, rent or further payment owed after December 31, 2019 or request to renew the Lease.

b. The Tenant shall have the option to terminate the Lease on December 31, 2017 and December 31, 2018 with no penalty. Tenant shall be required to give the Landlord written notice that they will be terminating no later than the 1st day of May, 2017 or on the 1st day May, 2018 as applicable to the termination dates listed above. If Tenant fails to notify the Landlord by the deadlines described above the Lease shall be in effect through the end of the Term.

3.02 **Condition of Premises.** Except as otherwise specifically provided in this Agreement, Landlord disclaims any warranty regarding the condition of the Premises, whether patent or latent, and Tenant shall accept the Premises in its "as in" condition; predicated on emergency lighting, exit signs over doorways and exit doors have been brought to Tenants reasonable satisfaction prior to issuance of occupancy permit.

ARTICLE IV – RENT, OCCUPANCY COST, AND OTHER CHARGES

4.01 **Rent and other Charges:** During the term, Tenant agrees to pay to Landlord the Rent described in Appendix A, attached hereto

4.02 **Utilities:** Landlord will pay the water and sewage for reasonable consumption for the Premises ("Standard Utilities"). Tenant will be responsible for any excess utilities over and above the Standard Utilities. Tenant is responsible for electric utilities. Tenant is responsible for all other systems including but not limited to security, telecom, cable and internet specific to the Premises.

4.03. **Keys:** As the keys to the building exterior doors are unique, it is imperative that upon termination of lease all exterior door keys be returned to the Landlord. The fee for any keys made and not returned will be $50.00 each.

ARTICLE V – USE OF PREMISES

5.01 **Use Restrictions.** The Premises shall be used and occupied by Tenant in the operation of its trade or business as a general office, light manufacturing and warehouse space in a safe, careful and proper manner so as not to contravene any present or future governmental laws, regulations or orders and for no other purposes without prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. If improvements are necessary to comply with any of the foregoing or with the requirements of insurance carriers, due solely to Tenant's use of the Premises, Tenant shall pay the entire cost thereof.

5.02 **Nuisance.** Tenant shall not cause or maintain any nuisance in or about the Premises, and shall keep the Premises free of debris, rodents, vermin and anything of a dangerous, noxious, or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or noise.

5.03 **Quiet Enjoyment.** Subject to Tenant performing its obligations under this Lease, Tenant shall be entitled reasonable peaceable use and enjoyment of the Premises, and otherwise quiet enjoyment of the Premises, 24 hours per day, seven days per week, every day of the year.

5.04 **Common Areas.** In addition to the Premises, Tenant and its guests shall, at no additional rent or fee, have exclusive access to and use of all: common areas of the Building, including the front door, entryway, sidewalks, and driveways, and parking spaces in the Building parking lot. Tenant shall have nonexclusive access to additional parking spaces in the parking area at 8880 Astronaut Blvd.

ARTICLE VI- MAINTENANCE, REPAIR AND ALTERATIONS BY LANDLORD

6.01 **Maintenance, Repair and Replacement.** Landlord shall be responsible for and shall expeditiously maintain and repair the foundations, structures and roofs of the Building and shall be responsible for maintenance (other than tenant caused repairs) and repair of the Building plumbing (other than stoppages caused by Tenant) and HVAC systems, less reasonable wear and tear over the Term, with the provisions below. Except as provided in Section 4.02 above, Tennant is responsible for day to day expenses, cleaning, rug shampooing, inside painting, changing light bulbs, etc and fixing items damaged by the actions of the Tenant.

A. If all or part of the Building is destroyed, damaged or impaired, Landlord shall have a reasonable time in which to complete the necessary repair or replacement.

B. Landlord shall use reasonable diligence in carrying out its obligations under Article 6.01, but shall not be liable under any circumstances for any consequential damage to any person or property for any failure to do so.

C. Nothing contained herein shall be in derogation of the provisions of Article XV regarding Casualty Damage.

D. Notwithstanding the limitation on Landlord's responsibility to maintain and repair the Building as set forth in this Article 6.01, Tenant nevertheless shall be given the benefit of any third-party warranties or guarantees provided by contractors, material, men or other suppliers with respect to the Building or any equipment or fixtures affixed thereto.

E. Landlord shall reasonably ensure the HVAC is at all times functioning and suitable to maintain the Premises at comfortable room temperature and humidity for mixed warehouse and office space. Landlord shall maintain the Building to ensure the Premises are free from water leaks, excess moisture, and/or excess humidity (whether originating from weather, plumbing, or otherwise) and shall promptly repair any damage to the Premises caused by such leaks, excess moisture and/or excess humidity; provided that under no circumstances shall Landlord be liable to Tenant for any damage suffered by Tenant, its employees, agents, customers or invitees as a result of moisture or water inside the Premises whether caused by leaks in the structure or in the plumbing, unless caused by the gross negligence of Landlord.

6.02 **Alteration by Landlord.** Landlord may from time to time make repairs, replacements, changes or additions to the structure, systems, facilities and equipment in the Premises where necessary to serve the Premises; provided, however, that in so doing Landlord shall not disturb or interfere with Tenant's use of the Premises and operation of its business any more than is reasonably necessary under the circumstances and shall whenever possible consult with or give reasonable notice to Tenant prior to such entry, but (provided Tenant retains substantial use of the Premises for its office space) no such entry shall constitute an eviction on entitle Tenant to any abatement of Rent.

Access by Landlord. Tenant shall permit Landlord or Landlord's agent to enter the Premises outside normal business hours, and during normal business hours where such will not unreasonably disturb or interfere with Tenants use of the Premises and operation of its business, to examine, inspect, and show the premises to persons wishing to lease them, to provide services, to make repairs, replacements, changes or alterations as set out in this Lease, and to take such steps as Landlord may deem necessary for the safety, improvements or preservation of the Premises or the Building. Landlord or Landlord's agent shall comply with tenant's visitor control policy and must be escorted by tenant when required. Non-U.S. Citizens must give 7 days' notice to tenant prior to visit to allow vetting by the Defense Security Service.

ARTICLE VII – MAINTENANCE, REPAIR, ALTERATIONS AND IMPROVEMENTS BY TENANT

7.01 **Condition of Premises** Except to the extent that Landlord is specifically responsible therefore under Article 6.01 of the Lease, Tenant shall maintain the Premises and all improvements therein in good condition, less reasonable wear and tear, at Tenant's sole cost and expense.

7.02 **Alterations by Tenant.** Any renovations made by Tenant, at Tenant's expense, will be returned to original condition at end of Lease period or vacancy unless such renovations upgrade the building systems and the Tenant has receive written approval by the Landlord to leave the renovation as is. Should restoration be required and not be completed, Landlord may complete the restoration at the expense of the Tenant, provided Landlord first gives Tenant thirty (30) days prior written notice and an opportunity to complete such restoration. Tenant may, at its own expense, make changes, additions and improvements in the Premises to better adapt the same to its business, provided that any such change, addition or improvement shall:

A. Any renovations or changes shall be reviewed between the Tenant and the Landlord. Any renovations or changes that require a professional review by a licensed contractor and will be billed to the Tenant at reasonable rate.

B. Comply with the requirements of any governmental authority having jurisdiction.

C. Equal or exceed the then current standard for the Building.

D. Require the written consent of Landlord, which shall not be unreasonably withheld, conditioned or delayed.

7.03 **Trade Fixtures and Personal Property.** Tenant may install in the Premises its usual Trade fixtures and personal property in a proper manner, provided that no such installation shall interfere with or damage the mechanical or electrical systems or the structure of the Building. If Tenant is not then in default hereunder, trade fixtures and personal property installed in the Premises by Tenant may be removed from Premises:

A. From time to time in the ordinary course of Tenant's Business or in the course of reconstruction, renovation, or alteration of the Premises by Tenant; and

B. During a reasonable period prior to, upon or immediately following the expiration of the Term, provided that Tenant promptly repairs at its own expense any damage to the Premises or Building resulting from such installation and removal.

ARTICLE VIII – TAXES

8.01 **Tenant's Taxes.** Tenant shall pay before delinquency and as otherwise set forth in this Lease, every tax, assessment, license fee, excise and other charge by any governmental authority having jurisdiction and which is payable by Tenant in respect of this Lease including but not limited to:

A. Operations as, occupancy of, or conduct of business in or from the Premises by or with the permission of the Tenant;

B. Fixtures or personal property in the Premises which do not belong to the Landlord; and

C. Rent paid or payable by Tenant to Landlord for the Premises or for the use and occupancy of all or any part thereof, specifically, including but not limited to, any sales and/or use tax imposed by any governmental authority having jurisdiction but not including any tax based upon Landlord's income nor any ground lease, assessment, royalty, property or real estate tax payable by the Landlord.

ARTICLE IX – INSURANCE

9.01 **Casualty Insurance.** During the Term, Landlord shall maintain insurance against loss or damage by fire or other risks now or hereafter embraced by "All Risk Coverage," so called and against such other risks as at the time are commonly insured against in the case of the premises similarly situated, in amount not less than 100% of the then "full insurable value," which, for the purpose of this Article 9.01 shall be deemed to be the cost of replacing the structure, plumbing, HVAC and fixtures less the cost of excavations, foundations and footing, or such greater amount as may be required by any mortgagee.

9.02 **General Liability and Other Insurance.** During the term, Tenant shall maintain at its own expense:

A. Flood insurance, fire insurance with extended coverage and water damage insurance in the amounts sufficiently to fully cover Tenant's improvements and all property in the Premises which is not owned by the Landlord; and

B. General liability insurance against claims for death, personal injury, and property damage in or about the Premises, in amounts not less than One Million Dollars and No Cents (1,000,000.00) combined single limit, in respect of each occurrence.

All policies for insurance required pursuant to Article 9.01 (B) above shall name Landlord and Tenant as the insured as their respective interest may appear, shall contain standard mortgagee clauses in favor of the holders of any mortgages on the Premises, and shall be in a form and with an insurer reasonably acceptable to Landlord of Termination or material alteration during the Term. If requested by Landlord, Tenant shall from time to time promptly deliver to Landlord certified copies or other evidence of such policies, and evidence satisfactory to Landlord that all premiums thereon have been paid and the policies are in full force and effect.

ARTICLE X – INJURY TO PERSON OR PROPERTY

10.1 **Indemnity by Tenant.** Tenant shall indemnify and hold harmless Landlord from and against every third party demand, claim, cause of action, judgment and expense, including attorney's fees, and all third party claimed loss and damage arising from any injury or damage to the person or property of Tenant or to the personal property of Tenant's agents, servants, employees, guests, invitees, or to any other person on the Premises where the injury or damage is caused by the negligence or misconduct of Tenant, its agents, servants or employees, or of any other person entering upon Premises under express or implied invitation of Tenant, where the injury or damage resulted from violation created by Tenant, of any law, ordinance or governmental order of any kind, or of the provisions of the Lease, or where the injury or damage is in any way directly related to or connected with the conduct of Tenant's business.

10.2 **Indemnity by Landlord.** Landlord shall indemnify and hold harmless Tenant from and against every third party demand, claim, cause of action, judgment and expense, including attorney's fees, and all third party claimed loss and damage arising from any injury or damage to the person or property of Tenant or to the personal property of Tenant's agents, servants, employees, guests, invitees, or to any other person on the Premises where the injury or damage is caused by the negligence or misconduct of Landlord, its agents, servants or employees, or of any other person entering upon Premises under express or implied invitation of Tenant, where the injury or damage resulted from violation created by the Landlord of any law, ordinance or governmental order of any kind, or of the provisions of the Lease, or where the injury or damage is in any way directly related to or connected with the conduct of Landlord's business.

10.3 **Indemnification Procedure:** If a Party entitled to indemnification hereunder (the Indemnified Party) becomes aware of any matter it believes is identifiable hereunder involving any claim, action, suit, investigation, arbitration or other proceeding against the Indemnified Party by any third party (each an "Action"), the Indemnified Party, as a condition precedent hereto, shall give the other Party (the Indemnifying Party) prompt written notice of such Action. Such notice shall (I) provide the basis on which indemnification is being asserted and (II) be accompanied by copies of all relevant pleadings, demands, and other papers related to the Action and in the possession of the Indemnified Party. The Indemnifying Party shall have the sole right to settle and/or to defend any Action with counsel of the Indemnifying Party's choice reasonably acceptable to the Indemnified Party, and the Indemnifying Party shall not be otherwise responsible for payment of attorney fees or expenses arising from or related to the Action. Any Indemnified Party shall have the right to participate in the defense of any Action with counsel of its choice at its own expense. Any compromise or settlement of an Action shall require the prior written consent of both Parties hereunder, such consent not to be unreasonably withheld, delayed or conditioned. Indemnification hereunder shall not be available if a party brings an Action or has caused or contributed to an Action.

ARTICLE XI – ASSIGNMENT AND SUBLETTING

11.01 **Assignment of Sublease by Tenant.** Tenant shall not assign this Lease or sublet the Premises without the prior written consent of Landlord which consent shall not be unreasonably withheld, conditioned or delayed provided that (a) the new subtenant's financial statements are equal to or greater than that of Tenant and (b) Tenant during the Term of the Lease shall remain personally liable for all payments due hereunder regardless of the assignment.

11.02 **Assignment by Landlord.** Landlord shall have the right to transfer, assign and convey, in whole or in part, any and all of its rights under this Lease provided that the assignee and any assignee of the fee simple title of the Premises assumes the obligations and duties of Landlord arising under this Agreement.

11.03 **No Waiver.** Consent by Landlord to a particular assignment or sublease shall not be deemed consent to any other or subsequent transaction. If this Lease is assigned or if the Premises are subleased in violation of this Article XI, then Landlord may nevertheless collect rent from the assignee or subtenants and apply the net amount collected to the rent payable hereunder, but no such transaction or collection of rent or application thereof by Landlord shall be deemed a waiver of any provisions hereof or a release of Tenant from performance by Tenant of its obligations hereunder.

ARTICLE XII – SURRENDER

12.01 **Possession.** In the event this Lease continues into a Renewal Term as provided in Section 3.01 above, and except as may otherwise be provided for in This Lease Agreement, two (2) Months prior to the expiration of any Renewal Term, Tenant shall notify Landlord of (1) renewing the Lease for a period to be defined at that time or (2) immediately upon expiration quit and surrender possession of the Premises in substantially the condition in which Tenant is required to maintain the Premises exception only reasonable wear and tear and "acts of God." Upon such surrender, all right, title and interest of Tenant in the Premises shall cease.

12.02 **Merger.** The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant or Landlord shall not work a merger, and shall at Landlord's option hereunder terminate all or any subleases and sub-tenancies or operate as an assignment to Landlord of all or any subleases or sub-tenancies. Landlord's option hereunder shall be exercised by notice to Tenant and all known assignees or subtenants in the Premises or any part thereof.

12.03 **Payments after Termination.** No payments of money by Tenant to Landlord after the expiration or other termination of the Term or after the giving of any notice (other than a demand for payment of money) by Landlord to Tenant, shall reinstate, continue or extend the Term, or make ineffective any notice given to Tenant.

ARTICLE XIII RESERVED

ARTICLE XIIII – EMINENT DOMAIN

14.01 **Taking of Premises.** If during the Term all of the Premises shall be taken for any public use under any statute or by right of eminent domain, or purchased under threat of each taking, this Lease shall automatically terminate on the date on which the condemning authority takes possession of the Premises (hereinafter called the "date of such taking").

14.02 **Partial Taking of Building.** If during the Term only part of the Building is taken or purchased as set out in Article 14.01, then if substantially alteration or reconstruction of the Building is necessary or desirable as a result thereof, whether or not the Premises are or may be affected, either party shall have the right to terminate this Lease by giving the other party at least (30) days written notice of such termination; and if either party exercises its right of termination hereunder, this Lease shall terminate on the date stated in the notice, provided however, that no termination pursuant to notice hereunder may occur later than sixty (60) days after the date of such taking, and provided, further, however, that no termination shall occur if Tenant agrees to the continuation of the Lease without abatement of Rent.

14.03 **Surrender.** On such date of termination under Article 14.01 or 14.02, Tenant shall immediately surrender to Landlord the Premises and all interests therein under this Lease. Landlord may re-enter, take possession of the Premises, and remove Tenant there from, and the Rent shall abate on the date of termination, except that if the date of such taking differs from the date of termination, Rent shall abate on the former date in respect of the portion taken. After such termination, and on notice from Landlord stating the Rent then owing, Tenant shall forthwith pay Landlord such Rent.

14.04 **Partial Taking of Premises.** If any portion of the Premises (but less than the whole thereof) is taken, and no rights of termination herein conferred are timely exercised, the Term of the Lease shall expire with respect to the portion so taken on the date of such taking. In such event the Rent payable hereunder with respect to such portion so taken shall abate on such date, and the Rent thereafter payable with respect to the remainder not so taken shall be adjusted pro rata by Landlord in order to account for the resulting reduction in the number of square feet in the Premises.

14.05 **Awards.** Upon the occurrence of any taking or purchase under this Article XIV, Landlord shall be entitled to receive and retain the entire award or consideration for the affected lands and improvements, and Tenant shall not have nor advance any claim against Landlord for removal damages arising out of such taking or purchase. Nothing herein shall give Landlord any interest in or preclude Tenant from seeking and recovering on its own account from the condemning authority any reward or compensation attributable to the taking or purchase or Tenant's improvements, chattels or trade fixtures, or the removal, or relocation of its business and effects or the interruption of its business. If any such award made or compensation paid to either party specifically includes an award or amount for the other, the party first receiving the same shall promptly account therefore to the other.

ARTICLE XV – DAMAGE BY FIRE OR OTHER CASUALTY

15.01. **Limited Damage to Premises.** If all or part of the Premises are rendered un-tenantable by damage from fire or other casualty which, in the reasonable opinion of an architect acceptable to Landlord and Tenant, can be substantially repaired under applicable laws and governmental regulations within sixty (60) days from the date of such casualty (employing normal construction methods without overtime or other premium), Landlord shall forthwith at its own expense repair such damage other than damage to improvements, furniture, chattels or trade fixtures which do not belong to Landlord.

15.02. **Major damage to Premises.** If all or part of the Premises are rendered un-tenantable by damage from fire or other casualty which, in the reasonable opinion of an architect acceptable to Landlord and Tenant, cannot be substantially repaired under applicable laws and governmental regulations within sixty (60) days from the date of such casualty (employing normal construction methods without overtime or other premium), then either Landlord or Tenant may elect to terminate this Lease as of the date of such casualty by written notice delivered to the other not more than (10) days after receipt of such damage other than damage to improvements, furniture, chattels, or trade fixtures which do not belong to Landlord.

15.03. **Limitation on Landlord's Liability.** Except as specifically provided in this Article XV, there shall be proportionate reduction of Rent, but Landlord shall have no other liability to Tenant, by reason of any interference with Tenant's business or property arising from fire or casualty, however caused, or from the making of any repairs resulting there from in or to any portion of the Building or Premises.

ARTICLE XVI – TRANSFERS BY LANDLORD

16.01. **Sale, Conveyance and Assignment.** Nothing in this Lease shall restrict the right of the Landlord to sell, convey, assign, mortgage or otherwise deal with the Premises or the right of Landlord to assign its interest in this Lease subject only to the rights of Tenant under this Lease.

16.02. **Subordination.** This Lease is and shall be subject and subordinate in all respects to any and all mortgages and deeds of trust now or hereafter placed on the Premise, and to all renewals, modifications, consolidations, replacements and extension thereof (collectively "Mortgage"), provided no Mortgage modifies the terms of this Lease and any Mortgage holder accepts Landlord's obligations under this Lease. At any time and from time to time, Tenant shall execute, acknowledge, and deliver to Landlord a certificate evidencing its subordination and evidencing whether or not: (a) this Lease is in full force and effective; (b) this Lease has been amended in any way; (c) there are any defaults hereunder to the knowledge of Tenant and specifying the nature of such defaults if any; (d) the amount of the rent and the due date to which Rent has been paid; and (e) improvements to the Premises or allowances for such improvements required of Landlord have been made or paid and accepted by Tenant. Each certificate delivered pursuant to this section may be relied on by any prospective purchaser or transferee or the holder or prospective holder of any mortgage or deed of trust of the Building or of Landlord's interest hereunder.

ARTICLE XVII – NOTICES

17.01. **Notices.** Any notice from one party to the other hereunder shall be in writing and shall be deemed duly served if delivered to the party being served or if mailed by email at the address specified below (if receipt is acknowledged by the recipient) or by registered or certified mail, or sent by overnight courier addressed to Tenant at the address below or to Landlord at the place from time to time to established for payment of Rent. Any notice shall be deemed to have been given at the time of delivery is a Saturday, Sunday or statutory holiday, such notice shall be deemed to have been given on the next following day that is not a Saturday, Sunday or statutory holiday. If such notice is mailed, notice shall be deemed to have been given, seven (7) days after the date of mailing thereof unless strikes or slowdowns, in which case notice shall be given by personal delivery only, have disrupted the postal system. Either party shall have the right to designate by notice, in the manner above set forth, a different address to which notices are to be mailed.

All notices under this Lease shall be sent as follows:

To Tenant:
Craig Technologies Properties, LLC
175 Imperial Blvd
Cape Canaveral, FL 32920

Attn: Carol Craig
Email: Carol.Craig@craigtechinc.com

With a copy to:

To Landlord:
Sheldon Cove LLLP
400 Imperial Blvd
PO Box 9002
Cape Canaveral FL 32920
Email: Bmays@calloneonline.com and Dmays@calloneonline.com

With a copy to:
David M. Presnick, Esq.
David M. Presnick P.A.
96 Willard Street Ste 302
Cocoa, FL 32922
Email: david@presnicklaw.com

ARTICLE XVIII – DEFAULT

18.01. **Late Fee and Costs.** Tenant shall pay Landlord a late charge equal to five percent (5%) of any payment amount if payment is not tendered within ten days of its due date. Tenant shall indemnify Landlord against all costs and charges (including reasonable legal fees) lawfully and reasonably incurred in enforcing payment thereof, and in obtaining possession of the Premises after default of Tenant or if Tenant fails to vacate upon expiration or earlier termination of the Term of this Lease, or in enforcing any covenant, proviso or agreement of Tenant herein contained. Landlord shall indemnify Tenant against all costs and charges (including reasonable legal fees) lawfully and reasonably incurred in enforcing any covenant, proviso or agreement of Landlord herein contained.

18.02. **Right of Landlord to Perform Covenants.** All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant, at Tenant's sole cost and expense, and without an abatement of Rent. If Tenant shall fail to perform any act on its part to be performed hereunder, and such failure shall continue for twenty (20) days after written notice thereof from Landlord (or, in the event such act cannot reasonably be performed in 20 days, such longer period as such act can be reasonably performed), Landlord may (but shall not be obligated to do so) perform such act without waiving or releasing Tenant from any of its obligation relative thereto. All sums paid or costs incurred by Landlord in so Performing such acts under this Article 18.02, together with interests thereon at the legal judgment rate allowable by law from the date each such payment was made or each such cost incurred by Landlord, shall be payable by Tenant to Landlord on demand.

18.03. **Events of Default.** An event of default shall occur whenever:

A. Part or all of the Rent, other charges or other amounts properly billed and hereby reserved are not paid when due, and such default continues for (10) days following written notice of nonpayment thereof; or

B. Tenant's interest in this Lease is taken or is subject to execution or attachment of if writ of execution is issued against Tenant; or

C. Tenant fails to materially observe, perform and keep each and every of the covenants, agreements, provisions, stipulations and conditions herein contained to be observed, performed and kept by Tenant (other than payment of Rent and other charges hereunder) and persists in such failure after twenty (20) days to rectify, unless Tenant commences rectification within twenty (20) days of such written notice and thereafter promptly and effectively and continuously proceeds with the rectification of the breach.

18.04. **Remedies.** Upon occurrence of any event of default, Landlord shall have the option, in addition to and not in limitation of any other remedy permitted by law or by this Lease, to terminate this Lease, in which event Tenant shall promptly (and in no event more than 20 days) surrender the Premises to Landlord, but if Tenant shall fail to do so, Landlord may without notice and without prejudice to any other remedy Landlord may have, enter upon and take possession of the Premises pursuant to process and expel or remove Tenant and its effects without being liable to prosecution or any claim form damage therefore; and Landlord may seize and sell all Tenants chattels upon which it has a lien for Rent, and otherwise distains for all sums due, and apply the proceeds there from to the amounts owed to Landlord: and Tenant acknowledges its unconditional obligation to pay all Rents then due and outstanding or may become due under this Lease..

ARTICLE XVIIII – MISCELLANEOUS

19.01. **Relationship of Parties.** Nothing contained in this Lease shall Create any relationship between the parties hereto other than that of Landlord and Tenant, and it is acknowledged and agreed that Landlord does not in any way or for any purpose become a partner of Tenant in the conduct of its business, or a joint venture or a member of a joint common enterprise with Tenant.

19.02. **Applicable Law and Construction.** This Lease shall be governed by and construed under the laws of the State of Florida and its provisions shall be construed as a whole according to their common meaning and not strictly for or against Landlord or Tenant. The words Landlord and Tenant shall include the plural as well as the singular. If more than one Tenant executes this Lease, Tenant's obligations hereunder shall be joint and several obligations such executing Tenants. Time is of the essence of this Lease and each of its provisions. The captions of the articles are included for convenience only, and shall have no effect upon the construction or interpretation of the Lease. The Venue for any actions arising out of this Lease Agreement shall be Brevard County, Florida.

19.03. **Entire Agreement.** This lease contains the entire agreement between the parties hereto with respect to the subject matter of this Lease. Tenant acknowledges and agrees that it has not relied upon any statement, representation, agreement or warranty except such as is set out in this Lease.

19.04. **Amendment or Modification.** Unless otherwise specifically provided in this Lease, no amendment, modification, or supplement to this Lease shall be valid or binding unless set out in writing and executed by the parties hereto in the same manner as the execution of this Lease.

19.05. **Construed Covenants and Sever ability.** All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate Article hereof. Should any provision of the Lease be or become invalid, void, illegal or not enforceable, it shall be considered separate and severable from the Lease and the remaining provisions shall remain in force and be binding upon the parties hereto as though such provisions had not been included.

19.06. **Successors Bound.** Except as otherwise specifically provided, the covenants, terms and conditions contained in the Lease shall apply to and bind the heirs, successors, executors' administrators and assigns of the parties hereto.

19.07. **Headings.** The article headings contained in this Lease are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several articles hereof.

19.08. **Attorneys' Fees.** In the event of any legal action or suit under this Agreement, the prevailing party is entitled to receive reimbursement of its reasonable Attorneys' fees and costs, even if this Agreement is determined to be non-binding for any reason whether at settlement mediation, arbitration, trial or on appeal.

IN WITNESS WHEREOF, Landlord and Tenant have properly executed this Lease as of the date set out on page one.

LANDLORD
400 W Central LLC
Sheldon Cove LLLP

By: Berchet E Mays Trust
Dated October 20 1995
One of its General Partners

Witness:

By */s/ Berchet E. Mays*
Berchet E. Mays or William R. Mays

Date: 11/29/2016

Tenant:
Craig Technologies Properties, LLC

Witness:

By */s/ Carol M Craig*

Date: 11/29/16

Appendix A
Premises

For purposes of that certain Lease Agreement dated as of 29 day of November, 2016, between 400 W Central LLC as "Landlord" and Craig Technologies Properties, LLC as "Tenant" (the "Lease"), Landlord and Tenant, agree as follows:

1. **Premises:** The "Premises" shall mean 175 Imperial Blvd, Cape Canaveral, Florida, 32920.

2. **Usable Area:** The "Usable Area" of the Premises shall be 17,200 square feet of usable office/warehouse space.

3. **Base Rent:**

    a. The monthly "Base Rent" during the Initial Term shall mean the amount equal to (x) (i) Usable Area multiplied by (ii) $7.25 psf, divided by (y) 12, calculated as $10,391.67 per full calendar month.

    b. For the lease period beginning January 1, 2018 and subsequent lease periods, the Base Rent will be increased by three percent (3%) each year from the amount of the Base Rent charged from the immediately preceding year of the Lease together with applicable sales tax on such Base Rent.

4. **Sales Tax Rent:** The monthly "Sales Tax Rent": Tenant also shall pay applicable governmental taxes on the Base Rent, including the applicable Florida Sales Tax assessed at $675.46 during the Initial Term (but excluding taxes on Landlord's income). Brevard County voted on November 8, 2016 to increase the sales tax $0.005. The sales tax amount will be adjusted in accordance with the effective date of the change.

5. **Rent:** The total "Rent" shall be the Base Rent plus the Sales Tax Rent, calculated as $11,742.59 per month during the Initial Term.

6. **Rent and other Charges.**

    a. At Commencement of the Lease the first month rent of $11,742.59 and the Security Deposit of $10,000 shall be due.

    b. On December 1st, 2016 and each calendar month thereafter, Tenant agrees to pay the Rent to Landlord, payable in equal monthly installments in advance beginning on the first day of each such calendar month during the Term.

7. **Security Deposit:** Security deposit in the amount of $10,000 will be required.

LANDLORD
400 W Central LLC
Sheldon Cove LLLP

By: Berchet E Mays Trust
Dated October 20 1995
One of its General Partners

Witness:

By */s/ Berchet E. Mays*
Berchet E. Mays or William R. Mays

Date:11/29/2016

Tenant:
Craig Technologies Properties, LLC

Witness:

By */s/ Carol M Craig*

Date: 11/29/16

LEASE AGREEMENT

This Lease made and entered into as of the 21st day of May, 2021, between 400 W Central LLC, a Florida Limited Liability company (hereinafter called "Landlord"), and Craig Technologies Aerospace Solutions, Inc., dba Sidus Space, a Florida Corporation (hereinafter called "Tenant"), for the premises known as 400 W Central Blvd, Cape Canaveral, Florida 32920. Landlord and Tenant, in consideration of the covenants herein contained, hereby agree as follows:

1.01 **Definitions.**

A. "Rent" means the amount payable by the Tenant to the Landlord in respect of each year of the Term under Article 4.01.

B. "Article" means an article of this Lease

C. "Commencement Date" means the first day of the Term.

D. "Lease" means this Lease, exhibits to this Lease, and every properly executed instrument, which by its terms amends, modifies or supplements this Lease.

E. "Premises" shall mean the area described within the building more particularly in Appendix A, attached hereto. (If requested by Tenant, Landlord shall allow Tenant from time to time to vacate the Premises and move to other space in the Building (paying the same rental rate per square foot as provided for the Premises), in which case Landlord and Tenant will revise Appendix A accordingly to reflect the location and total monthly rental of the new "Premises".)

F. "Term" means the period of time set out in Article 3.01.

G. (See also Definitions contained in Section 4.02).

ARTICLE II - GRANT OF LEASE

2.01 GRANT. Landlord hereby demises and leases the Premises to Tenant, and Tenant hereby leases and accepts the Premises from Landlord, to have and to hold during the Term, subject to the terms and conditions of the Lease.

2.02 Covenants of Landlord and Tenant. Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by Landlord under this Lease. Tenant covenants to pay the Rent when due under this Lease and to observe and perform all of the terms and conditions to be observed and performed by Tenant under this Lease.

ARTICLE III - TERM, POSSESSION; AND CONDITION

3.01 **Term.** The term of this Lease shall commence at 12:01 am on June 1, 2021 ("Commencement Date"). The initial term shall end on May 31, 2024 (the "Initial Term" referred to as the "Term").

a. The Tenant shall notify the Landlord in writing on or before March 31, 2024 its intent to terminate this Lease at the end of the Initial Term, with no penalty, rent or further payment owed after May 31, 2024 or request to renew the Lease.

b. The Tenant shall have the option to terminate the Lease after the 12th month and the 24th month from the commencement date. Tenant shall be required to give the Landlord written notice that they will be terminating no later than the 1st day of the 6th month of the term or on the 1st day of the 18th month as applicable. If Tenant fails to notify the Landlord by the deadlines described above the Lease shall be in effective time the end of the Term.

3.02 **Condition of Premises.** Except as otherwise specifically provided in this Agreement, Landlord disclaims any warranty regarding the condition of the Premises, whether patent or latent, and Tenant shall accept the Premises in its "as in" condition; predicated on emergency lighting, exit signs over doorways and exit doors have been brought to Tenants reasonable satisfaction prior to issuance of occupancy permit.

ARTICLE IV - RENT, OCCUPANCY COST, AND OTHER CHARGES

4.01 **Rent and other Charges:** During the term, Tenant agrees to pay to Landlord the Rent described in Appendix A, attached hereto

4.02 **Utilities:** Landlord will pay the water and sewage for reasonable consumption for the Premises ("Standard Utilities"). Tenant will be responsible for any excess utilities over and above the Standard Utilities. Tenant is responsible for electric and all other utilities. Tenant is responsible for all other systems including but not limited to security, telecom, cable and internet specific to the Premises.

4.03. **Keys:** As the keys to the building exterior doors are unique, it is imperative that upon termination of lease all exterior door keys be returned to the Landlord. The fee for any keys made and not returned will be $50.00 each.

ARTICLE V - USE OF PREMISES

5.01 **Use Restrictions.** The Premises shall be used and occupied by Tenant in the operation of its trade or business as a general office, light manufacturing, and warehouse space in a safe, careful and proper manner so as not to contravene any present or future governmental laws, regulations or orders and for no other purposes without prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. If improvements are necessary to comply with any of the foregoing or with the requirements of insurance carriers, due solely to Tenant's use of the Premises, Tenant shall pay the entire cost thereof.

5.02 **Nuisance.** Tenant shall not cause or maintain any nuisance in or about the Premises, and shall keep the Premises free of debris, rodents, vermin and anything of a dangerous, noxious, or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or noise.

5.03 **Quiet Enjoyment.** Subject to Tenant performing its obligations under this Lease, Tenant shall be entitled reasonable peaceable use and enjoyment of the Premises, and otherwise quiet enjoyment of the Premises, 24 hours per day, seven days per week, every day of the year.

5.04 **Common Areas.** In addition to the Premises, Tenant and its guests shall, at no additional rent or fee, have exclusive access to and use of all: common areas of the Building, including the front door, entryway, sidewalks, and driveways, and parking spaces in the Building parking lot. Tenant shall have nonexclusive access to additional parking spaces in the parking area at 8880 Astronaut Blvd.

ARTICLE VI- MAINTENANCE, REPAIR AND ALTERATIONS BY LANDLORD

6.01 **Maintenance, Repair and Replacement.** Landlord shall be responsible forand shall expeditiously maintain and repair the foundations, structures and roofs of the Building and shall be responsible for maintenance (other than tenant caused repairs) and repair of the Building plumbing (other than stoppages caused by Tenant) and HVAC systems, less reasonable wear and tear over the Term, with the provisions below. Except as provided in Section 4.02 above, Tennant is responsible for day to day expenses, cleaning, rug shampooing, inside painting, changing light bulbs, etc and fixing items damaged by the actions of the Tenant.

A. If all or part of the Building is destroyed, damaged or impaired, Landlord shall have a reasonable time in which to complete the necessary repair or replacement.

B. Landlord shall use reasonable diligence in carrying out its obligations under Article 6.01, but shall not be liable under any circumstances for any consequential damage to any person or property for any failure to do so.

C. Nothing contained herein shall be in derogation of the provisions of Article XV regarding Casualty Damage.

D. Notwithstanding the limitation on Landlord's responsibility to maintain and repair the Building as set forth in this Article 6.01, Tenant nevertheless shall be given the benefit of any third-party warranties or guarantees provided by contractors, material, men or other suppliers with respect to the Building or any equipment or fixtures affixed thereto.

E. Landlord shall reasonably ensure the HVAC is at all times functioning and suitable to maintain the Premises at comfortable room temperature and humidity for mixed warehouse and office space. Landlord shall maintain the Building to ensure the Premises are free from water leaks, excess moisture, and/or excess humidity (whether originating from weather, plumbing, or otherwise) and shall promptly repair any damage to the Premises caused by such leaks, excess moisture and/or excess humidity; provided that under no circumstances shall Landlord be liable to Tenant for any damage suffered by Tenant, its employees, agents, customers or invitees as a result of moisture or water inside the Premises whether caused by leaks in the structure or in the plumbing, unless caused by the gross negligence of Landlord.

6.02 **Alteration by Landlord.** Landlord may from time to time make repairs, replacements, changes or additions to the structure, systems, facilities and equipment in the Premises where necessary to serve the Premises; provided, however, that in so doing Landlord shall not disturb or interfere with Tenant's use of the Premises and operation of its business any more than is reasonably necessary under the circumstances and shall whenever possible consult with or give reasonable notice to Tenant prior to such entry, but (provided Tenant retains substantial use of the Premises for its office space) no such entry shall constitute an eviction on entitle Tenant to any abatement of Rent.

6.03 **Access by Landlord.** Tenant shall permit Landlord or Landlord's agent to enter the Premises outside normal business hours, and during normal business hours where such will not unreasonably disturb or interfere with Tenants use of the Premises and operation of its business, to examine, inspect, and show the premises to persons wishing to lease them, to provide services, to make repairs, replacements, changes or alterations as set out in this Lease, and to take such steps as Landlord may deem necessary for the safety, improvements or preservation of the Premises or the Building. Landlord shall comply with the tenant's visitor control policy, and if Non U.S. citizens, provide 7 days notice to Tenant prior to such entry, but no such entry shall constitute any eviction or entitle Tenant to any abatement of Rent.

ARTICLE VII - MAINTENANCE, REPAIR, ALTERATIONS AND IMPROVEMENTS BY TENANT

7.01 **Condition of Premises** Except to the extent that Landlord is specifically responsible therefore under Article 6.01 of the Lease, Tenant shall maintain the Premises and all improvements therein in good condition, less reasonable wear and tear, at Tenant's sole cost and expense.

7.02 **Alterations by Tenant.** Any renovations made by Tenant, at Tenant's expense, will be returned to original condition at end of Lease period or vacancy unless such renovations upgrade the building systems and the Tenant has receive written approval by the Landlord to leave the renovation as is. Should restoration e required and not be completed, Landlord may complete the restoration at the expense of the Tenant, provided Landlord first gives Tenant thirty (30) days prior written notice and an opportunity to complete such restoration. Tenant may, at its own expense, make changes, additions and improvements in the Premises to better adapt the same to its business, provided that any such change, addition or improvement shall:

A. Any renovations or changes shall be reviewed between the Tenant and the Landlord. Any renovations or changes that require a professional review by a licensed contractor and will be billed to the Tenant at reasonable rate.

B. Comply with the requirements of any governmental authority having jurisdiction.

C. Equal or exceed the then current standard for the Building.

D. Require the written consent of Landlord, which shall not be unreasonably withheld, conditioned or delayed.

7.03 **Trade Fixtures and Personal Property.** Tenant may install in the Premises its usual Trade fixtures and personal property in a proper manner, provided that no such installation shall interfere with or damage the mechanical or electrical systems or the structure of the Building. If Tenant is not then in default hereunder, trade fixtures and personal property installed in the Premises by Tenant may be removed from Premises:

A. From time to time in the ordinary course of Tenant's Business or in the course of reconstruction, renovation, or alteration of the Premises by Tenant; and

B. During a reasonable period prior to, upon or immediately following the expiration of the Term, provided that Tenant promptly repairs at its own expense any damage to the Premises or Building resulting from such installation and removal.

ARTICLE VIII - TAXES

8.01 **Tenant's Taxes.** Tenant shall pay before delinquency and as otherwise set forth in this Lease, every tax, assessment, license fee, excise and other charge by any governmental authority having jurisdiction and which is payable by Tenant in respect of this Lease including but not limited to:

A. Operations as, occupancy of, or conduct of business in or from the Premises by or with the permission of the Tenant;

B. Fixtures or personal property in the Premises which do not belong to the Landlord; and

C. Rent paid or payable by Tenant to Landlord for the Premises or for the use and occupancy of all or any part thereof, specifically, including but not limited to, any sales and/or use tax imposed by any governmental authority having jurisdiction but not including any tax based upon Landlord's income nor any ground lease, assessment, royalty, property or real estate tax payable by the Landlord.

ARTICLE IX - INSURANCE

9.01 **Casualty Insurance.** During the Term, Landlord shall maintain insurance against loss or damage by fire or other risks now or hereafter embraced by "All Risk Coverage," so called and against such other risks as at the time are commonly insured against in the case of the premises similarly situated, in amount not less than 100% of the then "full insurable value," which, for the purpose of this Article 9.01 shall be deemed to be the cost of replacing the structure, plumbing, HVAC and fixtures less the cost of excavations, foundations and footing, or such greater amount as may be required by any mortgagee.

9.02 **General Liability and Other Insurance.** During the term, Tenant shall maintain at its own expense:

A. Flood insurance, fire insurance with extended coverage and water damage insurance in the amounts sufficiently to fully cover Tenant's improvements and all property in the Premises which is not owned by the Landlord; and

B. General liability insurance against claims for death, personal injury, and property damage in or about the Premises, in amounts not less than One Million Dollars and No Cents (1,000,000.00) combined single limit, in respect of each occurrence.

All policies for insurance required pursuant to Article 9.01 (B) above shall name Landlord and Tenant as the insured as their respective interest may appear, shall contain standard mortgagee clauses in favor of the holders of any mortgages on the Premises, and shall be in a form and with an insurer reasonably acceptable to Landlord of Termination or material alteration during the Term. If requested by Landlord, Tenant shall from time to time promptly deliver to Landlord certified copies or other evidence of such policies, and evidence satisfactory to Landlord that all premiums thereon have been paid and the policies are in full force and effect.

ARTICLE X - INJURY TO PERSON OR PROPERTY

10.1 **Indemnity by Tenant.** Tenant shall indemnify and hold harmless Landlord from and against every third party demand, claim, cause of action, judgment and expense, including attorney's fees, and all third party claimed loss and damage arising from any injury or damage to the person or property of Tenant or to the personal property of Tenant's agents, servants, employees, guests, invitees, or to any other person on the Premises where the injury or damage is caused by the negligence or misconduct of Tenant, its agents, servants or employees, or of any other person entering upon Premises under express or implied invitation of Tenant, where the injury or damage resulted from violation created by Tenant, of any law, ordinance or governmental order of any kind, or of the provisions of the Lease, or where the injury or damage is in any way directly related to or connected with the conduct of Tenant's business.

10.2 **Indemnity by Landlord.** Landlord shall indemnify and hold harmless Tenant from and against every third party demand, claim, cause of action, judgment and expense, including attorney's fees, and all third party claimed loss and damage arising from any injury or damage to the person or property of Tenant or to the personal property of Tenant's agents, servants, employees, guests, invitees, or to any other person on the Premises where the injury or damage is caused by the negligence or misconduct of Landlord, its agents, servants or employees, or of any other person entering upon Premises under express or implied invitation of Tenant, where the injury or damage resulted from violation created by the Landlord of any law, ordinance or governmental order of any kind, or of the provisions of the Lease, or where the injury or damage is in any way directly related to or connected with the conduct of Landlord's business.

10.3 **Indemnification Procedure:** If a Party entitled to indemnification hereunder (the Indemnified Party) becomes aware of any matter it believes is identifiable hereunder involving any claim, action, suit, investigation, arbitration or other proceeding against the Indemnified Party by any third party (each an "Action"), the Indemnified Party, as a condition precedent hereto, shall give the other Party (the Indemnifying Party) prompt written notice of such Action. Such notice shall (I) provide the basis on which indemnification is being asserted and (II) be accompanied by copies of all relevant pleadings, demands, and other papers related to the Action and in the possession of the Indemnified Party. The Indemnifying Party shall have the sole right to settle and/or to defend any Action with counsel of the Indemnifying Party's choice reasonably acceptable to the Indemnified Party, and the Indemnifying Party shall not be otherwise responsible for payment of attorney fees or expenses arising from or related to the Action. Any Indemnified Party shall have the right to participate in the defense of any Action with counsel of its choice at its own expense. Any compromise or settlement of an Action shall require the prior written consent of both Parties hereunder, such consent not to be unreasonably withheld, delayed or conditioned. Indemnification hereunder shall not be available if a party brings an Action or has caused or contributed to an Action.

ARTICLE XI - ASSIGNMENT AND SUBLETTING

11.01 **Assignment of Sublease by Tenant.** Tenant shall not assign this Lease or sublet the Premises without the prior written consent of Landlord which consent shall not be unreasonably withheld, conditioned or delayed provided that (a) the new subtenant's financial statements are equal to or greater than that of Tenant and (b) Tenant during the Term of the Lease shall remain personally liable for all payments due hereunder regardless of the assignment.

11.02 **Assignment by Landlord.** Landlord shall have the right to transfer, assign and convey, in whole or in part, any and all of its rights under this Lease provided that the assignee and any assignee of the fee simple title of the Premises assumes the obligations and duties of Landlord arising under this Agreement.

11.03 **No Waiver.** Consent by Landlord to a particular assignment or sublease shall not be deemed consent to any other or subsequent transaction. If this Lease is assigned or if the Premises are subleased in violation of this Article XI, then Landlord may nevertheless collect rent from the assignee or subtenants and apply the net amount collected to the rent payable hereunder, but no such transaction or collection of rent or application thereof by Landlord shall be deemed a waiver of any provisions hereof or a release of Tenant from performance by Tenant of its obligations hereunder.

ARTICLE XII - SURRENDER

12.01 **Possession.** In the event this Lease continues into a Renewal Term as provided in Section 3.01 above, and except as may otherwise be provided for in This Lease Agreement, two (2) Months prior to the expiration of any Renewal Term, Tenant shall notify Landlord of (1) renewing the Lease for a period to be defined at that time or (2) immediately upon expiration quit and surrender possession of the Premises in substantially the condition in which Tenant is required to maintain the Premises exception only reasonable wear and tear and "acts of God." Upon such surrender, all right, title and interest of Tenant in the Premises shall cease.

12.02 **Merger.** The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant or Landlord shall not work a merger and shall at Landlord's option hereunder terminate all or any subleases and sub-tenancies or operate as an assignment to Landlord of all or any subleases or sub-tenancies. Landlord's option hereunder shall be exercised by notice to Tenant and all known assignees or subtenants in the Premises or any part thereof.

12.03 **Payments after Termination.** No payments of money by Tenant to Landlord after the expiration or other termination of the Term or after the giving of any notice (other than a demand for payment of money) by Landlord to Tenant, shall reinstate, continue, or extend the Term, or make ineffective any notice given to Tenant.

ARTICLE XIII RESERVED

ARTICLE XIIII - EMINENT DOMAIN

14.01 **Taking of Premises.** If during the Term all of the Premises shall be taken for any public use under any statute or by right of eminent domain, or purchased under threat of each taking, this Lease shall automatically terminate on the date on which the condemning authority takes possession of the Premises (hereinafter called the "date of such taking").

14.02 **Partial Taking of Building.** If during the Term only part of the Building is taken or purchased as set out in Article 14.01, then if substantially alteration or reconstruction of the Building is necessary or desirable as a result thereof, whether or not the Premises are or may be affected, either party shall have the right to terminate this Lease by giving the other party at least (30) days written notice of such termination; and if either party exercises its right of termination hereunder, this Lease shall terminate on the date stated in the notice, provided however, that no termination pursuant to notice hereunder may occur later than sixty (60) days after the date of such taking, and provided, further, however, that no termination shall occur if Tenant agrees to the continuation of the Lease without abatement of Rent.

14.03 **Surrender.** On such date of termination under Article 14.01 or 14.02, Tenant shall immediately surrender to Landlord the Premises and all interests therein under this Lease. Landlord may re-enter, take possession of the Premises, and remove Tenant there from, and the Rent shall abate on the date of termination, except that if the date of such taking differs from the date of termination, Rent shall abate on the former date in respect of the portion taken. After such termination, and on notice from Landlord stating the Rent then owing, Tenant shall forthwith pay Landlord such Rent.

14.04 **Partial Taking of Premises.** If any portion of the Premises (but less than the whole thereof) is taken, and no rights of termination herein conferred are timely exercised, the Term of the Lease shall expire with respect to the portion so taken on the date of such taking. In such event the Rent payable hereunder with respect to such portion so taken shall abate on such date, and the Rent thereafter payable with respect to the remainder not so taken shall be adjusted pro rata by Landlord in order to account for the resulting reduction in the number of square feet in the Premises.

14.05 **Awards.** Upon the occurrence of any taking or purchase under this Article XIV, Landlord shall be entitled to receive and retain the entire award or consideration for the affected lands and improvements, and Tenant shall not have nor advance any claim against Landlord for removal damages arising out of such taking or purchase. Nothing herein shall give Landlord any interest in or preclude Tenant from seeking and recovering on its own account from the condemning authority any reward or compensation attributable to the taking or purchase or Tenant's improvements, chattels or trade fixtures, or the removal, or relocation of its business and effects or the interruption of its business. If any such award made or compensation paid to either party specifically includes an award or amount for the other, the party first receiving the same shall promptly account therefore to the other.

ARTICLE XV - DAMAGE BY FIRE OR OTHER CASUALTY

15.01. **Limited Damage to Premises.** If all or part of the Premises are rendered un-tenantable by damage from fire or other casualty which, in the reasonable opinion of an architect acceptable to Landlord and Tenant, can be substantially repaired under applicable laws and governmental regulations within sixty (60) days from the date of such casualty (employing normal construction methods without overtime or other premium), Landlord shall forthwith at its own expense repair such damage other than damage to improvements, furniture, chattels or trade fixtures which do not belong to Landlord.

15.02. **Major damage to Premises.** If all or part of the Premises are rendered un-tenantable by damage from fire or other casualty which, in the reasonable opinion of an architect acceptable to Landlord and Tenant, cannot be substantially repaired under applicable laws and governmental regulations within sixty (60) days from the date of such casualty (employing normal construction methods without overtime or other premium), then either Landlord or Tenant may elect to terminate this Lease as of the date of such casualty by written notice delivered to the other not more than (10) days after receipt of such damage other than damage to improvements, furniture, chattels, or trade fixtures which do not belong to Landlord.

15.03. **Limitation on Landlord's Liability.** Except as specifically provided in this Article XV, there shall be proportionate reduction of Rent, but Landlord shall have no other liability to Tenant, by reason of any interference with Tenant's business or property arising from fire or casualty, however caused, or from the making of any repairs resulting there from in or to any portion of the Building or Premises.

ARTICLE XVI - TRANSFERS BY LANDLORD

16.01. **Sale, Conveyance and Assignment.** Nothing in this Lease shall restrict the right of the Landlord to sell, convey, assign, mortgage or otherwise deal with the Premises or the right of Landlord to assign its interest in this Lease subject only to the rights of Tenant under this Lease.

16.02. **Subordination.** This Lease is and shall be subject and subordinate in all respects to any and all mortgages and deeds of trust now or hereafter placed on the Premise, and to all renewals, modifications, consolidations, replacements and extension thereof (collectively "Mortgage"), provided no Mortgage modifies the terms of this Lease and any Mortgage holder accepts Landlord's obligations under this Lease. At any time and from time to time, Tenant shall execute, acknowledge, and deliver to Landlord a certificate evidencing its subordination and evidencing whether or not: (a) this Lease is in full force and effective; (b) this Lease has been amended in any way; (c) there are any defaults hereunder to the knowledge of Tenant and specifying the nature of such defaults if any; (d) the amount of the rent and the due date to which Rent has been paid; and (e) improvements to the Premises or allowances for such improvements required of Landlord have been made or paid and accepted by Tenant. Each certificate delivered pursuant to this section may be relied on by any prospective purchaser or transferee or the holder or prospective holder of any mortgage or deed of trust of the Building or of Landlord's interest hereunder.

ARTICLE XVII - NOTICES

17.01. **Notices.** Any notice from one party to the other hereunder shall be in writing and shall be deemed duly served if delivered to the party being served or if mailed by email at the address specified below (if receipt is acknowledged by the recipient) or by registered or certified mail or sent by overnight courier addressed to Tenant at the address below or to Landlord at the place from time to time to established for payment of Rent. Any notice shall be deemed to have been given at the time of delivery is a Saturday, Sunday or statutory holiday, such notice shall be deemed to have been given on the next following day that is not a Saturday, Sunday or statutory holiday. If such notice is mailed, notice shall be deemed to have been given, seven (7) days after the date of mailing thereof unless strikes or slowdowns, in which case notice shall be given by personal delivery only, have disrupted the postal system. Either party shall have the right to designate by notice, in the manner above set forth, a different address to which notices are to be mailed.

All notices under this Lease shall be sent as follows:

To Tenant:

Craig Technologies Aerospace Solutions, Inc., dba Sidus Space
150 N. Sykes Creek Pkwy, Suite 200
Merritt Island, FL 32953

Attn: Carol Craig
Email: Carol.Craig@craigtechinc.com

To Landlord:
Sheldon Cove LLLP
400 Imperial Blvd
PO Box 977
Cape Canaveral FL 32920
Email: Dmays@sheldoncove.com

With a copy to:
David M. Presnick, Esq.
David M. Presnick P.A.
96 Willard Street Ste 106
Cocoa, FL 32922
Email: david@presnicklaw.com

ARTICLE XVIII - DEFAULT

18.01. **Late Fee and Costs.** Tenant shall pay Landlord a late charge equal to five percent (5%) of any payment amount if payment is not tendered within ten days of its due date. Tenant shall indemnify Landlord against all costs and charges (including reasonable legal fees) lawfully and reasonably incurred in enforcing payment thereof, and in obtaining possession of the Premises after default of Tenant or if Tenant fails to vacate upon expiration or earlier termination of the Term of this Lease, or in enforcing any covenant, proviso or agreement of Tenant herein contained. Landlord shall indemnify Tenant against all costs and charges (including reasonable legal fees) lawfully and reasonably incurred in enforcing any covenant, proviso or agreement of Landlord herein contained.

18.02. **Right of Landlord to Perform Covenants.** All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant, at Tenant's sole cost and expense, and without an abatement of Rent. If Tenant shall fail to perform any act on its part to be performed hereunder, and such failure shall continue for twenty (20) days after written notice thereof from Landlord (or, in the event such act cannot reasonably be performed in 20 days, such longer period as such act can be reasonably performed), Landlord may (but shall not be obligated to do so) perform such act without waiving or releasing Tenant from any of its obligation relative thereto. All sums paid or costs incurred by Landlord in so Performing such acts under this Article 18.02, together with interests thereon at the legal judgment rate allowable by law from the date each such payment was made or each such cost incurred by Landlord, shall be payable by Tenant to Landlord on demand.

18.03. **Events of Default.** An event of default shall occur whenever:

A. Part or all of the Rent, other charges or other amounts properly billed and hereby reserved are not paid when due, and such default continues for (10) days following written notice of nonpayment thereof; or

B. Tenant's interest in this Lease is taken or is subject to execution or attachment of if writ of execution is issued against Tenant; or

C. Tenant fails to materially observe, perform and keep each and every of the covenants, agreements, provisions, stipulations and conditions herein contained to be observed, performed and kept by Tenant (other than payment of Rent and other charges hereunder) and persists in such failure after twenty (20) days to rectify, unless Tenant commences rectification within twenty (20) days of such written notice and thereafter promptly and effectively and continuously proceeds with the rectification of the breach.

18.04. **Remedies.** Upon occurrence of any event of default, Landlord shall have the option, in addition to and not in limitation of any other remedy permitted by law or by this Lease, to terminate this Lease, in which event Tenant shall promptly (and in no event more than 20 days) surrender the Premises to Landlord, but if Tenant shall fail to do so, Landlord may without notice and without prejudice to any other remedy Landlord may have, enter upon and take possession of the Premises pursuant to process and expel or remove Tenant and its effects without being liable to prosecution or any claim form damage therefore; and Landlord may seize and sell all Tenants chattels upon which it has a lien for Rent, and otherwise distains for all sums due, and apply the proceeds there from to the amounts owed to Landlord: and Tenant acknowledges its unconditional obligation to pay all Rents then due and outstanding or may become due under this Lease..

ARTICLE XVIIII - MISCELLANEOUS

19.01. **Relationship of Parties.** Nothing contained in this Lease shall Create any relationship between the parties hereto other than that of Landlord and Tenant, and it is acknowledged and agreed that Landlord does not in any way or for any purpose become a partner of Tenant in the conduct of its business, or a joint venture or a member of a joint common enterprise with Tenant.

19.02. **Applicable Law and Construction.** This Lease shall be governed by and construed under the laws of the State of Florida and its provisions shall be construed as a whole according to their common meaning and not strictly for or against Landlord or Tenant. The words Landlord and Tenant shall include the plural as well as the singular. If more than one Tenant executes this Lease, Tenant's obligations hereunder shall be joint and several obligations such executing Tenants. Time is of the essence of this Lease and each of its provisions. The captions of the articles are included for convenience only and shall have no effect upon the construction or interpretation of the Lease. The Venue for any actions arising out of this Lease Agreement shall be Brevard County, Florida.

19.03. **Entire Agreement.** This lease contains the entire agreement between the parties hereto with respect to the subject matter of this Lease. Tenant acknowledges and agrees that it has not relied upon any statement, representation, agreement or warranty except such as is set out in this Lease.

19.04. **Amendment or Modification.** Unless otherwise specifically provided in this Lease, no amendment, modification, or supplement to this Lease shall be valid or binding unless set out in writing and executed by the parties hereto in the same manner as the execution of this Lease.

19.05. **Construed Covenants and Sever ability.** All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate Article hereof. Should any provision of the Lease be or become invalid, void, illegal or not enforceable, it shall be considered separate and severable from the Lease and the remaining provisions shall remain in force and be binding upon the parties hereto as though such provisions had not been included.

19.06. **Successors Bound.** Except as otherwise specifically provided, the covenants, terms and conditions contained in the Lease shall apply to and bind the heirs, successors, executors' administrators and assigns of the parties hereto.

19.07. **Headings.** The article headings contained in this Lease are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several articles hereof.

19.08. **Attorneys' Fees.** In the event of any legal action or suit under this Agreement, the prevailing party is entitled to receive reimbursement of its reasonable Attorneys' fees and costs, even if this Agreement is determined to be non-binding for any reason whether at settlement mediation, arbitration, trial or on appeal.

IN WITNESS WHEREOF, Landlord and Tenant have properly executed this Lease as of the date set out on page one.

LANDLORD
400 W Central LLC
A Florida Limited Liability Partnership
Member: Sheldon Cove LLLP

By: General Partner

Witness:

By */s/ Stephen C. Mays*
Stephen C. Mays
Date: 5/25/21

Tenant:
Craig Technologies Aerospace Solutions, Inc.
dba Sidus Space

Witness:

By */s/ Carol M. Craig*
Carol M. Craig
Date: 5/21/21

Appendix A
Premises

For purposes of that certain Lease Agreement dated as of ___ day of May, 2021, between 400 W Central LLC as "Landlord" and Craig Technologies Aerospace Solutions, Inc., dba Sidus Space as "Tenant" (the "Lease"), Landlord and Tenant, agree as follows:

1. **Premises:** The "Premises" shall mean 400 West Central Blvd, Cape Canaveral, Florida, 32920.

2. **Usable Area:** The "Usable Area" of the Premises shall be 18,500 square feet of usable office/warehouse space.

3. **Base Rent:**

    a. The monthly "Base Rent" during the Initial Term shall mean the amount equal to (x) (i) Usable Area multiplied by (ii) $7.69 psf, divided by (y) 12, calculated as $11,855.42 per full calendar month.

    b. For the lease period beginning June 1, 2022, the Base Rent may be increased by two and a half percent (2.5 %) each year from the amount of the Base Rent charged from the immediately preceding year of the Lease together with applicable sales tax on such Base Rent.

4. **Sales Tax Rent:** The monthly "Sales Tax Rent": Tenant also shall pay applicable governmental taxes on the Base Rent, including the applicable Florida Sales Tax assessed at $770.60 during the Initial Term (but excluding taxes on Landlord's income).

5. **Rent:** The total "Rent" shall be the Base Rent plus the Sales Tax Rent, calculated as $12,626.02 per month during the Initial Term.

6. **Rent and other Charges.**

    a. At Commencement of the Lease the first month rent of $12,626.02 and the Security Deposit shall be waived.

    b. On July 1, 2021 and each calendar month thereafter, Tenant agrees to pay the Rent to Landlord, payable in equal monthly installments in advance beginning on the first day of each such calendar month during the Term.

LANDLORD
400 W Central LLC
A Florida Limited Liability Partnership
Member: Sheldon Cove LLLP

By: General Partner

Witness:

By */s/ Stephen C Mays*
Stephen C Mays
Date: 5/25/21

Tenant:
Craig Technologies Aerospace Solutions, Inc.,
dba Sidus Space

Witness:

By */s/ Carol M. Craig*
Carol M. Craig
Date: 5/21/21

COMMERCIAL SUBLEASE AGREEMENT

I. THE PARTIES. This Commercial Sublease Agreement ("Agreement") is made on August 1, 2021, by and between:

Landlord: Sykes Creek Limited Partnership ("Landlord"), and
Tenant: Craig Technical Consulting, Inc. DBA Craig Technologies ("Tenant"), and
Subtenant: Sidus Space, Inc ("Subtenant").

HEREINAFTER the Landlord, Tenant, and Subtenant shall be collectively referred to as the "Parties" and agree as follows:

II. ORIGINAL LEASE. The Parties recognize that the Tenant is subletting the Premises described in Section III of this Agreement. This Agreement shall be subject to the terms and conditions of the master lease ("Master Lease") that exists between the Landlord and Tenant and dated October 23, 2018.

III. DESCRIPTION OF LEASED PREMISES. The Tenant agrees to lease to the Subtenant:

a.) Mailing Address: 150 North Sykes Creek Parkway, Merritt Island, Florida 32953.
b.) Square Feet: **3,427.56** SF
c.) Type of Space: office [e.g., retail, office, industrial).
d.) Additional Description: leasing designated rooms and shared use of common areas such as bathrooms and hallways

Hereinafter known as the "Premises."

IV. SUBLET. The Tenant agrees to sublet: (check one)

☐ - All of the space under the Master Lease.

☒ - Part of the space under the Master Lease.

V. ATTACHED PLAN. The Tenant: (check one)

☒ - Has attached a floorplan/layout to this Agreement.

☐ - Has not attached a floorplan/layout to this Agreement.

VI. USE OF LEASED PREMISES. The Tenant is leasing the Premises to the Subtenant and the Subtenant is hereby agreeing to lease the Premises for the following use and purpose: office space for Sidus Space, Inc employees and their authorized guests.

Any change in use or purpose the Premises other than as described above shall be upon prior written consent of Tenant only.

VII. LEASE TYPE. This Agreement is a: (check one)

☐ - Fixed Lease. The Sublet shall be allowed to occupy the Premises starting on_____, 20_____, and end on_____ , _____20 ("Lease Term"). At the end of the Lease Term and no renewal is made, the Subtenant: (check one)

☐ - May continue to lease the Premises under the same terms of this Agreement under a month-to-month arrangement.
☐ - Must vacate the Premises or renew under the terms mentioned in Section IX.

☒ - Month-to-Month Lease. The Subtenant shall be allowed to occupy the Premises on a month-to-month arrangement starting on August 1, 2021, and ending upon notice of 30 days from either Party to the other Party ("Lease Term").

VIII. RENT. The net monthly payment from the Subtenant shall be: (check one)

☐ - The Same Amount. The Subtenant shall pay $_____for the Lease Term, payable monthly with the first payment due on the commencement of this Agreement and each monthly installment payable thereafter on the 1st day of each month.

☒ - Different Amounts. During the Lease Term the Rent shall be paid in the following amounts for the following periods:

Period 1

Rent Amount: **$4,570.07** monthly payable on the 1st day of each month Start Date: August 1, 2021. End Date January 31,2022. ($16/sq ft)

Period 2

Rent Amount: **$4,707.18** monthly payable on the 1st day of each month Start Date: February 1, 2022. End Date January 31,2023. ($16.48 sq ft)

Period 3

Rent Amount: **$4,847.13** monthly payable on the 1st day of each month Start Date: February 1, 2023. End Date January 31,2024. ($16.97 sq ft)

Hereinafter known as the "Rent." The Rent for any period during the term hereon, which is for less than one (1) month shall be a pro-rata portion of the monthly rent.

IX. OPTION TO RENEW. The Subtenant: (check one)

☒ - May not renew this Agreement.

☐ - May have the right to renew this Agreement with a total of_____renewal period(s) with each term being_____ year(s)_____month(s) which may be exercised by giving written notice to Tenant no less than 60 days prior to the expiration of the Agreement or renewal period.

Rent for each option period shall: (check one)

☐ - Not increase.
☐ - Increase by: (check one)

☐ -_____%
☐ - $_____
☐ - The amount calculated by multiplying the Rent by the annual change in the Consumer Price Index (CPI) published by the Bureau of Labor Statistics by the most recent publication to the option period start date.
☐ - Other: _____

X. EXPENSES. (check and initial one)

☐ - **GROSS**. Subtenant's Initials_____Tenant's Initials _____

It is the intention of the Parties that this Agreement be considered a "Gross Lease" and as such, the Rent is the entirety of the monthly rent. Therefore, the Subtenant is not obligated to pay any additional expenses which may include utilities, real estate taxes, insurance (other than on the Subtenant's personal property), charges or expenses of any nature whatsoever in connection with the ownership and operation of the Premises. The Landlord shall be obligated to maintain the general exterior structure of the Premises and shall maintain all major systems such as the heating, plumbing, and electrical. The parking area shall be maintained by the Landlord including the removal of any environmental hazards as well as the grounds and lands surrounding the Premises. The Subtenant shall maintain at their expense casualty insurance for the Premises against loss by fire which may or may not include any extended coverage. The Subtenant will provide and maintain personal liability and property damage insurance as a lessee, at least to the limits of One Million Dollars ($1,000,000.00), that will designate the Landlord and Tenant as an "also named insured" and shall provide the Landlord and Tenant with a copy of such insurance certification or policy prior to the effective date of this Agreement.

☒ - **MODIFIED GROSS**. Subtenant's Initials_____Tenant's Initials _____

It is the intention of the Parties that this Agreement shall be considered a "Modified Gross Lease".

In addition to the Rent, the **Subtenant** shall be obligated to pay the following monthly expenses: **CAM charges for subtenant's portion of the space. Subtenant will be responsible for 19% of the CAM charges paid on a monthly basis and based on actual charges.**

Tenant shall pay the following monthly expenses:

_____
_____
_____

☐ - **TRIPLE-NET (NNN)**. Subtenant's Initials_____Tenant's Initials _____

It is the intention of the Parties that this Agreement shall be considered a "Triple Net Lease".

a.) Operating Expenses. The Tenant shall have no obligation to provide any services, perform any acts, or pay expenses, charges, obligations or costs of any kind whatsoever with respect to the Premises. The Subtenant hereby agrees to pay one hundred percent (100%) of any and all Operating Expenses as hereafter defined for the entire term of the Agreement and any extensions thereof in accordance with specific provisions hereinafter set forth. The term "Operating Expenses" shall include all costs to the Tenant of operating and maintaining the Premises, and shall include, without limitation, real estate and personal property taxes and assessments, management fee(s), heating, air conditioning, HVAC, electricity, water, waste disposal, sewage, operating materials and supplies, service agreements and charges, lawn care, restriping, repairs, repaving, cleaning and custodial, security, insurance, the cost of contesting the validity or applicability of any governmental acts which may affect operating expenses, and all other direct operating costs of operating and maintaining the Premises and related parking areas, unless expressly excluded from operating expenses.

b.) Taxes. Subtenant shall pay, during the term of this Agreement, the real estate taxes including any special taxes or assessments (collectively, the "taxes") attributable to the Premises and accruing during such term. Subtenant, at Tenant's option, shall pay to Tenant said taxes on a monthly basis, based on one-twelfth (1/12) of the estimated annual amount for taxes. Taxes for any fractional calendar year during the term hereof shall be prorated. In the event the Subtenant does not make any tax payment required hereunder, Subtenant shall be in default of this Agreement.

c.) Insurance. Subtenant shall maintain, at all times during the Lease Term, comprehensive general liability insurance in an insurance company licensed to do business in the State in which the Premises are located and that is satisfactory to the Landlord and Tenant, properly protecting and indemnifying the Landlord and Tenant with single limit coverage of not less than _____dollars ($_____) for injury to or_____dollars ($_____) death of persons and _____ dollars ($_____) for property damage. During the Lease Term, Subtenant shall furnish the Landlord and Tenant with certificate(s) of insurance, in a form acceptable to the Landlord and Tenant, covering such insurance so maintained by Subtenant and naming the Landlord and Tenant and Landlord's mortgagees, if any, as additional insured.

XI. SECURITY DEPOSIT. In addition to the above, a deposit in the amount of $ N/A shall be due and payable in advance or at the signing of this Agreement, hereinafter referred to as the "Security Deposit", and shall be held in escrow by the Tenant in a separate, interest-bearing savings account as security for the faithful performance of the terms and conditions of the Agreement. The Security Deposit may not be used to pay the last month's rent unless written permission is granted by the Tenant.

XII. LEASEHOLD IMPROVEMENTS. The Subtenant agrees that no leasehold improvements, alterations or changes of any nature, (except for those listed on any attached addenda) shall be made to the leasehold Premises or the exterior of the building without first obtaining the consent of the Tenant in writing, which consent shall not be unreasonably withheld, and thereafter, any and all leasehold improvements made to the Premises which become affixed or attached to the leasehold Premises shall remain the property of the Tenant at the expiration or termination of this Agreement. Furthermore, any leasehold improvements shall be made only in accordance with applicable federal, state or local codes, ordinances or regulations, having due regard for the type of construction of the building housing the subject leasehold Premises. If the Subtenant makes any improvements to the Premises, the Subtenant shall be responsible payment, except the following: N/A

_____

_____

Nothing in the Agreement shall be construed to authorize the Subtenant or any other person acting for the Subtenant to encumber the rents of the Premises or the interest of the Subtenant in the Premises or any person under and through whom the Subtenant has acquired its interest in the Premises with a mechanic's lien or any other type of encumbrance. Under no circumstance shall the Subtenant be construed to be the agent, employee or representative of the Tenant. In the event a lien is placed against the Premises, through actions of the Subtenant, Subtenant will promptly pay the same or bond against the same and take steps immediately to have such lien removed. If the Subtenant fails to have the Lien removed, the Tenant shall take steps to remove the lien and the Subtenant shall pay Tenant for all expenses related to the Lien and removal thereof and shall be in default of this Agreement.

XIII. LICENSES AND PERMITS. A copy of any and all local, state or federal permits acquired by the Subtenant which are required for the use of the Premises shall be kept on site at all times and shall be readily accessible and produced to the Tenant, Landlord, and/or their agents or any local, state, or federal officials upon demand.

XIV. OBLIGATIONS OF SUBTENANT. The Subtenant shall be primarily responsible whenever needed for the maintenance and general pickup of the entranceway leading into the Premises, so that this is kept in a neat, safe and presentable condition. The Subtenant shall also be responsible for all minor repairs and maintenance of the leasehold Premises, particularly those items which need immediate attention and which the Subtenant, or their employees, can do and perform on their own, including but not limited to the replacement of light bulbs, as well as the normal repair and cleaning of windows, cleaning and clearing of toilets, etc., and the Subtenant shall properly maintain the Premises in a good, safe, and clean condition. The Subtenant shall properly and promptly remove all rubbish and hazardous wastes and see that the same are properly disposed of according to all local, state or federal laws, rules, regulations or ordinances.

In the event the structure of the Premises is damaged as a result of any neglect or negligence of Subtenant, their employees, agents, business invitees, or any independent contractors serving the Subtenant or in any way as a result of Subtenant's use and occupancy of the Premises, then the Subtenant shall be primarily responsible for seeing that the proper claims are placed with the Subtenant's insurance company, or the damaging party's insurance company, and shall furthermore be responsible for seeing that the building is safeguarded with respect to said damage and that all proper notices with respect to said damage are made in a timely fashion, including notice to the Tenant and the party or parties causing said damage. Any damage that is not covered by an insurance company will be the liability of the Subtenant.

The Subtenant shall, during the term of this Agreement, and in the renewal thereof, at its sole expense, keep the interior of the Premises in as good a condition and repair as it is at the date of this Agreement, reasonable wear and use excepted. This obligation would include the obligation to replace any plate glass damaged as a result of the neglect or acts of Subtenant or her guests or invitees. Furthermore, the Subtenant shall not knowingly commit nor permit to be committed any act or thing contrary to the rules and regulations prescribed from time to time by any federal, state or local authorities and shall expressly not be allowed to keep or maintain any hazardous waste materials or contaminates on the Premises. Subtenant shall also be responsible for the cost, if any, which would be incurred to bring her contemplated operation and business activity into compliance with any law or regulation of a federal, state or local authority.

XV. INSURANCE. In the event the Subtenant fails to obtain insurance required hereunder and fails to maintain the same in force continuously during the term, Tenant may, but shall not be required to, obtain the same and charge the Subtenant for same as additional rent. Furthermore, Subtenant agrees not to keep upon the Premises any articles or goods which may be prohibited by the standard form of fire insurance policy, and in the event the insurance rates applicable to fire and extended coverage covering the Premises shall be increased by reason of any use of the Premises made by Subtenant, then Subtenant shall pay to Tenant, upon demand, such increase in insurance premium as shall be caused by said use or Subtenant's proportionate share of any such increase.

XVI. SUBLET/ASSIGNMENT. The Subtenant may not transfer or assign this Agreement, or any right or interest hereunder or sublet said leased Premises or any part thereof without first obtaining the prior written consent and approval of the Tenant.

XVII. DAMAGE TO LEASED PREMISES. In the event the building housing the Premises shall be destroyed or damaged as a result of any fire or other casualty which is not the result of the intentional acts or neglect of Subtenant and which precludes or adversely affects the Subtenant's occupancy of the Premises, then in every such cause, the Rent herein set forth shall be abated or adjusted according to the extent to which the leased Premises have been rendered unfit for use and occupation by the Subtenant and until the demised Premises have been put in a condition at the expense of the Tenant, at least to the extent of the value and as nearly as possible to the condition of the Premises existing immediately prior to such damage. It is understood, however, in the event of total or substantial destruction to the Premises that in no event shall the Tenant's obligation to restore, replace or rebuild exceed an amount equal to the sum of the insurance proceeds available for reconstruction with respect to said damage.

XVIII. DEFAULT AND POSSESSION . In the event that the Subtenant shall fail to pay said Rent and expenses as set forth herein, or any part thereof, when the same are due and payable, or shall otherwise be in default of any other terms of said Agreement for a period of more than 15 days, after receiving notice of said default, then the parties hereto expressly agree and covenant that the Tenant may declare the Agreement terminated and may immediately re-enter said Premises and take possession of the same together with any of Subtenant's personal property, equipment or fixtures left on the Premises which items may be held by the Tenant as security for the Subtenant's eventual payment and/or satisfaction of rental defaults or other defaults of Subtenant under the Agreement. It is further agreed that if the Subtenant is in default, the Tenant shall be entitled to take any and all action to protect its interest in the personal property and equipment, to prevent the unauthorized removal of said property or equipment which threatened action would be deemed to constitute irreparable harm and injury to the Tenant in violation of its security interest in said items of personal property. Furthermore, in the event of default, the Tenant may expressly undertake all reasonable preparations and efforts to release the Premises including, but not limited to, the removal of all inventory, equipment or leasehold improvements of the Subtenant's, at the Subtenant's expense, without the need to first procure an order of any court to do so, although obligated in the interim to undertake reasonable steps and procedures to safeguard the value of Subtenant's property, including the storage of the same, under reasonable terms and conditions at Subtenant's expense, and, in addition, it is understood that the Tenant may sue the Subtenant for any damages or past rents due and owing and may undertake all and additional legal remedies then available.

In the event any legal action has to be instituted to enforce any terms or provisions under this Agreement, then the prevailing party in said action shall be entitled to recover a reasonable attorney's fee in addition to all costs of said action.

Rent which is in default for more than 5 days after due date shall accrue a payment penalty of one of the following: (check one)

☐ - Interest at a rate of_____percent (_____%) per annum on a daily basis until the amount is paid in full.

☒ - Late fee of $100 per day until the amount is paid in full.

In this regard, all delinquent rental payments made shall be applied first toward interest due and the remaining toward delinquent rental payments.

XIX. INDEMNIFICATION. The Subtenant hereby covenants and agrees to indemnify, defend and hold the Tenant harmless from any and all claims or liabilities which may arise from any cause whatsoever as a result of Subtenant's use and occupancy of the Premises, and further shall indemnify the Tenant for any losses which the Tenant may suffer in connection with the Subtenant's use and occupancy or care, custody and control of the Premises. The Subtenant also hereby covenants and agrees to indemnify and hold harmless the Tenant from any and all claims or liabilities which may arise from any latent defects in the subject Premises that the Tenant is not aware of at the signing of the lease or at any time during the Lease Term.

XX. BANKRUPTCY - INSOLVENCY. The Subtenant agrees that in the event all or a substantial portion of the Subtenant's assets are placed in the hands of a receiver or a Trustee, and such status continues for a period of 30 days, or should the Subtenant make an assignment for the benefit of creditors or be adjudicated bankrupt, or should the Subtenant institute any proceedings under the bankruptcy act or any amendment thereto, then such Agreement or interest in and to the leased Premises shall not become an asset in any such proceedings and, in such event, and in addition to any and all other remedies of the Tenant hereunder or by law provided, it shall be lawful for the Tenant to declare the term hereof ended and to re-enter the leased land and take possession thereof and all improvements thereon and to remove all persons therefrom and the Subtenant shall have no further claim thereon.

XXI. SUBORDINATION AND ATTORNMENT . Upon request of the Tenant, Subtenant will subordinate its rights hereunder to the lien of any mortgage now or hereafter in force against the property or any portion thereof, and to all advances made or hereafter to be made upon the security thereof, and to any ground or underlying lease of the property; provided, however, that in such case the holder of such mortgage, or the Tenant under such Agreement, shall agree that this Agreement shall not be divested or in any way affected by foreclosure, or other default proceedings under said mortgage, obligation secured thereby, or Agreement, so long as the Subtenant shall not be in default under the terms of this Agreement. Subtenant agrees that this Agreement shall remain in full force and effect notwithstanding any such default proceedings under said mortgage or obligation secured thereby.

Subtenant shall, in the event of the sale or assignment of Tenant's interest in the building of which the Premises form a part, or in the event of any proceedings brought for the foreclosure of the Premises, or in the event of exercise of the power of sale under any mortgage made by Tenant covering the Premises, attorn to the purchaser and recognize such purchaser as Tenant under this Agreement.

XXII. MISCELLANEOUS TERMS.

a.) Usage by Subtenant. Subtenant shall comply with all rules, regulations and laws of any governmental authority with respect to use and occupancy. Subtenant shall not conduct or permit to be conducted upon the Premises any business or permit any act which is contrary to or in violation of any law, rules or regulations and requirements that may be imposed by any authority or any insurance company with which the Premises is insured, nor will the Subtenant allow the Premises to be used in any way which will invalidate or be in conflict with any insurance policies applicable to the building. In no event shall explosives or extra hazardous materials be taken onto or retained on the Premises. Furthermore, Subtenant shall not install or use any equipment that will cause undue interference with the peaceable and quiet enjoyment of the Premises by other tenants of the building.

b.) Signs. Subtenant shall not place on any exterior door, wall or window of the Premises any sign or advertising matter without Tenant's prior written consent and the approval of the local and State municipalities. Thereafter, Subtenant agrees to maintain such sign or advertising matter as first approved by Tenant in good condition and repair. Furthermore, Subtenant shall conform to any uniform reasonable sign plan or policy that the Tenant may introduce with respect to the building. Upon vacating the Premises, Subtenant agrees to remove all signs and to repair all damages caused or resulting from such removal.
c.) Pets. Unless otherwise stated in this Agreement, the only pets that shall be allowed on the Premises are those needed legally due to a disability or handicap.
d.) Condition of Premises/Inspection by Subtenant. The Subtenant has had the opportunity to inspect the Premises and acknowledges with its signature on this Agreement that the Premises are in good condition and comply in all respects with the requirements of this Agreement. Furthermore, the Tenant makes no representation or warranty with respect to the condition of the Premises or its fitness or availability for any particular use, and the Tenant shall not be liable for any latent or patent defect therein. Furthermore, the Subtenant represents that Subtenant has inspected the Premises and is leasing and will take possession of the Premises with all current fixtures present in their "as is" condition as of the date hereof.
e.) Right of Entry. It is agreed and understood that the Tenant and its agents shall have the complete and unencumbered right of entry to the Premises at any time or times for purposes of inspecting or showing the Premises and for the purpose of making any necessary repairs to the building or equipment as may be required of the Tenant under the terms of this Agreement or as may be deemed necessary with respect to the inspection, maintenance or repair of the building.

XXIII. ESTOPPEL CERTIFICATE. Subtenant at any time and from time to time, upon at least ten (10) days prior notice by Tenant, shall execute, acknowledge and deliver to Tenant, and/or to any other person, firm or corporation specified by Tenant, a statement certifying that the Agreement is unmodified and in full force and effect, or if the Agreement has been modified, then that the same is in full force and effect except as modified and stating the modifications, stating the dates to which the fixed rent and additional rent have been paid, and stating whether or not there exists any default by Tenant under this Agreement and, if so, specifying each such default.

XXIV. HOLDOVER. Should Subtenant remain in possession of the Premises after the cancellation, expiration or sooner termination of the Agreement, or any renewal thereof, without the execution of a new agreement or addendum, such holding over in the absence of a written agreement to the contrary shall be deemed, if Tenant so elects, to have created and be construed to be a tenancy from month to month, terminable upon thirty (30) days' notice by either party.

XXV. WAIVER. Waiver by Tenant of a default under this Agreement shall not constitute a waiver of a subsequent default of any nature.

XXVI. GOVERNING LAW. This Agreement shall be governed by the laws of the state of Florida.

XXVII. NOTICES. Payments and notices shall be addressed to the following:

Tenant
Craig Technical Consulting, Inc DBA Craig Technologies
150 N. Sykes Creek Pkwy Suite 200
Merritt Island, Florida 32953

Subtenant
Sidus Space, Inc.
150 N. Sykes Creek Pkwy Suite 200
Merritt Island, Florida 32953

XXVIII. AMENDMENT. No amendment of this Agreement shall be effective unless reduced to writing and subscribed by the Parties with all the formality of the original.

XXIX. BINDING EFFECT. This Agreement and any amendments thereto shall be binding upon the Tenant and the Subtenant and/or their respective successors, heirs, assigns, executors and administrators.

XXX. ADDITIONAL TERMS & CONDITIONS. _____
_____
_____
_____

IN WITNESS WHEREOF, the parties hereto set their hands and seal this _____ day of _____, 20_____.

Tenant's Signature	*/s/ Carol M Craig*	Date: August 1, 2021
Print Name	Carol M Craig	
Subtenant's Signature	*/s/ Carol M Craig*	Date: August 1, 2021
Print Name	Carol M Craig	

DESCRIPTION OF THE PREMISES

The leased space is located on the (2nd) floor, Suite 200, in the three (3) story building at 150 North Sykes Creek Parkway, Merritt Island, FL 32953 consisting of a total gross useable area of 11,323 square feet. The floor plan below shows the offices designated for sublet to Sidus Space as well as use of the common areas such as hallways and bathrooms. Space allocated to Sidus Space is 3,042.06 sq feet (30%) of the total gross useable area. Sidus will also pay rent for 30% of the common areas (385.5 sq feet). Total rent paid is based on 3,427.56 sq feet.

Rooms	Length "	width "	SF
19	300	174	362.50
23	328	232	528.44
28	300	256	533.33
29	300	256	533.33
26	300	256	533.33
27	310	256	551.11
			3,042.06
	Percent of total SF		30%

Common areas			
Rooms	Length "	width "	SF
Front hallway	724	72	362.00
Back hallway	686	72	343.00
Sidus hallway	52	72	26.00
CT hallway	52	72	26.00
Bathrooms	396	192	528.00
			1,285.00
		Common share	385.50

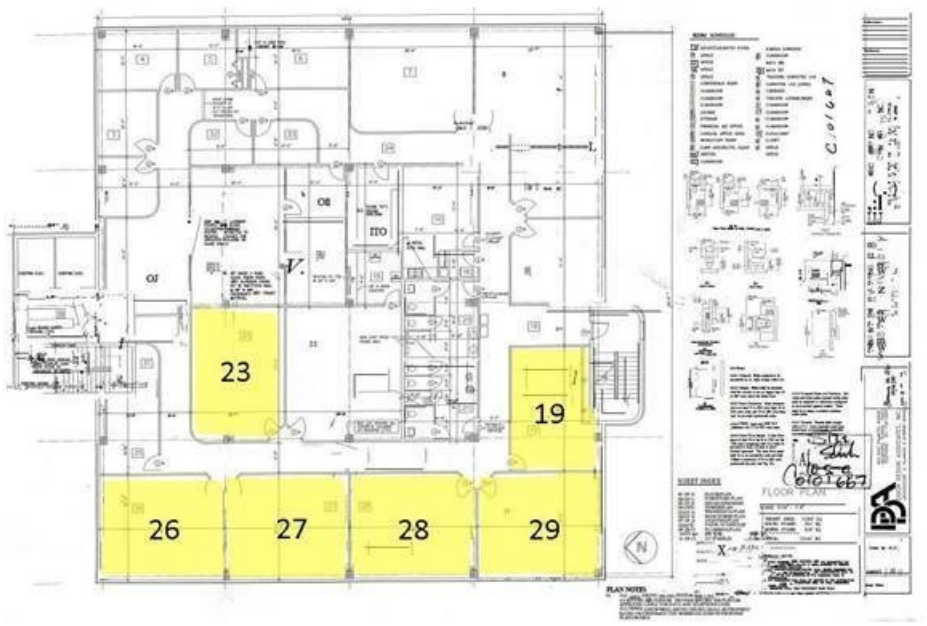
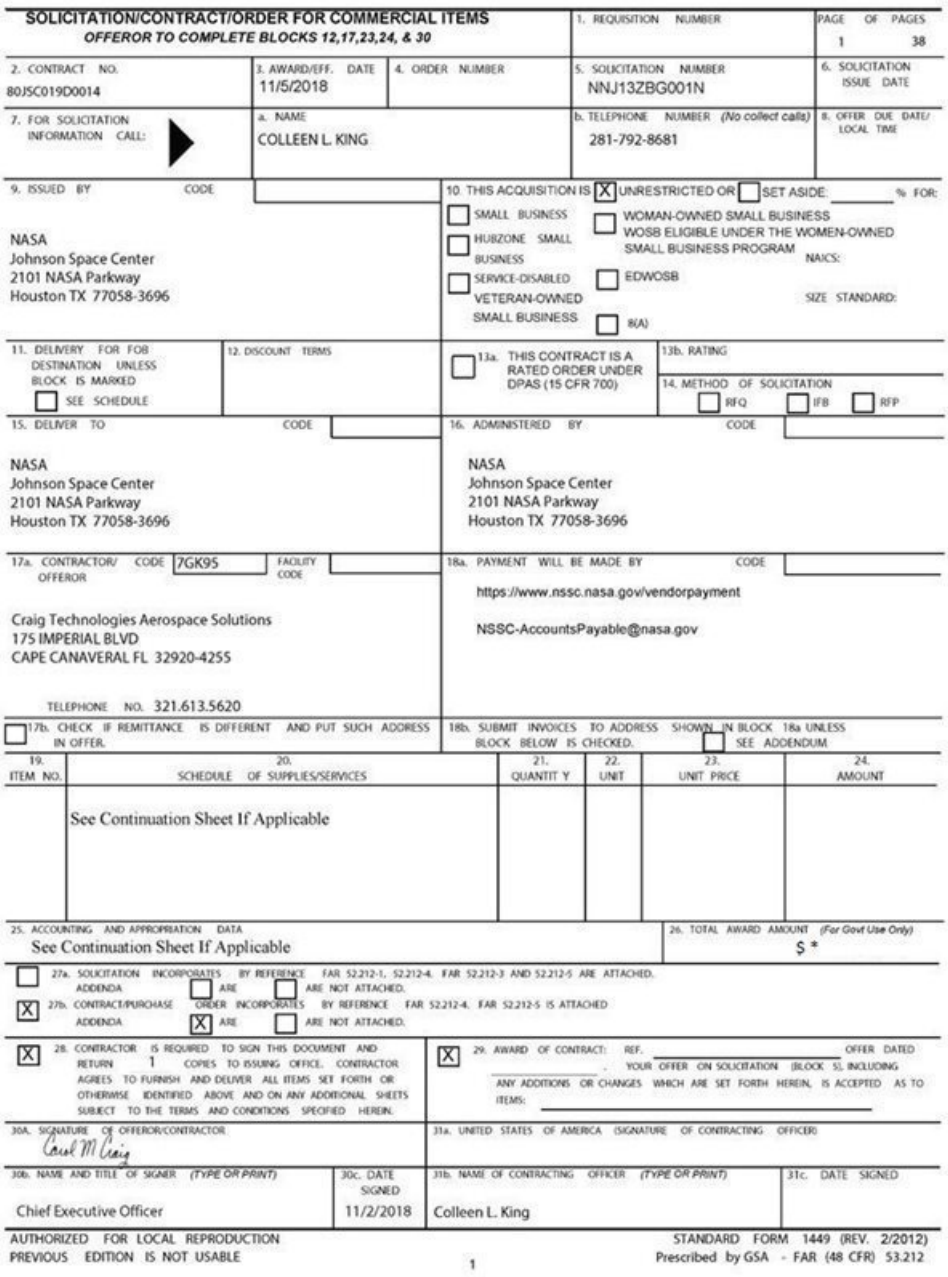


EXHIBIT 10.9

[*] Certain information in this document has been omitted from this exhibit because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.



SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12,17,23,24, & 30

1. REQUISITION NUMBER	PAGE OF PAGES
	1 38

2. CONTRACT NO.	3. AWARD/EFF. DATE	4. ORDER NUMBER	5. SOLICITATION NUMBER	6. SOLICITATION ISSUE DATE
80JSC019D0014	11/5/2018		NNJ13ZBG001N	

7. FOR SOLICITATION INFORMATION CALL:	a. NAME	b. TELEPHONE NUMBER (No collect calls)	8. OFFER DUE DATE/ LOCAL TIME
	COLLEEN L. KING	281-792-8681	

9. ISSUED BY CODE

NASA
Johnson Space Center
2101 NASA Parkway
Houston TX 77058-3696

10. THIS ACQUISITION IS [X] UNRESTRICTED OR [ ] SET ASIDE: ____ % FOR:
[ ] SMALL BUSINESS
[ ] HUBZONE SMALL BUSINESS
[ ] SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS
[ ] WOMAN-OWNED SMALL BUSINESS
[ ] WOSB ELIGIBLE UNDER THE WOMEN-OWNED SMALL BUSINESS PROGRAM
[ ] EDWOSB
[ ] 8(A)
NAICS:
SIZE STANDARD:

11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED	12. DISCOUNT TERMS	13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)	13b. RATING
[ ] SEE SCHEDULE		[ ]	14. METHOD OF SOLICITATION [ ] RFQ [ ] IFB [ ] RFP

15. DELIVER TO CODE

NASA
Johnson Space Center
2101 NASA Parkway
Houston TX 77058-3696

16. ADMINISTERED BY CODE

NASA
Johnson Space Center
2101 NASA Parkway
Houston TX 77058-3696

17a. CONTRACTOR/ OFFEROR CODE 7GK95 FACILITY CODE

Craig Technologies Aerospace Solutions
175 IMPERIAL BLVD
CAPE CANAVERAL FL 32920-4255

TELEPHONE NO. 321.613.5620

18a. PAYMENT WILL BE MADE BY CODE

https://www.nssc.nasa.gov/vendorpayment

NSSC-AccountsPayable@nasa.gov

[ ] 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER.

18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED. [ ] SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	See Continuation Sheet If Applicable				

25. ACCOUNTING AND APPROPRIATION DATA
See Continuation Sheet If Applicable

26. TOTAL AWARD AMOUNT (For Govt Use Only)
$ *

[ ] 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4. FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA [ ] ARE [ ] ARE NOT ATTACHED.
[X] 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED ADDENDA [X] ARE [ ] ARE NOT ATTACHED.

[X] 28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 1 COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN.

[X] 29. AWARD OF CONTRACT: REF. _____ OFFER DATED _____. YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS: _____

30A. SIGNATURE OF OFFEROR/CONTRACTOR
Carol M Craig

31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)

30b. NAME AND TITLE OF SIGNER (TYPE OR PRINT)	30c. DATE SIGNED	31b. NAME OF CONTRACTING OFFICER (TYPE OR PRINT)	31c. DATE SIGNED
Chief Executive Officer	11/2/2018	Colleen L. King	

AUTHORIZED FOR LOCAL REPRODUCTION
PREVIOUS EDITION IS NOT USABLE

STANDARD FORM 1449 (REV. 2/2012)
Prescribed by GSA - FAR (48 CFR) 53.212

1

CONTINUATION SHEET	REFERENCE NO. OF DOCUMENT BEING CONTINUED 80JSC019D0014	Page 2 of 2

NAME OF OFFEROR OR CONTRACTOR CTAS

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
0001	Obligated Amount $0.00				$0.00

STATEMENT OF WORK

This statement of work provides for Craig Technologies Aerospace Solutions, hereinafter referred to as "Craig," to provide payload integration (including light manufacturing) and operations support to NASA and other federal agencies for the conduct of research using various research platforms, including the platforms listed below.

Research Platforms

Space Station Kinetic Launcher for Orbital Payload Systems ("Cyclops")

The Cyclops and associated hardware, currently resident on the ISS, were developed by NASA as a means to deploy microsatellites (up to 100 kg). Under this contract, the Cyclops will be used to deploy microsatellites and may also be used to deploy smaller satellites with a "U" form factor. Nominally, the Cyclops flight hardware will remain in place onboard the ISS. Craig will take possession of the qualification assets on the ground. Use of Cyclops will be granted to Craig for commercial purposes for the duration of this contract. Craig will be responsible for marketing and operating the Cyclops. In addition, Craig will be responsible for sustaining the Cyclops and associated hardware.

As part of this contract, Craig shall provide turnkey services to manage and perform the work for the successful integration and on-orbit operations of selected experiments using the Cyclops or other research platforms. These services shall include:

1. Serve as the interface between the principle investigator/payload developer (PI/PD) and the NASA ISS Program Office, informing the research customer on ISS processes and data requirements as needed.

2. Translate PI research requirements into ISS integration data deliverables and operations products for cargo and vehicle integration and mission planning, and perform all required mission integration & operations (MI&O) activities required to safely integrate, transport and operate Cyclops. MI&O activities include, but are not limited to:

    a. Provide regularly scheduled tag-ups with the PI/PD and NASA Representative to provide status checks and updates on the progress of the mission;

    b. Maintain a payload development and integration schedule;

    c. Provide mission planning support;

    d. For Flight Certification, provide analysis or test data to verify that payload hardware and operations satisfy all designated space flight integration interfaces and safety requirements. This includes providing all verification products into Veritas for the payload's Applicability Verification Matrix;

e. Provide safety data packages and participate in ISS Safety Review Panel (ISRP) meetings to identify payload hazards and controls, and obtain safety approval for flight;

f. Provide mission operations support (crew/on-orbit operations, technical troubleshooting, re-planning) for Cyclops operations. During the on-orbit mission, monitor mission activities, provide mission analysis, resolve experiment anomalies, and provide re-planning of mission activities from the contractor designated payload operations control center. Resolution of experiment anomalies will be communicated to the PI by voice, email, and Payload Operations Integration Center (POIC) within 24 hours;

g. Provide mission operations support (crew/on-orbit operations, technical troubleshooting, re-planning) for Cyclops operations. During the on-orbit mission, monitor mission activities, provide mission analysis, resolve experiment anomalies, and provide re-planning of mission activities from the contractor designated payload operations control center. Resolution of experiment anomalies will be communicated to the PI by voice, email, and Payload Operations Integration Center (POIC) within 24 hours.

3. Provide training and guidance to PI(s) on the platforms and hardware to determine appropriate hardware selection, procedures, and experiment documentation to meet research requirements.

4. Provide post-flight data to PI(s), as applicable.

5. For non-NASA customers, obtain CASIS sponsorship for all up-mass, crew time, and other NL resources required.

In addition to the above responsibilities, Craig shall perform the following for Cyclop and payloads using the Cyclops platform:

1. Provide sustaining for Cyclops (support MER Anomaly Resolution Team (ART) and Failure Investigation Team (FIT) meetings) and any Cyclops payloads.

2. Provide all information necessary to support NASA jettison analyses.

3. Conduct integrated thermal and structural analysis to meet airlock interface requirements.

4. Coordinate with NASA for approval on any proposed Cyclops modifications/upgrades, and—absent agreement from NASA otherwise--return the hardware to its original configuration upon return to NASA.

5. Update crew procedures if any approved modifications are implemented.

6. Track cycle life for Cyclops deployer.

7. Account for NASA property

8. Provide Cyclops IDD to payload customers.

9. Levy requirements on payload customers to obtain any required licenses or permits (e..g, FCC or NOAA) for operation of the satellite.

The contractor shall also provide regular (minimum monthly) updates on the technical, cost, and schedule status of authorized task orders. Participate in regular meetings with the Contracting Officer (CO) and Contracting Officer Representative (COR), or their delegates, for the purposes of reviewing contract or task status.

Additional Research Platforms may be listed here at a later date.

1.1. MENU OF SERVICES

Section 2.0 contains a list of mission support services that shall be provided by Craig at the stated prices. The prices identified in Section 2.0 for full payload integration services include costs for all mission attempts and launch delays.

Section 2.0 defines a menu of services for which the Government anticipates a recurring need. Task orders may be issued with additional "non-recurring" requirements that are within the scope of this contract, but may not be included in the menu of services. "Non-recurring" requirements are defined as additional services or materials that are necessary to meet the needs of a specific experiment or principal investigator (PI). The menu items in Section 2.0 may be updated if the Government determines that any of these additional services or materials may fulfill a recurring need.

1.2. TASK ORDER DEVELOPMENT

When potential PI(s) is/are identified by NASA, the CO will issue a request for task plan in accordance with the terms and conditions set forth in this contract. Craig shall provide an initial consult with the PI(s) in order to generate and understand the experiment requirements.

Following this consultation, Craig shall submit a task order plan identifying the services from Section 2.0, and, as appropriate, other services, travel and materials recommended to implement the PI(s) requirements. The task plan shall comply with contract clause NFS 1852.216-80, "Task Ordering Procedure," and specifically include a summary of technical requirements and the contractor's approach for implementation, a high level schedule for implementation indicating the approximate timeframe that the payload will be ready for flight, and an estimate of the total on-orbit crew time required for execution.

Task order prices for all menu items and, if required, additional labor hours will be based on the prices in Section 2.0, and may include a single service or combination of services. A total agreed-to firm-fixed price will be delineated in each Task Order. The task order will also define experiment duration and include a notional schedule for implementation.

1.3. OTHER TECHNICAL PARAMETERS

The scope of services and total firm-fixed price for each task order executed under this contract assumes that all payloads are designed, built, and executed to a set of baseline requirements, as agreed between the PI(s), NASA and the contractor and delineated in the task order. Should the PI(s) or NASA request changes to those requirements or addition of new requirements the contractor shall seek approval for the changed scope of work from the Government prior to implementing the requested changes.

Certain information, data, and deliverables may be required from the PI(s) for the contractor to execute some or all of the agreed services. The contractor shall inform NASA of delays caused by the research customers. Such delays alone shall not result in the contract or being declared non- performing under a task order.

Operational schedule delays may occur resulting from schedule changes associated with launches to and from, and operations on-board, the ISS. The contractor shall inform NASA of impacts caused by such operational schedule delays. Such delays alone shall not result in the contractor being declared non-performing under a task order, nor shall it result in additional cost to the research customer.

This IDIQ contract does not imply or authorize any allocation of ISS resources such as transportation, crew time, power, and others. These resources are allocated to ISS Research Sponsors (within NASA and the ISS National Lab) through the ISS research planning process. The contractor is responsible for coordinating with the research sponsor to ensure that adequate resources are allocated for payloads executed under this IDIQ contract. If such resources cannot be allocated to complete the full scope of work, the contractor shall not be declared non- performing under a task order.

2. SERVICES AND RATES

2.1 Satellite Deployments using the Cyclops Platform

These services include end-to-end payload (satellite) integration, transportation, and deployment of microsatellite form factor from an airlock on the ISS.

CLIN	Price	Included Tasks
2.1 Full Service Microsatellite deployment - Cyclops *Microsatellite up to 100 kg that fits within JEM A/L Envelope, including Cyclops deployer	Contract Year 1: $ * per microsatellite Contract Year 2: $ * per microsatellite Contract Year 3: $ * per microsatellite Contract Year 4: $ * per microsatellite	• Integration, transport, and deployment of a microsatellite using the Cyclops deployer via the KIBO airlock; • Maintainence of a payload development and integration schedule; • Training and guidance to PI(s) on the Cyclops hardware; • Regularly scheduled tag-ups with the PI/PD and NASA Representative to provide status checks and updates on the progress of the mission; • Safety and Verification for Flight Certification of payload, including provision of data to NASA verifying that payload hardware and operations satisfy all designated space flight integration interface requirements, and completion of safety data packages to the ISRP with required hazard causes, controls, and verifications, and obtain Phase III safety approval for flight;

	Contract Year 5: $ * per microsatellite	• Testing required for Flight Certification (e.g., EMI, Vibe, Thermal Vac, and Off-gas); • Mission Planning, Management, & Operations Support, including coordination with airlock operator, and submission of ISS operations concept and hardware data and documentation for development of crew procedures, timelines, crew training materials, and other operations products. Train ground teams and crew members on provider's hardware and experiment operations as needed specific to the payload; Input of payload manifest data into ORBIT, and management of CEFs in conjuction with efforts from Payload Integration Manager (PIM) • Integrated thermal and structural analysis to confirm JAXA A/L Interface requirements are met. • Facilitation of Data required to perform re- contact analysis to NASA; • Payload Operations and Mission Control Support for duration of the on-orbit operations through deployment; • Payload status updates to PI/PD during deployment operations. • Development of Deployment Hardware Requirements and hardware that interfaces with Cyclops deployer and Customer's satellite (mechanical interface). • Additional Safety work with regard to MicroSatellites with Pressure Vessels, Propulsion, deployment of subsatellites, High Power emitters or greater than 79W-hour Batteries. Coordination of, but not provision of, extra testing. Assistance presenting, managing and entering verification for additional Flight Safety Hazard. Assistance with requesting requirement waivers. Safety approval or waiver is not guaranteed.

2.2 Optional Professional Services

Craig shall also provide professional services at the following rates:

	Contract Year				
	1	**2**	**3**	**4**	**5**
Chief Engineer	$ *	$ *	$ *	$ *	$ *
Sr, Engineer	$ *	$ *	$ *	$ *	$ *
Mid-Level Engineer	$ *	$ *	$ *	$ *	$ *
Jr. Engineer	$ *	$ *	$ *	$ *	$ *
Sr. Engineering Technician	$ *	$ *	$ *	$ *	$ *
Mid-Level Engineering Technician	$ *	$ *	$ *	$ *	$ *
Jr. Engineering Technician	$ *	$ *	$ *	$ *	$ *

ADMINISTRATIVE INFORMATION

Contract Type: This contract is an Indefinite Delivery Indefinite Quantity (IDIQ) Contract. Only Firm-Fixed Price (FFP) Task or Delivery Orders shall be issued under this contract.

Primary Place of Performance: Contractor Facility

Period of Performance: November 5, 2018 – November 4, 2023

NASA Points of Contact:

NASA Contracting Officer
Colleen King
colleen.king@nasa.gov
281.792.8681

NASA Contract Specialist
Kristin Tauber
kristin.tauber@nasa.gov
281.483.8717

NASA Contracting Officer's Representative
Kevin Engelbert
kevin.engelbert-1@nasa.gov
281.483.7256

TERMS AND CONDITIONS

52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

www.ecfr.gov

(End of clause)

52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (SEP 2006)

52.204-13 SYSTEM FOR AWARD MANAGEMENT MAINTENANCE (OCT 2018)

52.204-18 COMMERCIAL AND GOVERNMENT ENTITY CODE MAINTENANCE (JUL 2016)

52.227-14 RIGHTS IN DATA--GENERAL (MAY 2014)

52.232-39 UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS (JUN 2013)

52.232-40 PROVIDING ACCELERATED PAYMENTS TO SMALL BUSINESS CONTRACTORS (DEC 2013)

52.245-1 GOVERNMENT PROPERTY (JAN 2017)

52.245-9 USE AND CHARGES (APR 2012)

1852.245-75 PROPERTY MANAGEMENT CHANGES (JAN 2011)

52.247-34 F.O.B. DESTINATION (NOV 1991)

1852.203-71 REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (AUG 2014)

1852.204-76 SECURITY REQUIREMENTS FOR UNCLASSIFIED INFORMATION TECHNOLOGY RESOURCES (JAN 2011)

1852.237-72 ACCESS TO SENSITIVE INFORMATION (JUN 2005)

1852.237-73 RELEASE OF SENSITIVE INFORMATION (JUN 2005)

1852.228-76 CROSS-WAIVER OF LIABILITY FOR INTERNATIONAL SPACE STATION ACTIVITIES (OCT 2012)

52.212-4 CONTRACT TERMS AND CONDITIONS—COMMERCIAL ITEMS (OCT 2018)

JSC 52.216-90 IDIQ MINIMUM AND MAXIMUM ORDERING LIMITS (AUG 2018)

In accordance with FAR 52.216-22, Indefinite Quantity, the contract guaranteed minimum amount* to be ordered under this contract is $1,000 and the contract Not to Exceed (NTE) amount* which may be ordered under this contract is $9,900,000. The Government is not obligated to order more than the minimum specified, but may order up to the NTE amount. The Contractor is obligated to fulfill orders issued, up to the NTE amount within the limits specified in FAR 52.216-19 *Order Limitations.*

* These values are based on price.

(End of clause)

52.216-18 ORDERING (OCT 1995)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from the date of Contracting Officer's Signature through end of the period of performance.

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

52.216-19 ORDER LIMITATIONS (OCT 1995)

(a) *Minimum order.* When the Government requires supplies or services covered by this contract in an amount of less than $1,000the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) *Maximum order*. The Contractor is not obligated to honor --

(1) Any order for a single item in excess of $5,000,000;

(2) Any order for a combination of items in excess of $5,000,000; or

(3) A series of orders from the same ordering office within 5 days that together call for quantities exceeding the limitation in subparagraph (b)(1) or (2) of this section.

(c) If this is a requirements contract (*i.e*., includes the Requirements clause at subsection 52.216- 21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) of this section.

(d) Notwithstanding paragraphs (b) and (c) of this section, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within 30 days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

1852.216-80 TASK ORDERING PROCEDURE (OCT 1996) ALTERNATE II (APR 2018)

(a) Only the Contracting Officer may issue task orders to the Contractor, providing specific authorization or direction to perform work within the scope of the contract and as specified in the schedule. The Contractor may incur costs under this contract in performance of task orders and task order modifications issued in accordance with this clause. No other costs are authorized unless otherwise specified in the contract or expressly authorized by the Contracting Officer.

(b) Prior to issuing a task order, the Contracting Officer shall provide the Contractor with the following date:

(1) A functional description of the work identifying the objectives or results desired from the contemplated task order.

(2) Proposed performance standards to be used as criteria for determining whether the work requirements have been met.

(3) A request for a task plan from the Contractor to include the technical approach, period of performance, appropriate cost information, and any other information required to determine the reasonableness of the Contractor's proposal.

(c) Within 5 calendar days after receipt of the Contracting Officer's request, the Contractor shall submit a task plan conforming to the request.

(d) After review and any necessary discussions, the Contracting Officer may issue a task order to the Contractor containing, as a minimum, the following:

(1) Date of the order.

(2) Contract number and order number.

(3) Functional description of the work identifying the objectives or results desired from the task order, including special instructions or other information necessary for performance of the task.

(4) Performance standards, and where appropriate, quality assurance standards.

(5) Maximum dollar amount authorized (cost and fee or price). This includes allocation of award fee among award fee periods, if applicable.

(6) Any other resources (travel, materials, equipment, facilities, etc.) authorized.

(7) Delivery/performance schedule including start and end dates.

(8) If contract funding is by individual task order, accounting and appropriation data.

(e) The Contractor shall provide acknowledgement of receipt to the Contracting Officer within 10 calendar days after receipt of the task order.

(f) If time constraints do not permit issuance of a fully defined task order in accordance with the procedures described in paragraphs (a) through (d), a task order which includes a ceiling price may be issued.

(g) The Contracting officer may amend tasks in the same manner in which they are issued.

(h) In the event of a conflict between the requirements of the task order and the Contractor's approved task plan, the task order shall prevail.

(i) Contractor shall submit progress reports, as required. When required, the reports shall contain, at a minimum, the following information:

(1) Contract number, task order number, and date of the order.

(2) Price and billed amounts to date for each task order.

(3) Significant issues/problems associated with the task order.

(4) Status of all task orders issued under the contract.

(5) Invoice number.

(End of clause)

52.216-22 INDEFINITE QUANTITY (OCT 1995)

(a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the maximum. The Government shall order at least the quantity of supplies or services designated in the Schedule as the *minimum.*

(c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; *provided,* that the Contractor shall not be required to make any deliveries under this contract after one year after the period of performance ends.

(End of clause)

1852.232-77 LIMITATION OF FUNDS (FIXED-PRICE CONTRACT) (MAR 1989)

(a) The sum of funding available is listed in awarded task orders and is presently available for payment and allotted to this contract. It is anticipated that from time to time additional funds will be allocated to the contract in accordance with the following schedule, until the total price of said items is allotted:

SCHEDULE FOR ALLOTMENT OF FUNDS

Date Amounts

(b) The Contractor agrees to perform or have performed work on the items specified in paragraph (a) of this clause up to the point at which, if this contract is terminated pursuant to the Termination for Convenience of the Government clause of this contract, the total amount payable by the Government (including amounts payable for subcontracts and settlement costs) pursuant to paragraphs (f) and (g) of that clause would, in the exercise of reasonable judgment by the Contractor, approximate the total amount at the time allotted to the contract. The Contractor is not obligated to continue performance of the work beyond that point. The Government is not obligated in any event to pay or reimburse the Contractor more than the amount from time to time allotted to the contract, anything to the contrary in the Termination for Convenience of the Government clause notwithstanding.

(c)(1) It is contemplated that funds presently allotted to this contract will cover the work to be performed until the dates listed in each task order.

(2) If funds allotted are considered by the Contractor to be inadequate to cover the work to be performed until that date, or an agreed date substituted for it, the Contractor shall notify the Contracting Officer in writing when within the next 60 days the work will reach a point at which, if the contract is terminated pursuant to the Termination for Convenience of the Government clause of this contract, the total amount payable by the Government (including amounts payable for subcontracts and settlement costs) pursuant to paragraphs (f) and (g) of that clause will approximate 75 percent of the total amount then allotted to the contract.

(3)(i) The notice shall state the estimate when the point referred to in paragraph (c)(2) of this clause will be reached and the estimated amount of additional funds required to continue performance to the date specified in paragraph (c)(1) of this clause, or an agreed date substituted for it.

(ii) The Contractor shall, 60 days in advance of the date specified in paragraph (c)(1) of this clause, or an agreed date substituted for it, advise the Contracting Officer in writing as to the estimated amount of additional funds required for the timely performance of the contract for a further period as may be specified in the contract or otherwise agreed to by the parties.

(4) If, after the notification referred to in paragraph (c)(3)(ii) of this clause, additional funds are not allotted by the date specified in paragraph (c)(1) of this clause, or an agreed date substituted for it, the Contracting Officer shall, upon the Contractor's written request, terminate this contract on that date or on the date set forth in the request, whichever is later, pursuant to the Termination for Convenience of the Government clause.

(d) When additional funds are allotted from time to time for continued performance of the work under this contract, the parties shall agree on the applicable period of contract performance to be covered by these funds. The provisions of paragraphs (b) and (c) of this clause shall apply to these additional allotted funds and the substituted date pertaining to them, and the contract shall be modified accordingly.

(e) If, solely by reason of the Government's failure to allot additional funds in amounts sufficient for the timely performance of this contract, the Contractor incurs additional costs or is delayed in the performance of the work under this contract, and if additional funds are allotted, an equitable adjustment shall be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items to be delivered, or in the time of delivery, or both.

(f) The Government may at any time before termination, and, with the consent of the Contractor, after notice of termination, allot additional funds for this contract.

(g) The provisions of this clause with respect to termination shall in no way be deemed to limit the rights of the Government under the default clause of this contract. The provisions of this Limitation of Funds clause are limited to the work on and allotment of funds for the items set forth in paragraph (a) of this clause. This clause shall become inoperative upon the allotment of funds for the total price of said work except for rights and obligations then existing under this clause.

(h) Nothing in this clause shall affect the right of the Government to terminate this contract pursuant to the Termination for Convenience of the Government clause of this contract.

(End of clause)

52.204-23 PROHIBITION ON CONTRACTING FOR HARDWARE, SOFTWARE, AND SERVICES DEVELOPED OR PROVIDED BY KASPERSKY LAB AND OTHER COVERED ENTITIES (JUL 2018)

(a) *Definitions*. As used in this clause—

Covered article means any hardware, software, or service that—

(1) Is developed or provided by a covered entity;

(2) Includes any hardware, software, or service developed or provided in whole or in part by a covered entity; or

(3) Contains components using any hardware or software developed in whole or in part by a covered entity.

Covered entity means—

(1) Kaspersky Lab;

(2) Any successor entity to Kaspersky Lab;

(3) Any entity that controls, is controlled by, or is under common control with Kaspersky Lab; or

(4) Any entity of which Kaspersky Lab has a majority ownership.

(b) *Prohibition*. Section 1634 of Division A of the National Defense Authorization Act for Fiscal Year 2018 (Pub. L. 115-91) prohibits Government use of any covered article. The Contractor is prohibited from—

(1) Providing any covered article that the Government will use on or after October 1, 2018; and

(2) Using any covered article on or after October 1, 2018, in the development of data or deliverables first produced in the performance of the contract.

(c) *Reporting requirement.* (1) In the event the Contractor identifies a covered article provided to the Government during contract performance, or the Contractor is notified of such by a subcontractor at any tier or any other source, the Contractor shall report, in writing, to the Contracting Officer or, in the case of the Department of Defense, to the website at *https://dibnet.dod.mil*. For indefinite delivery contracts, the Contractor shall report to the Contracting Officer for the indefinite delivery contract and the Contracting Officer(s) for any affected order or, in the case of the Department of Defense, identify both the indefinite delivery contract and any affected orders in the report provided at *https://dibnet.dod.mil*.

(2) The Contractor shall report the following information pursuant to paragraph (c)(1) of this clause:

(i) Within 1 business day from the date of such identification or notification: The contract number; the order number(s), if applicable; supplier name; brand; model number (Original Equipment Manufacturer (OEM) number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.

(ii) Within 10 business days of submitting the report pursuant to paragraph (c)(1) of this clause: Any further available information about mitigation actions undertaken or recommended. In addition, the Contractor shall describe the efforts it undertook to prevent use or submission of a covered article, any reasons that led to the use or submission of the covered article, and any additional efforts that will be incorporated to prevent future use or submission of covered articles.

(d) *Subcontracts*. The Contractor shall insert the substance of this clause, including this paragraph (d), in all subcontracts, including subcontracts for the acquisition of commercial items.

(End of clause)

52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS—COMMERCIAL ITEMS (OCT 2018)

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clauses, which are incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

(1) 52.203-19, Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (JAN 2017) (section 743 of Division E, Title VII, of the Consolidated and Further Continuing Appropriations Act, 2015 (Pub. L. 113-235) and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions)).

(2) 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities (JUL 2018) (Section 1634 of Pub. L. 115-91).

(3) 52.209-10, Prohibition on Contracting with Inverted Domestic Corporations (NOV 2015). (4) 52.233-3, Protest After Award (AUG 1996) (31 U.S.C. 3553).

(5) 52.233-4, Applicable Law for Breach of Contract Claim (OCT 2004) (Public Laws 108-77 and 108-78 (19 U.S.C. 3805 note)).

(b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

[Contracting Officer check as appropriate.]

☒ (1) 52.203-6, Restrictions on Subcontractor Sales to the Government (SEP 2006), with Alternate I (OCT 1995) (41 U.S.C. 4704 and 10 U.S.C. 2402).

☐ (2) 52.203-13, Contractor Code of Business Ethics and Conduct (Oct 2015) (41 U.S.C. 3509).

☐ (3) 52.203-15, Whistleblower Protections under the American Recovery and Reinvestment Act of 2009 (JUN 2010) (Section 1553 of Pub. L. 111-5). (Applies to contracts funded by the American Recovery and Reinvestment Act of 2009).

☒ (4) 52.204-10, Reporting Executive Compensation and First-Tier Subcontract Awards (Oct 2018) (Pub. L. 109-282) (31 U.S.C. 6101 note).

☐ (5) [Reserved]

☐ (6) 52.204-14, Service Contract Reporting Requirements (Oct 2016) (Pub. L. 111-117, section 743 of Div. C).

☒ (7) 52.204-15, Service Contract Reporting Requirements for Indefinite- Delivery Contracts (Oct 2016) (Pub. L. 111-117, section 743 of Div. C).

☐ (8) 52.209-6, Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (Oct 2015) (31 U.S.C. 6101 note).

☐ (9) 52.209-9, Updates of Publicly Available Information Regarding Responsibility Matters (Oct 2018) (41 U.S.C. 2313).

☐ (10) [Reserved]

☐ (11)(i) 52.219-3, Notice of HUBZone Set-Aside or Sole-Source Award (NOV 2011) (15 U.S.C. 657a).

☐ (ii) *Alternate I* (NOV 2011) of 52.219-3.

☐ (12)(i) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (OCT 2014) (if the offeror elects to waive the preference, it shall so indicate in its offer) (15 U.S.C. 657a).

☐ (ii) *Alternate I* (JAN 2011) of 52.219-4.

☐ (13) [Reserved]

☐ (14)(i) 52.219-6, Notice of Total Small Business Set-Aside (NOV 2011) (15 U.S.C. 644).

☐ (ii) *Alternate I* (NOV 2011).

☐ (iii) *Alternate II* (NOV 2011).

☐ (15)(i) 52.219-7, Notice of Partial Small Business Set-Aside (JUN 2003) (15 U.S.C. 644).

☐ (ii) *Alternate I* (OCT 1995) of 52.219-7.

☐ (iii) *Alternate II* (MAR 2004) of 52.219-7.

☐ (16) 52.219-8, Utilization of Small Business Concerns (Oct 2018) (15 U.S.C. 637(d)(2) and (3)).

☐ (17)(i) 52.219-9, Small Business Subcontracting Plan (AUG 2018) (15 U.S.C. 637(d)(4)).

☐ (ii) Alternate I (Nov 2016) of 52.219-9.

☐ (iii) Alternate II (Nov 2016) of 52.219-9.

☐ (iv) Alternate III (Nov 2016) of 52.219-9.

☐ (v) Alternate IV (AUG 2018) of 52.219-9.

☐ (18) 52.219-13, Notice of Set-Aside of Orders (NOV 2011) (15 U.S.C. 644(r)).

☐ (19) 52.219-14, Limitations on Subcontracting (JAN 2017) (15 U.S.C. 637(a)(14)).

☐ (20) 52.219-16, Liquidated Damages—Subcontracting Plan (JAN 1999) (15 U.S.C. 637(d)(4)(F)(i)).

☐ (21) 52.219-27, Notice of Service-Disabled Veteran-Owned Small Business Set-Aside (NOV 2011) (15 U.S.C. 657f).

☐ (22) 52.219-28, Post Award Small Business Program Rerepresentation (JUL 2013) (15 U.S.C. 632(a)(2)).

☐ (23) 52.219-29, Notice of Set-Aside for, or Sole Source Award to, Economically Disadvantaged Women-Owned Small Business Concerns (Dec 2015) (15 U.S.C. 637(m)).

☐ (24) 52.219-30, Notice of Set-Aside for, or Sole Source Award to, Women- Owned Small Business Concerns Eligible Under the Women-Owned Small Business Program (Dec 2015) (15 U.S.C. 637(m)).

☒ (25) 52.222-3, Convict Labor (JUN 2003) (E.O. 11755).

☒ (26) 52.222-19, Child Labor—Cooperation with Authorities and Remedies (Jan 2018) (E.O. 13126).

☒ (27) 52.222-21, Prohibition of Segregated Facilities (APR 2015).

☒ (28)(i) 52.222-26, Equal Opportunity (SEPT 2016).

☐ (ii) Alternate I (Feb 1999) of 52.222-26.

☒ (29)(i) 52.222-35, Equal Opportunity for Veterans (OCT 2015)(38 U.S.C. 4212).

☐ (ii) Alternate I (July 2014) of 52.222-35.

☒ (30)(i) 52.222-36, Equal Opportunity for Workers with Disabilities (JUL 2014) (29 U.S.C. 793).

☐ (ii) Alternate I (July 2014) of 52.222-36.

☒ (31) 52.222-37, Employment Reports on Veterans (FEB 2016) (38 U.S.C. 4212).

☒ (32) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) (E.O. 13496).

☒ (33)(i) 52.222-50, Combating Trafficking in Persons (Mar 2015) (22 U.S.C. chapter 78 and E.O. 13627).

☐ (ii) *Alternate I* (Mar 2015) of 52.222-50 (22 U.S.C. chapter 78 and E.O.13627).

☒ (34) 52.222-54, Employment Eligibility Verification (Oct 2015). (E.O. 12989). (Not applicable to the acquisition of commercially available off- the-shelf items or certain other types of commercial items as prescribed in 22.1803.)

☐ (35)(i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Items (MAY 2008) (42 U.S.C. 6962(c)(3)(A)(ii)). (Not applicable to the acquisition of commercially available off-the-shelf items.)

☐ (ii) *Alternate I* (MAY 2008) of 52.223-9 (42 U.S.C. 6962(i)(2)(C)). (Not applicable to the acquisition of commercially available off-the-shelf items.)

☐ (36) 52.223-11, Ozone-Depleting Substances and High Global Warming Potential Hydrofluorocarbons (June, 2016) (E.O. 13693).

☐ (37) 52.223-12, Maintenance, Service, Repair, or Disposal of Refrigeration Equipment and Air Conditioners (June, 2016) (E.O. 13693).

☐ (38)(i) 52.223-13, Acquisition of EPEAT® -Registered Imaging Equipment (JUN 2014) (E.O.s 13423 and 13514).

☐ (ii) *Alternate I* (OCT 2015) of 52.223-13.

☐ (39)(i) 52.223-14, Acquisition of EPEAT® -Registered Televisions (Jun 2014) (E.O.s 13423 and 13514).

☐ (ii) *Alternate I* (Jun 2014) of 52.223-14.

☐ (40) 52.223-15, Energy Efficiency in Energy-Consuming Products (DEC 2007) (42 U.S.C. 8259b).

☐ (41)(i) 52.223-16, Acquisition of EPEAT® -Registered Personal Computer Products (OCT 2015) (E.O.s 13423 and 13514).

☐ (ii) *Alternate I* (Jun 2014) of 52.223-16.

☒ (42) 52.223-18, Encouraging Contractor Policies to Ban Text Messaging While Driving (AUG 2011)

☐ (43) 52.223-20, Aerosols (June, 2016) (E.O. 13693).

☐ (44) 52.223-21, Foams (June, 2016) (E.O. 13693).

☒ (45)(i) 52.224-3, Privacy Training (JAN 2017) (5 U.S.C. 552a).

☐ (ii) Alternate I (JAN 2017) of 52.224-3.

☐ (46) 52.225-1, Buy American—Supplies (MAY 2014) (41 U.S.C. chapter 83).

☐ (47)(i) 52.225-3, Buy American—Free Trade Agreements—Israeli Trade Act (MAY 2014) (41 U.S.C. chapter 83, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note, 19 U.S.C. 3805 note, 19 U.S.C. 4001 note, Pub. L. 103-182, 108-77,108-78, 108-286, 108-302, 109-53, 109-169, 109-283, 110-138, 112-41,112-42, and 112-43).

☐ (ii) Alternate I (MAY 2014) of 52.225-3.

☐ (iii) Alternate II (MAY 2014) of 52.225-3.

☐ (iv) Alternate III (MAY 2014) of 52.225-3.

☐ (48) 52.225-5, Trade Agreements (AUG 2018) 19 U.S.C. 2501, et seq., 19 U.S.C. 3301 note).

☐ (49) 52.225-13, Restrictions on Certain Foreign Purchases (JUNE 2008) (E.O.'s, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of the Treasury).

☐ (50) 52.225-26, Contractors Performing Private Security Functions Outside the United States (Oct 2016) (Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. 2302 Note).

☐ (51) 52.226-4, Notice of Disaster or Emergency Area Set-Aside (NOV 2007) (42 U.S.C. 5150).

☐ (52) 52.226-5, Restrictions on Subcontracting Outside Disaster or Emergency Area (NOV 2007) (42 U.S.C. 5150).

☒ (53) 52.232-29, Terms for Financing of Purchases of Commercial Items (FEB 2002) (41 U.S.C. 4505, 10 U.S.C. 2307(f)).

☐ (54) 52.232-30, Installment Payments for Commercial Items (JAN 2017) (41 U.S.C. 4505, 10 U.S.C. 2307(f)).

☒ (55) 52.232-33, Payment by Electronic Funds Transfer— System for Award Management (Oct 2018) (31 U.S.C. 3332).

☐ (56) 52.232-34, Payment by Electronic Funds Transfer—Other than System for Award Management (JUL 2013) (31 U.S.C. 3332).

☐ (57) 52.232-36, Payment by Third Party (MAY 2014) (31 U.S.C. 3332).

☒ (58) 52.239-1, Privacy or Security Safeguards (AUG 1996) (5 U.S.C. 552a).

☐ (59) 52.242-5, Payments to Small Business Subcontractors (JAN 2017)(15 U.S.C. 637(d)(12)).

☐ (60)(i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631).

☐ (ii) Alternate I (Apr 2003) of 52.247-64.

☐ (iii) Alternate II (Feb 2006) of 52.247-64.

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

[Contracting Officer check as appropriate.]

☒ (1) 52.222-17, Nondisplacement of Qualified Workers (May 2014) (E.O. 13495).

☐ (2) 52.222-41, Service Contract Labor Standards (AUG 2018)(41 U.S.C. chapter 67).

☒ (3) 52.222-42, Statement of Equivalent Rates for Federal Hires (MAY 2014) (29 U.S.C. 206 and 41 U.S.C. chapter 67).

☒ (4) 52.222-43, Fair Labor Standards Act and Service Contract Labor Standards-Price Adjustment (Multiple Year and Option Contracts) (AUG 2018) (29 U.S.C. 206 and 41 U.S.C. chapter 67).

☐ (5) 52.222-44, Fair Labor Standards Act and Service Contract Labor Standards—Price Adjustment (MAY 2014) (29 U.S.C 206 and 41 U.S.C. chapter 67).

☐ (6) 52.222-51, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements (MAY 2014) (41 U.S.C. chapter 67).

☐ (7) 52.222-53, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services—Requirements (MAY 2014) (41 U.S.C. chapter 67).

☒ (8) 52.222-55, Minimum Wages Under Executive Order 13658 (DEC 2015).

☒ (9) 52.222-62, Paid Sick Leave Under Executive Order 13706 (JAN 2017) (E.O. 13706).

☐ (10) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations

(MAY 2014) (42 U.S.C. 1792).

(d) *Comptroller General Examination of Record.* The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records—Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e)(1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c), and (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in this paragraph (e)(1) of this paragraph in a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause—

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (Oct 2015) (41 U.S.C. 3509).

(ii) 52.203-19, Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (JAN 2017) (section 743 of Division E, Title VII, of the Consolidated and Further Continuing Appropriations Act, 2015 (Pub. L. 113-235) and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions)).

(iii) 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities (JUL 2018) (Section 1634 of Pub. L. 115-91).

(iv) 52.219-8, Utilization of Small Business Concerns (Oct 2018) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds $700,000 ($1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(v) 52.222-17, Nondisplacement of Qualified Workers (MAY 2014) (E.O. 13495). Flow down required in accordance with paragraph (l) of FAR clause 52.222-17.

(vi) 52.222-21, Prohibition of Segregated Facilities (APR 2015).

(vii) 52.222-26, Equal Opportunity (Sept 2016) (E.O. 11246).

(viii) 52.222-35, Equal Opportunity for Veterans (Oct 2015) (38 U.S.C. 4212).

(ix) 52.222-36, Equal Opportunity for Workers with Disabilities (July 2014) (29 U.S.C. 793).

(x) 52.222-37, Employment Reports on Veterans (FEB 2016) (38 U.S.C. 4212).

(xi) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.

(xii) 52.222-41, Service Contract Labor Standards (AUG 2018)(41 U.S.C. chapter 67).

(xiii)

☒ (A) 52.222-50, Combating Trafficking in Persons (Mar 2015) (22 U.S.C. chapter 78 and E.O. 13627).

☐ (B) *Alternate I* (Mar 2015) of 52.222-50 (22 U.S.C. chapter 78 and E.O. 13627).

(xiv) 52.222-51, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements (MAY 2014) (41 U.S.C. chapter 67).

(xv) 52.222-53, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services—Requirements (MAY 2014) (41 U.S.C. chapter 67).

(xvi) 52.222-54, Employment Eligibility Verification (Oct 2015) (E. O. 12989).

(xvii) 52.222-55, Minimum Wages Under Executive Order 13658 (DEC 2015).

(xviii) 52.222-62 Paid Sick Leave Under Executive Order 13706 (JAN 2017) (E.O. 13706).

(xix) (A) 52.224-3, Privacy Training (JAN 2017) (5 U.S.C. 552a).

(B) Alternate I (JAN 2017) of 52.224-3.

(xx) 52.225-26, Contractors Performing Private Security Functions Outside the United States (Oct 2016) (Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. 2302 Note).

(xxi) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (MAY 2014) (42 U.S.C. 1792). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

(xxii) 52.247-64, Preference for Privately-Owned U.S. Flag Commercial Vessels (FEB 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

(2) While not required, the Contractor may include in its subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

(End of clause)

1852.215-84 OMBUDSMAN (NOV 2011)

(a) An ombudsman has been appointed to hear and facilitate the resolution of concerns from offerors, potential offerors, and contractors during the preaward and postaward phases of this acquisition. When requested, the ombudsman will maintain strict confidentiality as to the source of the concern. The existence of the ombudsman is not to diminish the authority of the contracting officer, the Source Evaluation Board, or the selection official. Further, the ombudsman does not participate in the evaluation of proposals, the source selection process, or the adjudication of formal contract disputes. Therefore, before consulting with an ombudsman, interested parties must first address their concerns, issues, disagreements, and/or recommendations to the contracting officer for resolution.

(b) If resolution cannot be made by the contracting officer, interested parties may contact the installation ombudsman, whose name, address, telephone number, facsimile number, and email address may be found at: *http://prod.nais.nasa.gov/pub/pub_library/Omb.html*. Concerns, issues, disagreements, and recommendations which cannot be resolved at the installation may be referred to the Agency ombudsman identified at the above URL. Please do not contact the ombudsman to request copies of the solicitation, verify offer due date, or clarify technical requirements. Such inquiries shall be directed to the Contracting Officer or as specified elsewhere in this document.

(End of clause)

1852.225-70 EXPORT LICENSES (FEB 2000)

(a) The Contractor shall comply with all U.S. export control laws and regulations, including the International Traffic in Arms Regulations (ITAR), 22 CFR parts 120-130, and the Export Administration Regulations (EAR), 15 CFR parts 730-799, in the performance of this contract. In the absence of available license exemptions/exceptions, the Contractor shall be responsible for obtaining the appropriate licenses or other approvals, if required, for exports of hardware, technical data, and software, or for the provision of technical assistance.

(b) The Contractor shall be responsible for obtaining export licenses, if required, before utilizing foreign persons in the performance of this contract, including instances where the work is to be performed on-site at NASA Johnson Space Center where the foreign person will have access to export-controlled technical data or software.

(c) The Contractor shall be responsible for all regulatory record keeping requirements associated with the use of licenses and license exemptions/exceptions.

(d) The Contractor shall be responsible for ensuring that the provisions of this clause apply to its subcontractors.

(End of clause)

1852.232-80 SUBMISSION OF VOUCHERS/INVOICES FOR PAYMENT (APR 2018)

(a) The designated payment office is the NASA Shared Services Center (NSSC) located at FMD Accounts Payable, Bldg. 1111, Jerry Hlass Road, Stennis Space Center, MS 39529.

(b) Except for classified vouchers, the Contractor shall submit all vouchers and invoices using the steps described at NSSC's Vendor Payment information web site at: https://www.nssc.nasa.gov/vendorpayment. Please contact the NSSC Customer Contact Center at 1-877-NSSC123 (1-877-677-2123) with any additional questions or comments.

(c) *Payment requests.*

(1) The payment periods are stipulated in the payment clause(s) contained in this contract.

(2) Vouchers submitted under cost type contracts and invoices submitted under fixed-price contracts shall include the items delineated in FAR 32.905(b) supported by relevant back- up documentation. Back-up documentation shall include at a minimum, the following information:

(i) *Vouchers.*

(A) Breakdown of billed labor costs and associated contractor generated supporting documentation for billed direct labor costs to include rates used and number of hours incurred.

(B) Breakdown of billed other direct costs (ODCs) and associated contractor generated supporting documentation for billed ODCs.

(C) Indirect rate(s) used to calculate the amount of billed indirect expenses.

(D) Progress reports, as required.

(ii) *Invoices.*

(A) Description of goods and services delivered as part of the contract's terms and conditions, including the dates of delivery/performance.

(B) Progress reports, as required.

(C) Date goods and services were performed.

(iii) *Fee vouchers.*

(A) Listing of all provisionally-billed fee by period or date earned since contract award.

(B) A reconciliation of all billed and earned fee.

(C) A clear explanation of the fee calculations.

(d) *Non-electronic payment requests.* The Contractor may submit a non-electronic voucher/invoice using the steps for non-electronic payment requests described at *https://www.nssc.nasa.gov/vendorpayment,* when any of the following conditions are met:

(1) The Contracting Officer administering the contract for payment has determined, in writing, that electronic submission would be unduly burdensome to the Contractor.

(2) The contract includes provisions allowing the contractor to submit vouchers or invoices using the steps for non-electronic payment. In such instances the Contractor agrees to submit non-electronic payment requests using the method or methods specified in Section G of the contract.

(e) Improper vouchers/invoices. The NSSC Payment Office will notify the contractor of any apparent error, defect, or impropriety in a voucher/invoice within seven calendar days of receipt by the NSSC Payment Office. Inquiries regarding requests for payment should be directed to the NSSC as specified in paragraph (b) of this section.

(f) Other payment clauses. In addition to the requirements of this clause, the Contractor shall meet the requirements of the appropriate payment clauses in this contract when submitting payment requests.

(g) In the event that amounts are withheld from payment in accordance with provisions of this contract, a separate payment request for the amount withheld will be required before payment for that amount may be made.

(End of clause)

1852.245-73 FINANCIAL REPORTING OF NASA PROPERTY IN THE CUSTODY OF CONTRACTORS (JAN 2017)

(a) The Contractor shall submit annually a NASA Form (NF) 1018, NASA Property in the Custody of Contractors, in accordance with this clause, the instructions on the form and NFS subpart 1845.71, and any supplemental instructions for the current reporting period issued by NASA.

(b) (1) Subcontractor use of NF 1018 is not required by this clause; however, the Contractor shall include data on property in the possession of subcontractors in the annual NF 1018.

(2) The Contractor shall mail the original signed NF 1018 directly to the cognizant NASA Center Industrial Property Officer and a copy to the cognizant NASA Center Deputy Chief Financial Officer, Finance, unless the Contractor uses the NF 1018 Electronic Submission System (NESS) for report preparation and submission.

(3) One copy shall be submitted (through the Department of Defense (DOD) Property Administrator if contract administration has been delegated to DOD) to the following address: 2101 NASA Parkway, Houston, TX 77058, Mail Code: JB3 [Insert name and address of appropriate NASA Center office.], unless the Contractor uses the NF 1018 Electronic Submission System (NESS) for report preparation and submission.

(c)(1) The annual reporting period shall be from October 1 of each year through September 30 of the following year. The report shall be submitted in time to be received by October 31st.
The information contained in these reports is entered into the NASA accounting system to reflect current asset values for agency financial statement purposes. Therefore, it is essential that required reports be received no later than October 31st.

(2) Some activity may be estimated for the month in which the report is submitted, if necessary, to ensure the NF 1018 is received when due. However, contractors' procedures must document the process for developing these estimates based on planned activity such as planned purchases or NASA Form 533 (NF 533) Contractor Financial Management Report) cost estimates. It should be supported and documented by historical experience or other corroborating evidence, and be retained in accordance with FAR Subpart 4.7, Contractor Records Retention. Contractors shall validate the reasonableness of the estimates and associated methodology by comparing them to the actual activity once that data is available, and adjust them accordingly. In addition, differences between the estimated cost and actual cost must be adjusted during the next reporting period. Contractors shall have formal policies and procedures, which address the validation of NF 1018 data, including data from subcontractors, and the identification and timely reporting of errors. The objective of this validation is to ensure that information reported is accurate and in compliance with the NASA FAR Supplement. If errors are discovered on NF 1018 after submission, the contractor shall contact the cognizant NASA Center Industrial Property Officer (IPO) within 30 days after discovery of the error to discuss corrective action.

(3) In addition to an annual report, if at any time during performance of the contract, NASA- owned property in the custody of the Contractor has a value of $10 million or more, the Contractor shall also submit a report no later than the 21st of each month in accordance with the requirements of paragraph (c)(2) of this clause.

(4) The Contracting Officer may, in NASA's interest, withhold payment until a reserve not exceeding $25,000 or 5 percent of the amount of the contract, whichever is less, has been set aside, if the Contractor fails to submit annual NF 1018 reports in accordance with NFS subpart 1845.71, any monthly report in accordance with (c)(3) of this clause, and any supplemental instructions for the current reporting period issued by NASA. Such reserve shall be withheld until the Contracting Officer has determined that NASA has received the required reports. The withholding of any amount or the subsequent payment thereof shall not be construed as a waiver of any Government right.

(d) A final report shall be submitted within 30 days after disposition of all property subject to reporting when the contract performance period is complete in accordance with paragraph (b)(1) through (3) of this clause.

(End of clause)

1852.245-74 IDENTIFICATION AND MARKING OF GOVERNMENT EQUIPMENT (JAN 2011)

(a) The Contractor shall identify all equipment to be delivered to the Government using NASA Technical Handbook (NASA-HDBK) 6003, Application of Data Matrix Identification Symbols to Aerospace Parts Using Direct Part Marking Methods/Techniques, and NASA Standard (NASA-STD) 6002, Applying Data Matrix Identification Symbols on Aerospace Parts or through the use of commercial marking techniques that: (1) are sufficiently durable to remain intact through the typical lifespan of the property: and, (2) contain the data and data format required by the standards. This requirement includes deliverable equipment listed in the schedule and other equipment when no longer required for contract performance and NASA directs physical transfer to NASA or a third party. The Contractor shall identify property in both machine and human readable form unless the use of a machine readable-only format is approved by the NASA Industrial Property Officer.

(b) Equipment shall be marked in a location that will be human readable, without disassembly or movement of the equipment, when the items are placed in service unless such placement would have a deleterious effect on safety or on the item's operation.

(c) Concurrent with equipment delivery or transfer, the Contractor shall provide the following data in an electronic spreadsheet format:

1) Item Description.

(2) Unique Identification Number (License Tag).

(3) Unit Price.

(4) An explanation of the data used to make the unique identification number.

(d) For equipment no longer needed for contract performance and physically transferred under paragraph (a) of this clause, the following additional data is required:

(1) Date originally placed in service.

(2) Item condition.

(e) The data required in paragraphs (c) and (d) of this clause shall be delivered to the NASA center receiving activity listed below:

NASA Johnson Space Center
Attention: Transportation Officer/JB7 Central Receiving, Building 420
2101 NASA Parkway
Houston, TX 77058-3696

(f) The contractor shall include the substance of this clause, including this paragraph (f), in all subcontracts that require delivery of equipment.

(End of clause)

1852.245-76 LIST OF GOVERNMENT PROPERTY FURNISHED PURSUANT TO FAR 52.245-1 (JAN 2011)

For performance of work under this contract, the Government will make available Government property identified below or in Attachment 2 of this contract on a no charge-for-use basis pursuant to the clause at FAR 52.245-1, Government Property, as incorporated in this contract. The Contractor shall use this property in the performance of this contract at Contractor Site and at other location(s) as may be approved by the Contracting Officer. Under FAR 52.245-1, the Contractor is accountable for the identified property.

(End of clause)

1852.245-78 PHYSICAL INVENTORY OF CAPITAL PERSONAL PROPERTY (AUG 2015)

(a) In addition to physical inventory requirements under the clause at FAR 52.245-1, Government Property, as incorporated in this contract, the Contractor shall conduct annual physical inventories for individual property items with an acquisition cost exceeding $500,000.

(1) The Contractor shall inventory—

(i) Items of property furnished by the Government;

(ii) Items acquired by the Contractor and titled to the Government under the clause at FAR 52.245-1;

(iii) Items constructed by the Contractor and not included in the deliverable, but titled to the Government under the clause at FAR 52.245-1; and

(iv) Complete but undelivered deliverables.

(2) The Contractor shall use the physical inventory results to validate the property record data, specifically location and use status, and to prepare summary reports of inventory as described in paragraph (c) of this clause.

(b) Unless specifically authorized in writing by the Property Administrator, the inventory shall be performed and posted by individuals other than those assigned custody of the items, responsibility for maintenance, or responsibility for posting to the property record. The Contractor may request a waiver from this separation of duties requirement from the Property Administrator, when all of the conditions in either (1) or (2) of this paragraph are met.

(1) The Contractor utilizes an electronic system for property identification, such as a laser bar- code reader or radio frequency identification reader, and

(i) The programs or software preclude manual data entry of inventory identification data by the individual performing the inventory; and

(ii) The inventory and property management systems contain sufficient management controls to prevent tampering and assure proper posting of collected inventory data.

(2) The Contractor has limited quantities of property, limited personnel, or limited property systems; and the Contractor provides written confirmation that the Government property exists in the recorded condition and location;

(3) The Contractor shall submit the request to the cognizant property administrator and obtain approval from the property administrator prior to implementation of the practice.

(c) The Contractor shall report the results of the physical inventory to the property administrator within 10 calendar days of completion of the physical inventory. The report shall—

(1) Provide a summary showing number and value of items inventoried; and

(2) Include additional supporting reports of—

(i) Loss in accordance with the clause at 52.245-1, Government Property;

(ii) Idle property available for reuse or disposition; and

(iii) A summary of adjustments made to location, condition, status, or user as a result of the physical inventory reconciliation.

(d) The Contractor shall retain auditable physical inventory records, including records supporting transactions associated with inventory reconciliation. All records shall be subject to Government review and/or audit.

(End of clause)

ATTACHMENT 1: Additional Deliverables

Data Requirements List (DRL):

#	Title	NASA Approval/Review	Initial Due Date	Recurrence	Reference
1	Government Property Management Plan	Approve	ATP + 30 days	Once	N/A

DATA REQUIREMENTS DOCUMENT (DRD) 1

1. DRD Title	2. Date of current version	3. DRL Line Item No.
Government Property Management Plan (PMP)	12/06/2016	1
4. Use (Define need for, intended use of, and/or anticipated results of data)		5. DRD Category: *(check one)*
To describe the method of administering and controlling Government personal property and submitting proposed property manager qualifications.		☐ ☒ ☐ Technical Administrative SR&QA
6. References (Optional)	7. Interrelationships (e.g., with other DRDs) (Optional)	
Federal Acquisition Regulation (FAR) 52.245-1 Government Property Clause		

Scope

The Government Property Management Plan defines the Contractor's use, maintenance, repair, protection, and preservation of Government personal property. It shall describe the Contractor's approach to receiving, handling, stocking, maintaining, protecting and issuing Government property (equipment and material). The Plan should include interaction and Department/ Office responsibilities. The Contractor shall submit to the delegated Government Property Administrator (GPA) detailed supplemental property procedures, which are separate from the Property Management Plan, within 60 days after the contract start date.

Contents

This plan shall reference those policies and procedures which are part of the Contractor's Property Management System and shall include at a minimum, but not limited to, the following functions/outcomes/activities:

1. Property Management
   - (a) Voluntary consensus standards, industry-leading practices and standards, customary commercial practices
   - (b) Periodic internal reviews, surveillances, self-assessments, and audits
   - (c) Written procedures
2. Acquisition of Property
   - (a) Acquisition authority
   - (b) Classification of property
3. Receipt of Government Property
   - (a) Receiving
   - (b) Identification
4. Records of Government Property
5. Physical Inventory
6. Subcontractor Control
   - (a) Flow down of property clauses to subcontractors
7. Reports
   - (a) Loss, Theft, Damage, Destruction reports
   - (b) Physical Inventory reports
   - (c) Audits and self-assessment reports
   - (d) Corrective Action reports
8. Relief of Stewardship Responsibility and Liability
   - (a) Loss, Theft, Damage, Destruction of property
   - (b) Consumed property
   - (c) Delivered property
   - (d) Contractor Inventory Disposal of property
     - i. In-house screening of excess
     - ii. Disclosure of excess
   - (e) Abandonment of Government property (if directed by the Government)
9. Utilizing Government Property
   - (a) Utilization
   - (b) Consumption
   - (c) Movement
   - (d) Storage

10. Maintenance
    (a) Preventive maintenance
    (b) Rehabilitation
    (c) Calibration
11. Property Closeout
    (a) Screening for further use
    (b) Final physical inventory
    (c) Transfers off the contract
    (d) Final NASA Form 1018
12. Reconcile Contractor Records with NASA Financial Property Records [NASA Form 1018 and the Contractor-Held Asset Tracking System (CHATS) if applicable]
13. JSC-Unique Considerations (as they arise or known now)

Format
The Contractor's format is acceptable.

Distribution of the Property Management Plan
1. Final - Due 30 days after contract award.

Maintenance
Changes to the PMP shall be incorporated by change pages or complete reissue after coordination with the Government PA.

Management Qualifications/Experience:
1. The Offeror/Contractor shall specify the name and the qualifications of the proposed property manager.
   (a) List the Federal agencies or departments supported in managing Government property and the corresponding number of years of experience.
   (b) List completed personal property management training courses.
   (c) Specify the level of professional property management certification obtained by the proposed property manager.
   (d) List professional personal property management organizations in which the proposed property manager has an active current membership.
2. This qualification data shall be a one-time submittal from the Offerors with their initial Property Management Plan (PMP) when the plan is requested by the Contracting Officer. Insert that data as a separate tab after that PMP.
   This qualification data shall be excluded from the final PMP from the awarded Contractor.

ATTACHMENT 2: List of Government Furnished Property

ON-ORBIT HARDWARE:

- Cyclops (SSIKLOPS Kit), P/N SJG29103590-301, Qty 1, S/N 1001. The components of this kit are listed below for convenience, but will not be tracked separately:
  - SSIKLOPS Stowage Bag, P/N SEG29103471-301, Qty 1, S/N 1001
    - SSIKLOPS Unit (OpNom=Cyclops), P/N SEG29103417-301, Qty 1, S/N 1001
    - SPDM Plate EVR Removable Assembly, P/N SEG29103427-301, Qty 1, S/N 1001
    - SFA Plate EVR Removable Assembly, P/N SEG29103515-301, Qty 1, S/N 1001
    - Passive Post Interface Structure, P/N SEG29103445-301, Qty 1, S/N 1001
    - Over Center Gauge, P/N SEG29103514-001, Qty 3, S/N's 1002, 1003, 1004 (note that S/N 1001 is not on-orbit)
    - Active Mechanism Tether Loop, P/N SEG29103479-301, Qty 4, S/N's 1001, 1002, 1003, 1004
    - Scissor Lockout Plate, P/N SDG29103512-001, Qty 1, S/N none
- Note that the item that was manifested as "Cyclops" is the kit (SJG29103590) that contains the rest of the hardware, starting with the Bag which then contains the all else. The item that was given the OpNom of "Cyclops" is the deployment unit (SEG29103417) that is stowed within the "SSIKLOPS bag", and which is removed and attached to the slide table in preparation for deployment operations.

GROUND HARDWARE:

"SSIKLOPS MECHANICAL ASSEMBLY", P/N SEG29103917-301 S/N 1002

One (1) Over Center Gauge: "GAUGE, OVR CTR, ASSY - JTSN SYS", P/N SEG29103514-301 S/N 1001

CONSUMABLE GROUND HARDWARE (not reported on NF1018):

Seven (7) pre-fabricated fixtures for payload use: "EXPERIMENT ATTACHMENT FIXTURE", P/N SDG29103602-001 S/N's 1002 through 1008.

ATTACHMENT 3: List of Government Furnished Data

The Government shall provide access to Government Furnished Data (GFD) listed below:

a. Cyclops thermal model
b. Cyclops CAD model
c. Cyclops Flight Unit Acceptance Data Package (ADP)
d. Operations Products from LoneStar mission
e. Hazard Reports from previous missions (LoneStar and SpinSat)

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT made and entered into this 8/21/2021 ("Effective Date" herein), by and between EverAsia Financial Group, Inc. a Corporation formed under the laws of the State of Florida, USA ("Consultant" herein) and Sidus Space, Inc. a Corporation formed under the laws of Delaware ("Client" herein). Consultant and Client shall, at times, be referred to collectively as the "Parties".

WHEREAS, Consultant is in the business of providing fractional CFO services, business creations, financing, combinations, strategic and financial planning, mergers and acquisitions, going public, growth and development, securities regulation and compliance (the "Services") AND;

WHEREAS, Client desires to engage Consultant to provide the Services with respect to the business activities of Client, AND;

WHEREAS, Client and Consultant desire that the terms and conditions of such engagement, by and between the parties, be set forth in writing

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

I. DUTIES AND OBLIGATIONS OF CONSULTANT

a. Consultant shall be engaged as the "Chief Financial Officer" of the Client during the term of this agreement and shall provide the Services that are customary of the position and generally described in Appendix A of this document. Further, Consultant's President and CEO, Scott J. Silverman ("Silverman"), shall act as an authorizing signatory on periodic filings with the SEC as required by the Securities Act of 1933, the Securities Exchange Act of 1934 and the Sarbanes-Oxley Act of 2002, as amended, and other documents, as shall be required from time to time.

II. DUTIES AND OBLIGATIONS OF CLIENT

a. Client agrees to promptly and timely provide any and all documentation requested by Consultant to perform the obligations as set forth herein

b. Client agrees to cause its officers, directors and/or employees to attend all meetings, given reasonable and sufficient prior notice of time, place, and agenda, which may be scheduled by Consultant for the purpose of furthering the business of Client and carrying out Consultant's duties as defined herein.

c. Client agrees to promptly and timely transfer and convey any and all compensation to Consultant as provided herein.

d. During the term under this Agreement, the Client shall include Consultant as an insured under its officers and directors insurance policy with a Side A coverage

III. TERM:

a. **Initial Term**: Consultant shall provide services hereunder for a period of 1 ("One") year from the Effective Date (the "Initial Term").

b. **Renewal Terms:** This Agreement shall automatically renew for 3 ("Three") month Renewal Terms ("Renewal Terms") after the Initial Term. Client or Consultant shall have the right to terminate any Renewal Term with 30 days' written notice to the other party. In the event of non- payment, Consultant shall have the right to terminate the Agreement upon 15 days' notice. The date upon which this Agreement expires or is otherwise terminated is the "Termination Date".

IV. TERMINATION WITHOUT CAUSE: In the event of Client's Termination of this Agreement Without Cause, Client shall not be entitled to any refund of prepaid fees, and shall immediately pay to Consultant any and all Unpaid Expenses due and payable hereunder through the termination date and an Early Termination Fee ("ETF") equal to two (2) months of Consulting fees. Notwithstanding the foregoing, Client shall have the right to terminate this Agreement within the first forty-five (45) days of the Initial Term without incurring an ETF.

V. TERMINATION FOR CAUSE: In the event Client unilaterally terminates Agreement prior to maturity for cause, Client shall not be entitled to any refund of prepaid fees, and shall immediately pay to Consultant all Consulting Fees and Unpaid Expenses due and payable through the date of termination. "Cause" shall mean (i) the commission of a material act of fraud, embezzlement or misappropriation, which is intended to result in substantial personal enrichment of Consultant in connection with Consultant engagement with the Company; (ii) Consultant's willful misconduct, gross negligence, act of dishonesty or breach of trust in connection with Consultant's engagement; (iii) Consultant's indictment for or charge with (and in connection with which there is the commencement of a criminal trial), or plea of nolo contendere, to a crime constituting a felony (other than traffic-related offenses) or any other criminal offense involving fraud, dishonesty, misappropriation or serious moral turpitude; (iv) Consultant's breach of any non-solicitation or non-competition obligations to the Company or its affiliates, including without limitation, those set forth herein or Consultant's willful, grossly negligent, or reckless breach of any confidentiality obligations to the Company or its affiliates; or (v) Consultant's (1) material failure to perform Consultant's duties as set forth in this Agreement, and (2) failure to "cure" any such failure within thirty (30) days after receipt of written notice from the Company delineating the specific acts that constituted such material failure and the specific actions necessary, if any, to "cure" such failure.

VI. FEES AND EXPENSE REIMBURSEMENT

a. Client shall compensate Consultant, or assigns, $7,500 per month ("Initial Rate") for the Initial Term and any Renewal Terms.

b. All expenses over $500 shall be pre-approved in writing by the Client. Consultant shall be entitled to reimbursement of all reasonable expenses, paid on behalf of the Client within 15 days of submission; provided that appropriate receipts are provided to Client.

c. Consultant shall be entitled to advanced reimbursement of all travel expenses in accordance with the following guidelines:

   i. Client shall reimburse Consultant for all reasonable travel costs, including, but not limited to, BUSINESS CLASS AIR TRAVEL ON ALL FLIGHTS 5 HOURS OR LONGER, economy class air travel on all flights under 5 hours, hotel, car rental, airport transfers and meals for Consultant.

   ii. All other related travel costs pertaining to Consultant's performance of Consultant's duties pursuant to this Agreement

d. Consultant shall invoice Client on the first day of the month for services in advance for that month. All payments due hereunder shall be due and payable by the 10th day of the month. Failure to make any payment when due shall constitute a Termination Without Cause by Client, pursuant to Section IV above.

VII. CONFIDENTIAL INFORMATION

a. Consultant shall not, during the term of this Agreement, and at any time following termination of this Agreement, directly or indirectly, disclose or permit to be known, to any person, firm or corporation, any confidential information acquired by him or her during the course of or as an incident to his or her performance of services hereunder, relating to the Client or any of its subsidiaries or affiliates, the officers of the Client or its subsidiaries or affiliates, any client of the Client or any of its subsidiaries, or any corporation, partnership or other entity owned or controlled, directly or indirectly, by any of the foregoing, or in which any of the foregoing has a beneficial interest, including, but not limited to, the business affairs of each of the foregoing. Such confidential information shall include, but shall not be limited to, proprietary information, trade secrets, know-how, market studies and forecasts, competitive analyses, the substance of agreements with clients and others, client lists and any other documents embodying such confidential information as well as information developed by Consultant in the course of his or her services for the Client or for the benefit of the Client.

b. All information and documents relating to the Client, its affiliates as hereinabove described (or other business affairs) shall be the exclusive property of the Client, and Consultant shall use his best efforts to prevent any publication or disclosure thereof, without the consent of the Client. Upon termination of Consultant's engagement with the Client, all documents, records, reports, writings and other similar documents containing confidential information, including copies thereof, then in Consultant's possession or control shall be returned and left with the Client.

c. Any inventions, discoveries, concepts or ideas, or expressions thereof, whether or not subject to patents, copyrights, trademarks or service mark protections, and whether or not reduced to practice, conceived or developed by Consultant while retained by the Client which relate to or result from the actual or anticipated business, work, research or investigation of the Client or any business transactions entered into by Consultant or his affiliates, including joint ventures, partnerships, plans, strategies, contracts and arrangements related to any of the foregoing shall be the sole and exclusive property of the Client. Consultant will do all things reasonably requested by the Client to assign to and vest in the Client the entire right, title and interest to any such inventions, discoveries, concepts, ideas or expressions thereof.

d. The Consultant hereby covenants and agrees that during the Initial Term and any Renewal Term and for a period of one year following the termination date of this Agreement, the Consultant will not, without the prior written consent of the Client, such consent which shall not be unreasonably withheld, directly or indirectly, on Consultant's own behalf or in the service or on behalf of others, whether or not for compensation, engage in any business activity, or have any interest in any person, firm, corporation or business, through a subsidiary or parent entity or other entity (whether as a shareholder, agent, joint venturer, security holder, trustee, partner, executive, creditor lending credit or money for the purpose of establishing or operating any such business, partner or otherwise) with any Competing Business in the Covered Area.

For the purpose of this Section VII (d.) "Competing Business" means the current business of the Company and (ii) "Covered Area" means all geographical areas of the United States and other foreign jurisdictions where Company then has offices and/or sells its products directly or indirectly through distributors and/or other sales agents. Notwithstanding the foregoing, the Consultant may own shares of companies whose securities are publicly traded, so long as ownership of such securities do not constitute more than three percent (3%) of the outstanding securities of any such company.

e. Consultant further agrees that during the Initial Term and any Renewal Term and for a period of one (1) year from the termination date of this Agreement, the Consultant will not divert any business of the Client and/or its affiliates or any customers or suppliers of the Client and/or the Client's and/or its affiliates' business to any other person, entity or competitor, or induce or attempt to induce, directly or indirectly, any person to leave his or her employment with the Client and/or its affiliates; provided, however, that the foregoing provisions shall not apply to a general advertisement or solicitation program that is not specifically targeted at such employees

VIII. <u>INDEMNIFICATION:</u>

a. Notwithstanding any other term of this Agreement, Client agrees to indemnify and hold harmless Consultant, its officers and directors , and each person, if any, who controls Consultant within the meaning of either Section 15 of the Securities Act of 1933 or Section 20 of the Securities Exchange Act of 1934, and any agents or employees of Consultant (the "Indemnitees"), from and against any claim, liability, cost, damage, deficiency, loss, expense or obligation of any kind or nature (including without limitation reasonable attorneys' fees and other costs and expenses of litigation) incurred by or imposed upon the Indemnitees or any one of them in connection with any claims, suits, actions, demands or judgments arising out of this Agreement (including, but not limited to, actions in the form of tort, warranty, or strict liability), unless such claims arise from the sole gross negligence or sole willful misconduct of Consultant in connection with Consultant's work hereunder.

b. Notwithstanding any provision to the contrary, nothing in this Agreement limits or excludes either party's liability to the extent it relates to: death or personal injury caused by its negligence; fraud; fraudulent misrepresentation; or any other liability which may not be lawfully limited or excluded.

c. Neither party shall be liable for consequential, special, incidental or indirect losses including, without limitation, (i) loss of profits, revenue or goodwill; (ii) loss of business or (iii) loss of anticipated savings.

d. Each party agrees to use all reasonable endeavors to mitigate any losses which it may suffer under or in connection with this Agreement (including in relation to any losses covered by an indemnity) and any amounts it seeks from the other party in respect of any such liability.

IX. AMENDMENT AND MODIFICATION: Subject to applicable law, this Agreement may be amended, modified or supplemented only by a written agreement signed by both parties. No oral modifications to this Agreement may be made

X. DISPUTE RESOLUTION

a. In the event that Consultant shall be found in default with respect to any obligation hereunder, then Client shall, after service of written notice of such default to Consultant, and after a period of Twenty (20) days within which Consultant shall have the duty to cure such default, and Consultant fails to cure the default, Client shall have the right to seek remedy as provided herein.

b. In the event of a dispute, the parties agree to first resolve such matters through mediation. If the mediator cannot be agreed upon, each party will appoint one mediator and a third will be selected by the other two who will mediate the issue(s). If the dispute is not settled after the mediation attempt, then the parties may bring suit

c. In the event an arbitration, mediation, suit or action is brought by any party under this Agreement to enforce any of its terms, or in any appeal there from, it is agreed that the prevailing party shall be entitled to reasonable attorney's fees to be fixed by the arbitrator, mediator, trial court and/or appellate court.

XI. **SEVERABILITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision never comprised a part hereof; and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance here from. Furthermore, in lieu of such illegal, invalid and unenforceable provision, there shall be added automatically as part of this Agreement a provision as similar in nature in its terms to such illegal, invalid or unenforceable provision as may be legal, valid and enforceable.

XII. **Notices**. For the purpose of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given (1) on the date of delivery if delivered by hand, (2) on the date of transmission, if delivered by confirmed facsimile, (3) on the first business day following the date of deposit if delivered by guaranteed overnight delivery service, or (4) on the fourth business day following the date delivered or mailed by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Consultant:

EverAsia Financial Group, Inc. 8950 SW 74th Ct
Ste 2201-A44
Miami, FL 33156
Facsimile: +1 (786) 233-7113
Email: scott@everasia.net

If to the Client:

Sidus Space
150 N Sykes Creek Pkwy. Ste 200
Merritt Island, FL 32953
Email: carol.craig@sidusspace.com

XIII. **ENTIRE AGREEMENT:** This Agreement contains the entire understanding between and among the parties and supersedes any prior understandings and agreements between them respecting the subject matter of this Agreement. The failure by either party to insist on strict performance of any term or condition contained in this Agreement shall not be construed by the other party as a waiver, at any time, of any rights, remedies or indemnifications, all of which shall remain in full force and effect from time of execution through eternity.

XIV. **GOVERNING LAW:** This Agreement shall be governed by the laws of the State of Florida, and the venue for the resolution of any dispute arising thereof shall be in Miami-Dade County, Florida.

XV. **ATTORNEY'S FEES:** In the event an arbitration, mediation, suit or action is brought by any party under this Agreement to enforce any of its terms, or in any appeal there from, it is agreed that the prevailing party shall be entitled to reasonable attorney's fees to be fixed by the arbitrator, mediator, trial court and/or appellate court

XVI. **FORCE MAJEURE:** Neither party shall be liable for the failure to perform its obligations under this Agreement due to events beyond such party's reasonable control including, but not limited to, strikes, riots, wars, fire, acts of God or acts in compliance with any applicable law, regulation or order (whether valid or invalid) of any court or governmental body.

XVII. **BINDING EFFECT:** This Agreement shall be binding upon the heirs, executors, administrators, successors and permitted assigns of the parties hereto. Neither party shall assign its rights or delegate its duties under any term or condition set forth in this Agreement without the prior written consent of the other party

XVIII. **COUNTERPARTS:** This document may be executed in multiple counterparts, each of which shall be deemed an original for all purposes.

IN WITNESS WHEREOF, the parties have set forth their hands in agreement on this the day and date first above written.

Consultant	Client
By: */s/ Scott J. Silverman*	By: */s/ Carol Craig*
Scott J. Silverman	Carol Craig
Chief Executive Officer	CEO

Appendix A – Job Description

Reporting directly to the CEO, responsible for oversight of Financial Analysis, Budgeting and Forecasting, Implementing Financial and Accounting Policies, Managing Finance and Accounting teams and acting as Strategic business partner to the senior executive leadership team.

Duties shall include, but not be limited to, the oversight and/or direct completion of the following:

- Assess and evaluate both short-term and long-term financial performance of organization with regard to operational goals, budgets and forecasts
- Communicate, engage and interact with Board of Directors, CEO, COO and Executive Leadership Team
- Create and establish yearly financial objectives that align with the company's plan for growth and expansion
- Recruit, interview, hire and manage finance, accounting and payroll staff as required
- Serve as a key member of executive leadership team
- Participate in pivotal decisions as they relate to strategic initiatives and operational models
- Interact with and bring department into line with Board of Directors' plans, initiatives and recommendations
- Implement policies, procedures and processes as deemed appropriate by senior leadership team
- Develop, improve and issue timely monthly financial records and reports for the CEO following GAAP principals
- Manage cash flow planning process and ensure funds availability
- Oversee weekly cash management and AP Department, approve large payables, sign checks, authorize large wires and ACHs
- Oversee cash, investments and asset management area
- Explore new investment opportunities and provide recommendations on potential returns and risks
- Maintain outstanding banking relationships and strategic alliances with vendors and business partners
- Supervise Accounts Receivable management and provide guidance relating to the collection process
- Safeguard assets and assure accurate and timely recording of all transactions by implementing disciplines of internal audits, controls and checks across all accounting related departments
- Prepare reports required by regulatory agencies
- Assist in preparation of company tax returns
- Review and ensure application of appropriate internal controls, SOX compliance and financial procedures

Position Requirements:

- Bachelor's Degree in Finance, Accounting, or Business Administration
- Minimum of 10 years of financial management experience in a publicly traded corporation
- Outstanding knowledge and understanding of GAAP, IFRS, SOX compliance and SEC reporting
- Ensure compliance with SEC regulations including the timely and accurate filings of the 10-Q and 10-K
- Thorough understanding of DCAA requirements
- ERP systems implementation and hands-on experience
- Experience in cost accounting, forecasting, and financial analysis
- Strong analytical and problem-solving skills required
- Able to handle multiple tasks and maintain control and order over same
- Exceptional work ethic
- Outstanding communication and presentation skills
- Conform with and abide by all regulations, policies, work procedures, and instructions

EXHIBIT 21.1

List of Subsidiaries

Aurea Alas Limited, an Isle of Man company