

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): July 30, 2021

DecisionPoint Systems, Inc.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	333-245695 (Commission File Number)	37-1644635 (I.R.S. Employer Identification No.)
DecisionPoint Systems, Inc. 8697 Research Drive Irvine, California (Address of principal executive offices)		92618 (Zip Code)

Registrant's telephone number, including area code: (949) 465-0065
(Former name or former address, if changed since last report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
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Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

Item 1.01 Entry into a Material Definitive Agreement

On July 30, 2021, DecisionPoint Systems, Inc., a Delaware corporation (the "Company") entered into a Loan and Security Agreement (the "Loan Agreement") with MUFJ Union Bank, National Association (the "Bank"). The Loan Agreement provides for a revolving line of credit of up to \$9.0 million with the Company's obligations being secured by a security interest in substantially all of the Company's assets. Loans extended to the Company under the Loan Agreement are scheduled to mature on July 31, 2024 (the "Maturity Date").

Interest and Fees

Loans under the Loan Agreement with an outstanding balance of at least \$150,000 bear interest, at the Company's option, at a base interest rate equal to the London Interbank Offered Rate ("LIBOR") plus 2.50% or a base rate equal to an index offered by the Bank for interest period selected and is payable at the on the last day of each month commencing on August 31, 2021. If the LIBOR rate is selected, the interest rate on the loans adjusts at the end of each LIBOR rate period (1, 2, 3, 6, or 12 month term) selected by the Company. All other loan amounts bear interest at a rate equal to an index rate determined by the Bank, which shall vary when the index rate changes. The Company has a right to prepay variable interest rate loans, in whole or in part at any time, without penalty or premium. Amounts outstanding with a base interest rate may be prepaid in whole or in part provided the Company has given the Bank written notice of at least five days prior to prepayment and pays a prepayment fee. At any time prior to the maturity date, the Company may borrow, repay and reborrow amounts under the Loan Agreement, subject to the prepayment terms, and as long as the total outstanding does not exceed \$9.0 million. The Company will pay a commitment fee of 0.25% per year, payable quarterly and in arrears, on any unused portion of the line of credit.

Covenants

Under the Loan Agreement, the Company is subject to a variety of customary affirmative and negative covenants, including that the Company (i) achieve a net profit of not less than \$1.0 million at the end of each fiscal year, (ii) maintain a ratio of total debt to EBITDA of not greater than 3.0:1.0 measured at the end of each quarter, (iii) not realize a net loss for more than two consecutive quarters. The Loan Agreement also prohibits the Company from, or otherwise imposes restrictions on the Company with respect to, among other things, liquidating, dissolving, entering into any consolidation, merger, division, partnership, or other combination, selling or leasing a majority of the Company's assets or

business or purchase or lease all or the greater part of the assets or business of another entity or person.

Events of Default

Events of default under the Loan Agreement include, among other things, failure to pay principal, interest and fees; covenant defaults; material inaccuracy of representations and warranties; bankruptcy events with respect to the Company; actual or asserted invalidity of any of the loan documents; or a change of control of the Company.

The foregoing descriptions of the Loan Agreement do not purport to be complete and are subject to, and qualified in their entirety by reference to the Loan Agreement, the Security Agreement and the Commercial Promissory Note, copies of which are filed herewith as Exhibits 10.1, 10.2 and 10.3, respectively, and incorporated herein by reference.

Item 1.02 Termination of a Material Definitive Agreement

Effective on July 30, 2021, the amended and restated credit agreement between the Company and Pacific Western Business Finance (“PWBF”) was terminated. The credit agreement provided for a line of credit of \$10 million with a maturity date of September 2023. The line of credit bore interest at the prime rate plus 1.25% with a floor of 4.75% and was secured by substantially all of the Company’s assets. The credit agreement with PWBF was terminated in connection with the Company entering into the new credit facility with the Bank described in Item 1.01 above. No pre-payment penalty was paid in connection with the termination of the credit agreement.

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

The information provided in Item 1.01 above is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits*

Exhibit No.	Document
10.1	Loan Agreement, dated July 30, 2021, by and among DecisionPoint Systems, Inc. and MUFG Union Bank, National Association
10.2	Security Agreement, dated July 30, 2021, by and among DecisionPoint Systems, Inc. and MUFG Union Bank, National Association
10.3	Commercial Promissory Note, dated July 30, 2021, by and among DecisionPoint Systems, Inc. and MUFG Union Bank, National Association
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

DECISIONPOINT SYSTEMS, INC.

Dated: August 4, 2021

By: /s/ Melinda Wohl
Name: Melinda Wohl
Title: Vice President Finance and Administration



BUSINESS LOAN AGREEMENT

This Business Loan Agreement (“Agreement”) is entered into as of the date set forth below between the undersigned borrower (“Borrower”) and MUFG Union Bank, N.A. (“Bank”) with respect to each and every loan, advance or other extension of credit (whether one or more, collectively referred to as the “Loan”) from Bank to Borrower. In consideration of the Loan, Borrower and Bank agree to the following terms and conditions:

1. **THE LOAN.**
 - 1.1 **The Note.** The Loan is evidenced by one or more promissory notes or other evidences of indebtedness, including each amendment, substitution or other modification or restatement thereof, which are incorporated herein by this reference (whether one or more, collectively referred to as the “Note”).
 - 1.2 **Unused Commitment Fee.** On the last calendar day of the third month following the execution of this Agreement and on the last calendar day of each three-month period thereafter, Borrower shall pay to Bank a fee of one-quarter of one percent (0.25%) per year on the unused portion of the Revolving Loan for the preceding quarter, computed on the basis of a 360 day year for actual days elapsed.
 - 1.3 **Term Loan Availability Period.** For any portion of the Loan that is a term loan, loan proceeds shall be available as provided in the applicable Note.
 - 1.4 **Collateral.** The payment and performance of all obligations of Borrower under this Agreement and the other Loan Documents are and shall be secured during the term of the Loan by a perfected first priority security interest in such real or personal property as may be required by Bank.
 - 1.5 **Guaranty.** The payment and performance of all obligations and liabilities of Borrower to Bank, including without limitation the obligations and liabilities of Borrower to Bank under this Agreement and the other Loan Documents, are and shall be during the term of the Loan guaranteed by certain parties, as may be required by Bank (whether one or more, “Guarantor”).
 - 1.6 **Subordination.** Certain other obligations of Borrower are and shall be subordinated during the term of the Loan to the repayment of the Loan and all other obligations of Borrower to Bank pursuant to one or more subordination agreements in favor of Bank executed and delivered by certain parties, as may be required by Bank.
 2. **CONDITIONS TO AVAILABILITY OF THE LOAN.** Before Bank is obligated to disburse all or any portion of the Loan or otherwise extend credit under the Loan, (a) Bank shall have received the Note and every other document required by Bank in connection with the Loan, each of which must be in form and substance satisfactory to Bank (together with this Agreement, collectively referred to as the “Loan Documents”), (b) Bank shall have received confirmation of the perfection of its security interest in any collateral for the Loan, (c) Bank shall have received payment of any fee required in connection with the Loan, and (d) at the time of and immediately after giving effect to the disbursement of the Loan or extension of credit, there shall not exist any Event of Default or any event, condition or act which with notice or lapse of time, or both, would constitute an Event of Default .
 3. **REPRESENTATIONS AND WARRANTIES.** Borrower represents and warrants (and each request for an extension of credit under the Loan shall be deemed a representation and warranty by Borrower made on the date of such request) that:
 - 3.1 Borrower is an individual or Borrower is duly organized and existing under the laws of the state of its organization and is duly qualified to conduct business in each jurisdiction in which its business is conducted;
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- Rev. 03/18/2021 1 Business Loan Agreement
- 3.2 The execution, delivery and performance of the Loan Documents to which Borrower is a party are within Borrower’s power, have been duly authorized, are legal, valid and binding obligations of Borrower, and are not in conflict with the terms of any charter, bylaw or other organization papers of Borrower or with any law, indenture, agreement or undertaking to which Borrower is a party or by which Borrower is bound or affected;
 - 3.3 All financial statements and other financial information submitted by Borrower to Bank are true and correct in all material respects, and there has been no material adverse change in Borrower’s financial condition since the date of the latest of such financial statements;
 - 3.4 Borrower is properly licensed and in good standing in each state in which Borrower is doing business, and Borrower has complied with all laws and regulations affecting Borrower, including without limitation each applicable fictitious business name statute;
 - 3.5 No event has occurred which is, or with the giving of notice or the lapse of time, or both, would become, an Event of Default (as such term is defined in Article 5 hereinbelow);
 - 3.6 Borrower is not engaged in the business of extending credit for the purpose of, and no part of the Loan will be used, directly or indirectly, for, purchasing or carrying margin stock within the meaning of Federal Reserve Board Regulation U;
 - 3.7 Borrower is not aware of any fact, occurrence or circumstance that Borrower has not disclosed to Bank in writing which has, or could reasonably be expected to have, a material adverse effect on Borrower’s ability to repay the Loan or perform its obligations under the Loan Documents; and
 - 3.8 Proceeds of the Loan shall be used exclusively for commercial and business purposes, and that no Loan proceeds shall be used for personal, family, or household purposes .
 - 3.9 Borrower is in compliance with all applicable laws, rules, ordinances or regulations which materially affect the operations or financial condition of Borrower. Notwithstanding the foregoing sentence, laws, rules, ordinances or regulations pertaining to (A) economic and trade sanctions administered and enforced by the U.S. Department of the Treasury’s Office of Foreign Assets Control, (B) anti-money laundering laws, including the Bank Secrecy Act, as amended and supplemented by Title III of the USA Patriot Act, and (C) anti -corruption and anti-bribery laws including the U.S. Foreign Corrupt Practices Act shall be deemed to materially affect the operations or financial condition of Borrower.
 - 3.10 Borrower is not a person (or owned or controlled by a person) listed on the Specially Designated Nationals and Blocked Persons or the Consolidated Sanctions lists maintained by the U.S. Department of the Treasury’s Office of Foreign Assets Control, and Borrower has no dealings with, either directly or indirectly, comprehensively-sanctioned jurisdictions.
4. **COVENANTS.** Borrower agrees, so long as the Loan or any commitment to make any advance or extension of credit under the Loan is outstanding and until full and final payment of all sums outstanding under any Loan Document, that Borrower will:

4.1 Maintain or achieve the following:

- (a) A ratio of Total Debt to EBITDA of not greater than 3.00:1.00 to be measured as of the end of each fiscal quarter. As used herein, the term "EBITDA" shall mean Borrower's earnings before interest, taxes, depreciation and amortization for the twelve (12) month period immediately preceding the date of calculation;
- (b) Net profit after taxes of not less than One Million Dollars (\$1,000,000), to be measured as of the end of each fiscal year of Borrower for the twelve (12) month period immediately preceding the date of measurement;
- (c) No net loss after taxes for more than two (2) consecutive fiscal quarters as reported at the close of each fiscal quarter.

All accounting terms used in this Agreement shall have the definitions given them by generally accepted accounting principles, unless otherwise defined herein.

4.2 Give written notice to Bank within 15 days after the occurrence of any of the following:

- (a) Any litigation or arbitration proceeding affecting Borrower where the amount in controversy is Two Hundred Fifty Thousand \$250,000 or more;
- (b) Any material dispute which may exist between Borrower and any government regulatory body or law enforcement body;
- (c) Any Event of Default or any event which, upon the giving of notice or the lapse of time, or both, would become an Event of Default;
- (d) Any other matter which has resulted or is likely to result in a material adverse change in Borrower's financial condition or operations;
- (e) Any change in Borrower's name, state of organization, or state where Borrower has its chief executive office or principal place of business; and
- (f) The establishment of any new place of business or the discontinuance of any existing place of business.

4.3 Furnish to Bank an income statement, balance sheet, and statement of retained earnings, with supportive schedules (collectively, "Financial Statement"), and any other financial information requested by Bank, prepared in accordance with generally accepted accounting principles and in a form satisfactory to Bank as follows:

- (a) Within forty five (45) days after the close of each fiscal quarter, Borrower's consolidated Financial Statement as of the close of such fiscal quarter;
- (b) Within one hundred twenty (120) days after the close of each fiscal year, a copy of Borrower's annual consolidated Financial Statement, prepared on an Audited basis by independent certified public accountants selected by Borrower and reasonably satisfactory to Bank;
- (c) A certification of compliance with all covenants under this Agreement, executed by Borrower's duly authorized officer, in form acceptable to Bank, is to accompany each audited fiscal year end statement and quarterly statements.
- (d) Within forty five (45) days after the close of each quarter, copies of the agings of Borrower's accounts receivable and accounts payable, each in form and substance acceptable to Bank.
- (e) Promptly upon request and prior to any permitted acquisitions, a pro forma balance sheet and income statement.
- (f) Promptly upon request, such other financial information as may be requested by Bank.

4.4 Pay or reimburse Bank for all costs, expenses and fees incurred by Bank in preparing and documenting this Agreement and the other Loan Documents, and all amendments and modifications thereto, including but not limited to all filing and recording fees, costs of appraisals, insurance and attorney s' fees, including the reasonable estimate of the allocated costs and expenses of in-house legal counsel and staff.

4.5 Maintain and preserve Borrower's existence, present form of business and all rights, privileges and franchises necessary or desirable in the normal course of its business and keep all of Borrower's properties in good working order and condition.

4.6 Maintain and keep in force insurance with companies acceptable to Bank and in such amounts and types, including without limitation fire and public liability insurance, as is usual in the business carried on by Borrower, or as Bank may reasonably request. Each such insurance policy shall be in form and substance satisfactory to Bank.

4.7 Maintain adequate books, accounts and records and prepare all Financial Statements required hereunder in accordance with generally accepted accounting principles, and in compliance with the regulations of any governmental regulatory body having jurisdiction over Borrower or Borrower's business and permit employees or agents of Bank at any reasonable time to inspect Borrower's assets and properties, and to examine or audit Borrower's books, accounts and records and make copies and memoranda thereof.

4.8 At all times comply with, or cause to be complied with, including through the use of proceeds of the Loan, (i) all laws, statutes, rules, regulations, orders and directions of any governmental authority having jurisdiction over Borrower or Borrower's business including without limitation, laws, statutes, rules, regulations, orders and directions of any governmental authority pertaining to (A) economic and trade sanctions administered and enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control, (B) anti-money laundering laws, including the Bank Secrecy Act, as amended and supplemented by Title III of the USA Patriot Act, and (C) anti-corruption and anti-bribery laws including the U.S. Foreign Corrupt Practices Act, and (ii) all material agreements to which Borrower is a party.

4.9 Except as provided in this Agreement, or in the ordinary course of its business as currently conducted, not make any loans or advances, become a guarantor or surety, pledge its credit or properties in any manner, or extend credit.

4.10 Not purchase the debt or equity of another person or entity except for savings accounts and certificates of deposit of Bank, direct U.S. Government obligations and commercial paper issued by corporations with top ratings of Moody's Investor's Service, Inc. or Standard & Poor's Ratings Division, a division of McGraw-Hill, Inc., provided that all such permitted investments shall mature within one (1) year of purchase.

- 4.11 Not create, assume or suffer to exist any mortgage, encumbrance, security interest, pledge or lien ("Lien") on Borrower's real or personal property, whether now owned or hereafter acquired, or upon the income or profits thereof except the following: (a) Liens, if any, in favor of Bank; (b) Liens for taxes or other items not delinquent or contested in good faith; or (c) other Liens securing indebtedness which does not exceed Two Hundred Fifty Thousand (\$250,000) in the aggregate at any one time outstanding.
- 4.12 Not sell or discount any account receivable or evidence of indebtedness, except to Bank, or not borrow any money or become contingently liable for money borrowed, except pursuant to agreements made with Bank.
- 4.13 Neither liquidate, dissolve, enter into any consolidation, merger, division, partnership, or other combination; nor convey, sell or lease all or the greater part of its assets or business; nor purchase or lease all or the greater part of the assets or business of another person or entity.
- 4.14 Not engage in any business activities or operations substantially different from or unrelated to its present business activities and operations.
- 4.15 Not, in any single fiscal year of Borrower, expend or incur obligations of more than Two Hundred Fifty Thousand (\$250,000) for the acquisition of fixed or capital assets.
- 4.16 Not, in any single fiscal year of Borrower, enter into any lease of real or personal property which would cause Borrower's aggregate annual obligations under all such real and personal property leases to exceed N/A.
- 4.17 Promptly, upon demand by Bank, take such further action and execute all such additional documents and instruments in connection with this Agreement and the other Loan Documents as Bank in its reasonable discretion may deem necessary, and promptly supply Bank with such other information concerning the affairs of Borrower as Bank may request from time to time.
5. **EVENTS OF DEFAULT.** The occurrence of any of the following events (collectively, "Events of Default" and individually, an "Event of Default") shall terminate any obligation on the part of Bank to make or continue the Loan and shall automatically, unless otherwise provided under the Loan Documents, make all sums of interest and principal and any other amounts owing under the Loan immediately due and payable, without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor, or any other notice or demand:
- 5.1 Borrower shall default in the due and punctual payment of the principal of or the interest on the Note or any of the Loan Documents; or
- 5.2 Any default shall occur under the Note or any of the other Loan Documents; or
- 5.3 Borrower shall default in the due performance or observance of any covenant or condition contained in this Agreement or any of the other Loan Documents; or

- 5.4 Any guaranty or subordination agreement required hereunder shall be breached or become ineffective, or any Guarantor or subordinating creditor shall die or disavow or attempt to revoke or terminate such guaranty or subordination agreement; or
- 5.5 There shall be a change in ownership or control of 10% or more of the issued and outstanding stock or equity interests of Borrower or any Guarantor (or, if Borrower is a partnership, there is a change in ownership or control of any general partner's interest).
- 5.6 Any representation or warranty made or deemed made by Borrower or any Guarantor in connection with this Agreement or any Loan Document shall prove to have been incorrect in any respect when made or deemed made.
6. **MISCELLANEOUS.**
- 6.1 The rights, powers and remedies given to Bank hereunder shall be cumulative and not alternative and shall be in addition to all rights, powers, and remedies given to Bank by law against Borrower or any other person or entity, including but not limited to Bank's rights of setoff or banker's lien.
- 6.2 Any forbearance or failure or delay by Bank in exercising any right, power or remedy hereunder shall not be deemed a waiver thereof and any single or partial exercise of any right, power or remedy shall not preclude the further exercise thereof. No waiver shall be effective unless it is in writing and signed by an officer of Bank.
- 6.3 The benefits of this Agreement shall inure to the successors and assigns of Bank and the permitted successors and assigns of Borrower, and any assignment by Borrower without Bank's consent shall be null and void.
- 6.4 This Agreement and all other agreements and instruments required by Bank in connection herewith shall be governed by and construed according to the laws of the State of California, provided however, that with respect to any married individual signing this Agreement or any other Loan Document who is not a resident of the State of Arizona, this Section shall not be a contractual choice of the community property laws of the State of Arizona.
- 6.5 If any provision of this Agreement shall be determined to be illegal or unenforceable, all other provisions hereof nevertheless shall be effective. In the event of any conflict between any provision of this Agreement and any provision of any other Loan Document, the provision of such Loan Document shall prevail.
- 6.6 Except for the other Loan Documents, this Agreement constitutes the entire agreement between Bank and Borrower regarding the Loan, and all prior communications, whether oral or written, between Borrower and Bank shall be of no further effect or evidentiary value.
- 6.7 Bank is subject to federal laws to help the government fight money laundering and terrorist financing that require Bank to obtain, verify and record information that identifies Borrower and, when applicable, Borrower's Beneficial Owners. Beneficial Owners for these purposes means any individual holding 25% or more equity ownership of the Borrower, as well as one individual with significant responsibility to control, manage or direct the Borrower (e.g., CEO, CFO, COO, President or similar). This information includes the name, address, date of birth, and other information that will allow Bank to identify Borrower and its Beneficial Owners. By signing this Agreement, Borrower agrees to provide and consents to Bank obtaining, if necessary, from third parties, any and all information reasonably necessary to identify Borrower and its Beneficial Owners .
- 6.8 The Section and subsection headings herein are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.
- 6.9 This Agreement may be amended only in writing signed by all parties hereto.

6.10 This document may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document. Delivery of a signature page to, or an executed counterpart of, this document by facsimile, email transmission of a scanned image, or other electronic means, shall be effective as delivery of an originally executed counterpart. The words "execution," "signed," "signature," and words of like import in this document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity, or enforceability as a manually executed signature or the use of a paper-based record keeping system, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, Electronic Signatures in Global and National Commerce Act, any other similar state laws based on the Uniform Electronic Transactions Act or the Uniform Commercial Code, and the parties hereto hereby waive any objection to the contrary.

6.11 Any notice or other communication provided for or allowed hereunder shall be effective only when given by one of the following methods and addressed to the respective party at its address given with the signatures at the end of this Agreement and shall be considered to have been validly given: (a) upon delivery, if delivered personally; (b) on the third business day after mailing, if mailed by first class postage prepaid, with the United States Postal Service; (c) on the next business day if sent by overnight courier service of recognized standing; (d) upon electronic confirmation of receipt, if sent by facsimile, or (e) upon delivery, if sent by electronic mail; provided that notices and other communications to Bank shall not be effective until actually received by Bank.

7. **ADDITIONAL PROVISIONS.** The following additional provision(s), if any, are hereby made part of this Agreement:

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of July 30, 2021.

"Borrower"

DECISIONPOINT SYSTEMS, INC.

By: /s/ Melinda Wohl
Melinda Wohl, Vice President Finance

Address Where Notices To Borrower Are To Be Sent:
8697 Research Drive
Irvine, CA 94618-4204
Attention: Melinda Wohl
Telephone No.: 949.465.0065 ext. 7021
E-Mail Address: mwohl@decisionpt.com

"Bank"

MUFG UNION BANK, N.A.

By: /s/ Patrick Yorkey
Patrick Yorkey, Vice President

Address Where Notices To Bank Are To Be Sent
18300 Von Karman Avenue, Suite 310
Irvine, CA 92612
Attention: Patrick Yorkey
Telephone No: 949-553-6828
E-Mail Address: Patrick.yorkey@unionbank.com



SECURITY AGREEMENT

This Security Agreement (“Agreement”) is executed at Irvine, California on July 30, 2021, by DecisionPoint Systems, Inc., a Delaware corporation (herein called “Debtor”).

As security for the payment and performance of all of Debtor’s obligations to MUFG UNION BANK, N.A., (herein called “Bank”), regardless of the manner in which or the time at which such obligations arose or shall arise, whether direct or indirect, alone or with others, or absolute or contingent, Debtor hereby grants a continuing security interest in, and assigns and transfers to Bank, the following personal property, whether or not delivered to or in the possession or control of Bank or its agents, and whether now or hereafter owned or in existence, and all proceeds thereof (hereinafter called the “Collateral”):

All present and hereafter acquired personal property including but not limited to all accounts, chattel paper, Swap Contract (as defined in the security agreement), instruments, contract rights, general intangibles, goods, equipment, inventory, documents, certificates of title, deposit accounts, returned or repossessed goods, fixtures, commercial tort claims, insurance claims, rights and policies, letter of credit rights, investment property, supporting obligations, and the proceeds, products, parts, accessories, attachments, accessions, replacements, substitutions, additions, and improvements of or to each of the foregoing.

In addition to the foregoing, “Collateral” shall include all accounts, general intangibles and all rights to payment of any kind relating to or otherwise arising in connection with or derived from any Swap Contract. As used herein, “Swap Contract” shall mean any swap, option, forward, spot or similar contract or agreement (or any combination thereof) relating to interest rates, foreign currencies or exchange rates, commodities, equities or securities, debt obligations or credit attributes, or other financial or economic measures or quantities, heretofore or hereafter entered into between Debtor and Bank or an affiliate of Bank that (x) is subject to the same master agreement or netting agreement as any Interest Rate Hedge, or (y) is subject to an instrument or agreement which recites that the obligations thereunder are secured hereby; together with and including any and all modifications, replacements, extensions and renewals thereof. As used herein, “Interest Rate Hedge” shall mean any interest rate swap, forward swap or swaption, or interest rate cap or collar transaction, or similar transaction, heretofore or hereafter entered into between Debtor and Bank or any affiliate of Bank with respect to all or any part of the indebtedness now or hereafter secured hereby in connection with or for the purpose of hedging or mitigating, fully or partially, interest rate risk under any debt instrument secured hereby.

Entities executing this Security Agreement as Debtor agree not to change their state of organization, principal place of business (if a general partnership or other nonregistered entity) or name, as identified below, without Bank’s prior written consent:

LEGAL NAME OF DEBTOR

DecisionPoint Systems, Inc.

STATE OF ORGANIZATION / PRINCIPAL PLACE OF BUSINESS

State of Delaware

AGREEMENT

1. The term “credit” or “indebtedness” is used throughout this Agreement in its broadest and most comprehensive sense. Credit may be granted at the request of any one Debtor without further authorization by or notice to any other Debtor. Collateral shall be security for all nonconsumer indebtedness of Debtor to Bank in accordance with the terms and conditions herein.

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68946-6-UB67782

2. Debtor will: (a) pay when due all indebtedness to Bank; (b) execute such other documents and do such other acts and things as Bank may from time to time require to establish and maintain a valid perfected security interest in Collateral, including payment of all costs and fees in connection with any of the foregoing when deemed necessary by Bank; (c) furnish Bank such information concerning Debtor and Collateral as Bank may from time to time request, including but not limited to current financial statements; (d) keep Collateral separate and identifiable where such Collateral is currently located and permit Bank and its representatives to inspect Collateral and/or records pertaining thereto from time to time during normal business hours; (e) not sell, assign or create or permit to exist any lien on or security interest in Collateral in favor of anyone other than Bank unless Bank consents thereto in writing and at Debtor’s expense upon Bank’s request remove any unauthorized lien or security interest and defend any claim affecting the Collateral; (f) pay all charges against Collateral prior to delinquency including but not limited to taxes, assessments, encumbrances, insurance and diverse claims, and upon Debtor’s failure to do so Bank may pay any such charge as it deems necessary and add the amount paid to the indebtedness of Debtor hereunder; (g) protect, defend and maintain the Collateral and the perfected security interest of Bank and initiate, commence and maintain any action or proceeding to protect the Collateral; (h) reimburse Bank for any expenses, including but not limited to reasonable attorneys’ fees and expenses (including the allocated costs of Bank’s in-house counsel and legal staff) incurred by Bank in seeking to protect, collect or enforce any rights in Collateral; (i) when required, provide insurance in form and amounts and with companies acceptable to Bank and when required, assign the policies or the rights thereunder to Bank; (j) maintain Collateral in good condition and not use Collateral for any unlawful purpose; (k) perform all of the obligations of the Debtor under the Collateral and save Bank harmless from the consequence of any failure to do so; and (l) at its own expense, upon request of Bank, notify any parties obligated to Debtor on any Collateral to make payment to Bank and Debtor hereby irrevocably grants Bank power of attorney to make said notifications and collections. Debtor hereby appoints Bank the true and lawful attorney of Debtor and authorizes Bank to perform any and all acts which Bank in good faith deems necessary for the protection and preservation of Collateral or its value or Bank’s perfected security interest therein, including transferring any Collateral into its own name and receiving the income thereon as additional security hereunder. Bank does not assume any of the obligations arising under the Collateral.
3. Debtor warrants that: (a) it is and will be the lawful owner of all Collateral free of all claims, liens, encumbrances and setoffs whatsoever, other than the security interest granted pursuant hereto; (b) it has the capacity to grant a security interest in Collateral to Bank; (c) all information furnished by Debtor to Bank heretofore or hereafter, whether oral or written, is and will be correct and true as of the date given; and (d) if Debtor is an entity, the execution, delivery and performance hereof are within its powers and have been duly authorized.
4. The term default shall mean the occurrence of any of the following events: (a) failure of Debtor to make any payment of any indebtedness to Bank when due; (b) deterioration or impairment of the value of any of the Collateral; (c) any breach, misrepresentation or other default by Debtor under this Agreement or any other agreements between Bank and Debtor; (d) a change in ownership or control of ten percent or more of the equity interest of Debtor; or (e) the deterioration of financial condition of Debtor which results in Bank deeming itself, in good faith, insecure.

5. Whenever a default exists, Bank, at its option, may: (a) without notice accelerate the maturity of any part or all of the indebtedness and terminate any agreement for the granting of further credit to Debtor; (b) sell, lease or otherwise dispose of Collateral at public or private sale; (c) transfer any Collateral into its own name or that of its nominee; (d) retain Collateral in satisfaction of obligations secured hereby, with notice of such retention sent to Debtor as required by law; (e) notify any parties obligated on any Collateral consisting of accounts, instruments, chattel paper, choses in action or the like to make payment to Bank and enforce collection of any Collateral; (f) file any action or proceeding which Bank may deem necessary or appropriate to protect and preserve the right, title and interest of the Bank in the Collateral; (g) require Debtor to assemble and deliver any Collateral to Bank at a reasonably convenient place designated by Bank; (h) apply all sums received or collected from or on account of Collateral, including the proceeds of any sale thereof, to the payment of the costs and expenses incurred in preserving and enforcing rights of Bank, including reasonable attorneys' fees (including the allocated costs of Bank's in-house counsel and legal staff), and indebtedness secured hereby in such order and manner as Bank in its sole discretion determines; Bank shall account to Debtor for any surplus remaining thereafter, and shall pay such surplus to the party entitled thereto, including any second secured party who has made a proper demand upon Bank and has furnished proof to Bank as requested in the manner provided by law; in like manner, Debtor agrees to pay to Bank without demand any deficiency after any Collateral has been disposed of and proceeds applied as aforesaid; and (i) exercise its banker's lien or right of setoff in the same manner as though the credit were unsecured. Bank shall have all the rights and remedies of a secured party under the Uniform Commercial Code of California and in any jurisdiction where enforcement is sought, whether in said state or elsewhere. All rights, powers and remedies of Bank hereunder shall be cumulative and not alternative. No delay on the part of Bank in the exercise of any right or remedy shall constitute a waiver thereof and no exercise by Bank of any right or remedy shall preclude the exercise of any other right or remedy or further exercise of the same remedy.

6. Debtor waives: (a) all right to require Bank to proceed against any other person including any other Debtor hereunder or to apply any Collateral Bank may hold at any time or to pursue any other remedy; Collateral, endorsers or guarantors may be released, substituted or added without affecting the liability of Debtor hereunder; (b) the defense of the Statute of Limitations in any action upon any obligations of Debtor secured hereby; (c) any right of subrogation and any right to participate in Collateral until all obligations secured hereby have been paid in full; (d) to the fullest extent permitted by law, any right to oppose the appointment of a receiver or similar official to operate Debtor's business.
7. The right of Bank to have recourse against Collateral shall not be affected in any way by the fact that the credit is secured by a mortgage, deed of trust or other lien upon real property.
8. The security interest granted herein is irrevocable and shall remain in full force and effect until there is payment in full of the indebtedness or the security interest is released in writing by Bank.
9. Debtor shall be obligated to request the release, reassignment or return of Collateral after the payment in full of all existing obligations. Bank shall be under no duty or obligation to release, reassign or return any Collateral except upon the express written request of Debtor and then only where all of Debtor's obligations hereunder have been paid in full.
10. If more than one Debtor executes this Agreement, the obligations hereunder are joint and several. All words used herein in the singular shall be deemed to have been used in the plural when the context and construction so require. Any married person who signs this Agreement expressly agrees that recourse may be had against his/her separate property for all of his/her obligations to Bank.
11. This Agreement shall inure to the benefit of and bind Bank, its successors and assigns and each of the undersigned, their respective heirs, executors, administrators and successors in interest. Upon transfer by Bank of any part of the obligations secured hereby, Bank shall be fully discharged from any liability with respect to Collateral transferred therewith.
12. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but, if any provision of this Agreement shall be prohibited or invalid under applicable law, such provisions shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such or the remaining provisions of this Agreement.
13. This document may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document. Delivery of a signature page to, or an executed counterpart of, this document by facsimile, email transmission of a scanned image, or other electronic means, shall be effective as delivery of an originally executed counterpart. The words "execution," "signed," "signature," and words of like import in this document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity, or enforceability as a manually executed signature or the use of a paper-based record keeping system, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, Electronic Signatures in Global and National Commerce Act, any other similar state laws based on the Uniform Electronic Transactions Act or the Uniform Commercial Code, and the parties hereto hereby waive any objection to the contrary.

The grant of a security interest in proceeds does not imply the right of Debtor to sell or dispose of any Collateral without the express consent in writing by Bank.

"Debtor"

DecisionPoint Systems, Inc., a Delaware corporation

By: /s/ Melinda Wohl
Melinda Wohl, Vice President Finance



COMMERCIAL PROMISSORY NOTE
(Base Rate)

Debtor Name

DecisionPoint Systems, Inc., a Delaware corporation

Debtor Address
8697 Research Dr.
Irvine, CA 92618-4204

Office
45064

Loan Number
191-208-353-9

Maturity Date
July 31, 2024

Amount
\$9,000,000.00

\$9,000,000.00

Date July 30, 2021

FOR VALUE RECEIVED, on July 31, 2024, the undersigned (“Debtor”) promises to pay to the order of MUFG UNION BANK, N.A. (“Bank”), as indicated below, the principal sum of Nine Million and 00/100ths Dollars (\$9,000,000.00), or so much thereof as is disbursed, together with interest on the balance of such principal from time to time outstanding, at the per annum rate or rates and at the times set forth below.

1. INTEREST PAYMENTS. Debtor shall pay interest on the last day of each month commencing August 31, 2021. Should interest not be paid when due, it shall become part of the principal and bear interest as herein provided. All computations of interest under this note shall be made on the basis of a year of 360 days, for actual days elapsed; provided that if an Interest Rate Hedge is outstanding, then interest on this note shall be computed on the basis of a year of 360 days, actual days elapsed. Whenever any payment required hereunder falls due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, unless, in the case of amounts accruing interest based on the LIBOR Rate, that day falls in a new calendar month, in which event such payment day shall be the next preceding Business Day. Subject to the provisions set forth in Exhibit A, if any interest rate defined in this note ceases to be available from Bank for any reason, then said interest rate shall be replaced by the rate then offered by Bank, which, in the sole discretion of Bank, most closely approximates the unavailable rate (the “Replacement Rate”).

(a) BASE INTEREST RATE. At Debtor’s option, amounts outstanding hereunder in minimum amounts of \$150,000 shall bear interest at a rate, based on an index selected by Debtor, which is two and one-half percent (2.5%) per annum in excess of the LIBOR Rate for the Interest Period selected by Debtor, acceptable to Bank. Notwithstanding the foregoing, if an Interest Rate Hedge is outstanding, then Debtor shall be deemed to have selected the LIBOR Rate for each relevant Interest Period.

No Base Interest Rate may be changed, altered or otherwise modified until the expiration of the Interest Period selected by Debtor. The exercise of interest rate options by Debtor shall be as recorded in Bank’s records, which records shall be prima facie evidence of the amount borrowed under either interest option and the interest rate; provided, however, that failure of Bank to make any such notation in its records shall not discharge Debtor from its obligations to repay in full with interest all amounts borrowed. In no event shall any Interest Period extend beyond the maturity date of this note.

To exercise this option, Debtor may, from time to time with respect to principal outstanding on which a Base Interest Rate is not accruing, and on the expiration of any Interest Period with respect to principal outstanding on which a Base Interest Rate has been accruing, select an index offered by Bank for a Base Interest Rate Loan and an Interest Period by telephoning an authorized lending officer of Bank located at the banking office identified below prior to 10:00 a.m., Pacific time, on any Business Day and advising that officer of the selected index, the Interest Period and the Origination Date selected (which Origination Date, for a Base Interest Rate Loan based on the LIBOR Rate, shall follow the date of such selection by no more than two (2) Business Days).

Bank will mail a written confirmation of the terms of the selection to Debtor promptly after the selection is made. Failure to send such confirmation shall not affect Bank’s rights to collect interest at the rate selected. If, on the date of the selection, the index selected is unavailable for any reason, the selection shall be void. Bank reserves the right to fund the principal from any source of funds notwithstanding any Base Interest Rate selected by Debtor.

(b) VARIABLE INTEREST RATE. All principal outstanding hereunder which is not bearing interest at a Base Interest Rate shall bear interest at the Reference Rate, which rate shall vary as and when the Reference Rate changes.

(c) Subject to the provisions set forth in Exhibit A, notwithstanding anything contained in this note, if Bank determines that with respect to the LIBOR Rate (the “Applicable LIBOR Rate”), relevant deposits are not being offered to banks in the London interbank Eurodollar market for the relevant amounts and relevant maturities for a loan; adequate and reasonable means do not exist for ascertaining the Applicable LIBOR Rate, or the Applicable LIBOR Rate does not adequately and fairly reflect the cost to Bank of funding a loan, then Bank shall give Debtor notice thereof, and Bank shall be under no obligation to maintain the relevant loan as an Applicable LIBOR Rate based loan, and the relevant loan shall be continued bearing interest at the Replacement Rate (plus any applicable margin or spread as set forth in this note) and payable at the end of each calendar month or as otherwise may be agreed by Bank and Debtor.

The provisions set forth in Exhibit A attached hereto are made a part hereof and shall apply to this note.

At any time prior to the maturity date of this note, subject to the provisions of paragraph 4 below, Debtor may borrow, repay and reborrow hereunder so long as the total outstanding at any one time does not exceed the principal amount of this note.

Debtor shall pay all amounts due under this note in lawful money of the United States at Bank’s P.O. Box 30115, Los Angeles, CA 90030-0115 Office, or such other office as may be designated by Bank, from time to time.

2. LATE PAYMENTS. If any payment required by the terms of this note shall remain unpaid ten days after same is due, at the option of Bank, Debtor shall pay a fee of \$100 to Bank.

3. INTEREST RATE FOLLOWING DEFAULT. In the event of default, at the option of Bank, and, to the extent permitted by law, interest shall be payable on the outstanding principal under this note at a per annum rate equal to five percent (5%) in excess of the interest rate specified in paragraph 1.b, above, calculated from the date of default until all amounts payable under this note are paid in full.

4. PREPAYMENT.

(a) Amounts outstanding under this note bearing interest at a rate based on the Reference Rate may be prepaid in whole or in part at any time, without penalty or premium. Debtor may prepay amounts outstanding under this note bearing interest at a Base Interest Rate in whole or in part provided Debtor has given Bank not less than five (5) Business Days prior written notice of Debtor's intention to make such prepayment and pays to Bank the prepayment fee due as a result. The prepayment fee shall also be paid, if Bank, for any other reason, including acceleration or foreclosure, receives all or any portion of principal bearing interest at a Base Interest Rate prior to its scheduled payment date. The prepayment fee shall be an amount equal to the present value of the product of: (i) the difference (but not less than zero) between (a) the Base Interest Rate applicable to the principal amount which is being prepaid, and (b) the return which Bank could obtain if it used the amount of such prepayment of principal to purchase at bid price regularly quoted securities issued by the United States having a maturity date most closely coinciding with the relevant Base Rate Maturity Date and such securities were held by Bank until the relevant Base Rate Maturity Date ("Yield Rate"); (ii) a fraction, the numerator of which is the number of days in the period between the date of prepayment and the relevant Base Rate Maturity Date and the denominator of which is 360; and (iii) the amount of the principal so prepaid (except in the event that principal payments are required and have been made as scheduled under the terms of the Base Interest Rate Loan being prepaid, then an amount equal to the lesser of (A) the amount prepaid or (B) 50% of the sum of (1) the amount prepaid and (2) the amount of principal scheduled under the terms of the Base Interest Rate Loan being prepaid to be outstanding at the relevant Base Rate Maturity Date). Present value under this note is determined by discounting the above product to present value using the Yield Rate as the annual discount factor.

(b) In no event shall Bank be obligated to make any payment or refund to Debtor, nor shall Debtor be entitled to any setoff or other claim against Bank, should the return which Bank could obtain under this prepayment formula exceed the interest that Bank would have received if no prepayment had occurred. All prepayments shall include payment of accrued interest on the principal amount so prepaid and shall be applied to payment of interest before application to principal. A determination by Bank as to the prepayment fee amount, if any, shall be conclusive.

(c) Bank shall provide Debtor a statement of the amount payable on account of prepayment. Debtor acknowledges that (i) Bank establishes a Base Interest Rate upon the understanding that it apply to the Base Interest Rate Loan for the entire Interest Period, and (ii) Bank would not lend to Debtor without Debtor's express agreement to pay Bank the prepayment fee described above.

(d) If Debtor has entered into an Interest Rate Hedge, Debtor acknowledges and agrees that (i) Bank (or its affiliate) has the right, but not the obligation, under the Swap Documents (defined below) governing such Interest Rate Hedge, to compel an early termination, in full or in part, of such Interest Rate Hedge as a result of any unscheduled prepayment under this note, (ii) any such early termination may result in payment obligations (which may be substantial in amount) being owed by Debtor to Bank (or any affiliate of Bank) as early termination, close-out or settlement amounts, which amounts shall be determined in accordance with the Swap Documents governing such Interest Rate Hedge and shall be in addition to any prepayment fee and other charges specified herein, and (iii) if such full or partial early termination of the Interest Rate Hedge results in an amount owing by Bank or its affiliate to Debtor, then Bank may in its discretion apply such amount to prepayment of principal hereunder, together with accrued interest on such principal and any resulting prepayment fee. Debtor further acknowledges and agrees that neither Bank nor any of its affiliates is under any obligation to enter into Interest Rate Hedges with Debtor and that such Interest Rate Hedges will be governed by documentation separate from this note.

DEBTOR INITIAL HERE: _____

5. DEFAULT AND ACCELERATION OF TIME FOR PAYMENT. Default shall include, but not be limited to, any of the following: (a) the failure of Debtor to make any payment required under this note when due; (b) any breach, misrepresentation or other default by Debtor, any guarantor, co-maker, endorser, or any person or entity other than Debtor providing security for this note (hereinafter individually and collectively referred to as the "Obligor") under any security agreement, guaranty or other agreement between Bank and any Obligor, together with and including any document or agreement evidencing or governing any Interest Rate Hedge, or any other swap, option, forward or similar transaction entered into between Debtor and Bank or any affiliate of Bank ("Swap Document"); (c) the insolvency of any Obligor or the failure of any Obligor generally to pay such Obligor's debts as such debts become due; (d) the commencement as to any Obligor of any voluntary or involuntary proceeding under any laws relating to bankruptcy, insolvency, reorganization, arrangement, debt adjustment or debtor relief; (e) the assignment by any Obligor for the benefit of such Obligor's creditors; (f) the appointment, or commencement of any proceeding for the appointment of a receiver, trustee, custodian or similar official for all or substantially all of any Obligor's property; (g) the commencement of any proceeding for the dissolution or liquidation of any Obligor; (h) the termination of existence or death of any Obligor; (i) the revocation of any guaranty or subordination agreement given in connection with this note; (j) the failure of any Obligor to comply with any order, judgement, injunction, decree, writ or demand of any court or other public authority; (k) the filing or recording against any Obligor, or the property of any Obligor, of any notice of levy, notice to withhold, or other legal process for taxes other than property taxes; (l) the default by any Obligor personally liable for amounts owed hereunder on any obligation concerning the borrowing of money; (m) the issuance against any Obligor, or the property of any Obligor, of any writ of attachment, execution, or other judicial lien; or (n) the deterioration of the financial condition of any Obligor which results in Bank deeming itself, in good faith, insecure. Upon the occurrence of any such default, Bank, in its discretion, may cease to advance funds hereunder and may declare all obligations under this note immediately due and payable; however, upon the occurrence of an event of default under d, e, f, or g, all principal and interest hereunder shall automatically become immediately due and payable.

6. ADDITIONAL AGREEMENTS OF DEBTOR. If any amounts owing under this note are not paid when due, Debtor promises to pay all costs and expenses, including reasonable attorneys' fees, (including the allocated costs of Bank's in-house counsel and legal staff) incurred by Bank in the negotiation, documentation and modification of this note and all related documents and in the collection or enforcement of any amount outstanding hereunder. Debtor and any Obligor, for the maximum period of time and the full extent permitted by law, (a) waive diligence, presentment, demand, notice of nonpayment, protest, notice of protest, and notice of every kind; (b) waive the right to assert the defense of any statute of limitations to any debt or obligation hereunder; and (c) consent to renewals and extensions of time for the payment of any amounts due under this note. If this note is signed by more than one party, the term "Debtor" includes each of the undersigned and any successors in interest thereof; all of whose liability shall be joint and several. Any married person who signs this note agrees that recourse may be had against the separate property of that person for any obligations hereunder. The receipt of any check or other item of payment by Bank, at its option, shall not be considered a payment on account until such check or other item of payment is honored when presented for payment at the drawee bank. Bank may delay the credit of such payment based upon Bank's schedule of funds availability, and interest under this note shall accrue until the funds are deemed collected. In any action brought under or arising out of this note, Debtor and any Obligor, including their successors and assigns, hereby consent to the jurisdiction of any competent court within the State of California, as provided in any alternative dispute resolution agreement executed between Debtor and Bank, and consent to service of process by any means authorized by said state's law. The term "Bank" includes, without limitation, any holder of this note. This note shall be construed in accordance with and governed by the laws of the State of California. This note hereby incorporates any alternative dispute resolution agreement previously, concurrently or hereafter executed between Debtor and Bank, other than any such provision contained in a Swap Document.

7. DEFINITIONS. As used herein, the following terms shall have the meanings respectively set forth below: "**Base Interest Rate**" means a rate of interest based on the LIBOR Rate. "**Base Interest Rate Loan**" means amounts outstanding under this note that bear interest at a Base Interest Rate. "**Base Rate Maturity Date**" means the last day of the Interest Period with respect to principal outstanding under a Base Interest Rate Loan. "**Business Day**" means a day on which Bank is open for business for the funding of

corporate loans, and, with respect to the rate of interest based on the LIBOR Rate, on which dealings in U.S. dollar deposits are carried out in the London interbank market. **“Interest Period”** means with respect to funds bearing interest at a rate based on the LIBOR Rate, any calendar period of 1, 3, 6 or 12 months. In determining an Interest Period, a month means a period that starts on one Business Day in a month and ends on and includes the day preceding the numerically corresponding day in the next month. For any month in which there is no such numerically corresponding day, then as to that month, such day shall be deemed to be the last calendar day of such month. Any Interest Period which would otherwise end on a non-Business Day shall end on the first succeeding Business Day unless that day falls in a new calendar month, in which event such Interest Period shall end on the next preceding Business Day. **“Interest Rate Hedge”** means any interest rate swap, forward swap or swaption, or interest rate cap or collar transaction now or hereafter entered into between Debtor and Bank or any affiliate of Bank for purposes of hedging or mitigating, fully or partially, interest rate risk under this note. **“LIBOR Rate”** means, for any specified Interest Period, a per annum rate of interest determined by Bank as equal to the rate for deposits in US Dollars for a period comparable to the Interest Period which appears on the Reuters Screen LIBOR 01 Page (or any replacement or successor page or service) as of 11:00 a.m., London time, on the day that is two (2) Business Days preceding the first day of such Interest Period. For the avoidance of doubt, if the LIBOR Rate as so determined herein would be less than zero, the LIBOR Rate shall be deemed to be zero for the purposes of this note. **“Origination Date”** means the first day of the Interest Period. **“Reference Rate”** means the rate announced by Bank from time to time at its corporate headquarters as its Reference Rate. The Reference Rate is an index rate determined by Bank from time to time as a means of pricing certain extensions of credit and is neither directly tied to any external rate of interest or index nor necessarily the lowest rate of interest charged by Bank at any given time.

8. COUNTERPARTS/ELECTRONIC SIGNATURES. This document may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document. Delivery of a signature page to, or an executed counterpart of, this document by facsimile, email transmission of a scanned image, or other electronic means, shall be effective as delivery of an originally executed counterpart. The words “execution,” “signed,” “signature,” and words of like import in this document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity, or enforceability as a manually executed signature or the use of a paper-based record keeping system, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, Electronic Signatures in Global and National Commerce Act, any other similar state laws based on the Uniform Electronic Transactions Act or the Uniform Commercial Code, and the parties hereto hereby waive any objection to the contrary.

DEBTOR:

DecisionPoint Systems, Inc., a Delaware corporation

By: /s/ Melinda Wohl
Melinda Wohl, Vice President Finance

Exhibit A

BENCHMARK REPLACEMENT SETTING

The following provisions of this Exhibit A (this “Exhibit”) shall be effective notwithstanding anything to the contrary in the note to which this Exhibit is attached (the “Note”) or in any other document related to the Note (and any Swap Document shall be deemed not to be a document related to the Note for purposes of this Exhibit).

(a) **BENCHMARK REPLACEMENT.** If a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then the applicable Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any document related to the Note in respect of such Benchmark setting and subsequent Benchmark settings. Any replacement of a Benchmark with a Benchmark Replacement pursuant to this Exhibit shall be effective without any amendment to, or further action or consent of any other party to, the Note or any document related to the Note. Bank will have the right to make any changes (“Benchmark Replacement Conforming Changes”) to the Note that Bank decides may be appropriate to reflect the adoption and implementation of any such Benchmark Replacement and to permit the administration thereof by Bank from time to time and any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of Debtor.

(b) **STANDARDS.** Any determination, decision or election that may be made by Bank pursuant to this Exhibit, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in Bank’s sole discretion and without consent from Debtor. Bank does not warrant or accept responsibility for, and shall not have any liability to Debtor under the Note or otherwise for, any loss, damage or claim arising from or relating to (i) any matter related to the Benchmark, any component definition thereof or rates referred to in the definition thereof or any alternative, comparable or successor rate thereto (including any then-current Benchmark or any Benchmark Replacement), including whether any such alternative, comparable or successor rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the then-current Benchmark, (ii) the effect or implementation of any Benchmark Replacement Conforming Changes or (iii) any mismatch between the Benchmark or the Benchmark Replacement and any of Debtor’s other financing instruments (including those that are intended as hedges).

(c) **UNAVAILABILITY OF TENOR OF BENCHMARK.** At any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including USD LIBOR), then Bank may remove any tenor of such Benchmark that is unavailable or non-representative for Benchmark (including Benchmark Replacement) settings and (ii) Bank may reinstate any such previously removed tenor for Benchmark (including Benchmark Replacement) settings.

(d) **LONDON INTERBANK OFFERED RATE BENCHMARK TRANSITION EVENT.** On March 5, 2021, the ICE Benchmark Administration (the “IBA”), the administrator of the London interbank offered rate, and the Financial Conduct Authority (the “FCA”), the regulatory supervisor of the IBA, announced in public statements (the “Announcements”) that the final publication or representativeness date for (i) 1-week and 2-month London interbank offered rate tenor settings will be December 31, 2021 and (ii) overnight, 1-month, 3-month, 6-month and 12-month London interbank offered rate tenor settings will be June 30, 2023. No successor administrator for the IBA was identified in such Announcements. The parties hereto agree and acknowledge that the Announcements resulted in the occurrence of a Benchmark Transition Event with respect to the London interbank offered rate pursuant to the terms of this note and that any obligation of the Bank to notify any parties of such Benchmark Transition Event pursuant to this Exhibit A shall be deemed satisfied.

“**Available Tenor**” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if the then-current Benchmark is a term rate, any tenor for such Benchmark or (y) otherwise, any payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an interest period pursuant to the Note as of such date.

“**Benchmark**” means, initially, USD LIBOR; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to USD LIBOR or the then-current Benchmark, then “Benchmark” means the Benchmark Replacement that has replaced such prior benchmark rate.

“**Benchmark Replacement**” means, for any Available Tenor, the first alternative set forth in the following order that can be determined by Bank for the applicable Benchmark Replacement Date: (1) the sum of (A) Daily Simple SOFR and (B) the related Benchmark Replacement Adjustment or (2) the sum of (A) the alternate benchmark rate that has been selected by Bank as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (B) the related Benchmark Replacement Adjustment. If the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the benchmark rate floor, if any, provided in the Note initially (as of the execution of the Note, the modification, amendment or renewal of the Note or otherwise) with respect to USD LIBOR (the “Floor”), the Benchmark Replacement will be deemed to be such Floor for the purposes of the Note and the documents related to the Note.

“**Benchmark Replacement Adjustment**” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable interest period and Available Tenor for any setting of such Unadjusted Benchmark Replacement, (1) for purposes of clause (1) of the definition of “Benchmark Replacement,” the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such interest period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Available Tenor of such Benchmark with the applicable Unadjusted Benchmark Replacement and (2) for purposes of clause (2) of the definition of “Benchmark Replacement,” the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by Bank; provided that, if the then-current Benchmark is a term rate, more than one tenor of such Benchmark is available as of the applicable Benchmark Replacement Date and the applicable Unadjusted Benchmark Replacement that will replace such Benchmark in accordance with this Exhibit will not be a term rate, the Available Tenor of such Benchmark for purposes of this definition of “Benchmark Replacement Adjustment” shall be deemed to be, with respect to each Unadjusted Benchmark Replacement having a payment period for interest calculated with reference thereto, the Available Tenor that has approximately the same length (disregarding business day adjustments) as such payment period.

“**Benchmark Replacement Date**” means the earliest to occur of the following events with respect to the then-current Benchmark: (1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or (2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein. For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Transition Event**” means, with respect to the then-current Benchmark, a public statement or publication of information: (a) by or on behalf of the administrator of such Benchmark announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark, (b) by the regulatory supervisor for the administrator of such Benchmark, the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark, a resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, which states that the administrator of such Benchmark has ceased or will cease to provide all Available Tenors of such Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark, or (c) by the regulatory supervisor for the administrator of such Benchmark announcing that all Available Tenors of such Benchmark are no longer representative. For the avoidance of doubt, (i) a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark and (ii) each reference in this definition to a Benchmark shall also include any published component used in the calculation thereof.

“**Corresponding Tenor**” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“**Daily Simple SOFR**” means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by Bank in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for bilateral business loans; provided, that if Bank decides that any such convention is not administratively feasible for Bank, then Bank may establish another convention.

“**Reference Time**” with respect to any setting of the then-current Benchmark means (1) if such Benchmark is USD LIBOR, 11:00 a.m. (London time) on the day that is two Business Days preceding the date of such setting, and (2) if such Benchmark is not USD LIBOR, the time determined by Bank.

“**Relevant Governmental Body**” means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

“**SOFR**” means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published on the immediately succeeding Business Day by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on its website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by such administrator from time to time.

“**Unadjusted Benchmark Replacement**” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“**USD LIBOR**” means the London interbank offered rate for U.S. dollars.